

## GENERAL CONTRACTUAL TERMS AND CONDITIONS FOR THE SUPPLY OF MATERIAL AND EQUIPMENT

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### 1. SCOPE OF APPLICATION

1. These general terms and conditions (the “**General Conditions**”) regulate relations between the company Regasificadora del Noroeste, S.A. (“**Reganosa**”) and the Contractor for the supply of material and equipment. They shall be applied to all the contracts established to this end, all other conditions that the Contractor may have or wish to invoke being excluded.
2. These General Conditions shall form part of Reganosa Bid Requests, and shall be available to Bidders on the Reganosa website ([www.reganosa.com](http://www.reganosa.com)). The Bidder should explicitly indicate at the time of submitting its Offer its acceptance of the aforesaid conditions.
3. Any exception to any of these General Conditions on the part of the Contractor shall only be valid if it has been drawn up in writing in advance, and is accepted in this form by Reganosa.
4. The exceptions to these general conditions should be included in the Order or Contract, and in the event of being included shall only be applicable to the aforesaid Order or

Contract in question, the Contractor being unable to extend them to other Orders or Contracts in the future.

## 2. CONTRACTUAL REGIME

1. The contractual relationship between Reganosa and the Contractor for the supply of material and/or equipment shall be governed by the terms and conditions established in the Order or Contract, and in the General Conditions.
2. In the event of any conflict, contradiction, ambiguity or discrepancy between the General Conditions and the Contract or Order that may arise, the following order of priority shall be applied: (i) the Contract or Order; and (ii) the General Conditions.
3. The invalidity of a clause or section of the General Conditions shall not affect the rest of their contents, which shall be applied in their entirety.

## 3. DEFINITIONS

The following terms are used in these General Conditions:

1. **Contractor:** natural or legal person or persons, or groupings of the same, contracted by Reganosa to supply material and/or equipment.
2. **Contract:** set of documents formalised between Reganosa and the Contractor containing all the agreements for the supply of the material and/or equipment, in those cases where such agreements are not formalised through an Order. It shall comprise all the documentation that is explicitly listed as an integral part of the same, as well as these General Conditions and the amendments and changes agreed by the parties, if there be any.
3. **Bidder:** natural or legal person or persons, or groupings of the same, to which Reganosa addresses the Bid Request for the purposes of executing an Order or Contract, and which issues the said offer.
4. **Bid:** document drawn up by the Contractor containing the conditions for carrying out the Supply.
5. **Parties:** jointly, Reganosa and the Contractor.
6. **Order:** document issued by Reganosa containing the agreements between Reganosa and the Contractor relating to the prices, lead-times and other conditions for the supply of materials and/or equipment, and includes these General Conditions.
7. **Lead-time for delivery:** period of time after which the Contractor shall place at Reganosa's disposal the items mentioned in the Order or Contract, in the place of

delivery stipulated in the agreed conditions, calculated from the date the bid is accepted by Reganosa.

8. **Acceptance at source:** procedure in which the trials and tests necessary for the acceptance of the materials are carried out in the presence of Reganosa technicians or a person or entity authorised for this purpose and at the premises of the Contractor, its subcontractor or any other entity agreed between both parties.
9. **Acceptance by protocol:** checking of the protocols of obligatory testing, carried out beforehand by the Contractor, whereby Reganosa technicians or the person or entity authorised for this purpose, authorises the despatch of the material in question or, otherwise, decides to check the results of the aforementioned protocols using Acceptance at Source.
10. **Bid Request:** set of documents through which Reganosa requests a bid for the supply of materials and/or equipment, and which may include:
  - \* Notification of invitation to bid
  - \* Scope of the supply
  - \* General Conditions for the Supply of Material and Equipment
11. **Supply:** act of delivering the material and equipment covered by a contract, as well as the documents, work and services that complement it and the Contractor is obliged to supply or provide.

#### 4. NOTIFICATIONS AND LANGUAGE

1. All notifications and requirements between the Parties concerning the Order and the Contract shall be in writing and must be signed by the people duly authorised by the issuing Party. For all issues relating to the day-to-day management of the Order or Contract, the Parties agree that email shall be a valid means of communication.
2. All communications, notifications or requirements submitted to Reganosa, barring instructions to the contrary, must be sent to the following address:
 

Reganosa  
Punta Promontorio, S.N.  
15.620, Mugardos (A Coruña)  
Telephone: 981 93 00 93  
e-mail: [aprovisionamientos@reganosa.com](mailto:aprovisionamientos@reganosa.com)
3. All contractual documents shall be drawn up in Spanish, Gallegan and English. In the event of doubts arising from the existence of documents in more than one language, the version in Spanish shall prevail.

## 5. CONTRACTUAL FORMALISATION AND DOCUMENTATION

1. The Contractor must complete the approved supplier procedure provided at <http://www.reganosa.com/en/formulario-proveedor> prior to the formalisation of any Order or Contract.
2. The formalisation of the contracting procedure shall be carried through a Contract or Order comprising all the documents explicitly listed as components of the same. This Contract or Order may be formalised by being simultaneously signed by the Parties or by the acceptance of document drawn up by one of the Parties and explicitly accepted by the other. In the latter case the Order or Contract shall come into force at the moment in which the duplicate copy of the Contract or Order, accepted and signed by the Contractor, comes into the possession of Reganosa, before which time no payment shall be made.
3. In cases where it is deemed necessary by Reganosa, prior to the formalisation of the Order or Contract, a letter of intent shall be sent formalising the intention of both Parties to commit themselves in the future and enabling work to commence once the essential conditions of the Order or Contract have been agreed.
4. Any additions or additional clauses appended to these General Conditions or a Contract or Order shall be interpreted restrictively in their modificatory scope.

## 6. SUBJECT MATTER

1. The subject matter of the Contract or Order is the acquisition of the material and equipment set out in the same, and the work or services the Contractor is obliged to carry out to that end, in accordance with the technical specifications, terms of inspection, specific terms and, in particular, in accordance with the terms established in these General Conditions.
2. The material and equipment and, if applicable, the work or services subject to the Contract or Order must comply with the instructions that Reganosa issues to the Contractor, the instructions that appear in the plans and documentation delivered thereto and the statutory legal and regulatory requirements that are in or come into force until Reganosa's acceptance of the subject matter of the Contract, without the Contractor being able to demand on this basis any increase in the price.
3. The subject matter of the Contract includes, in addition to the delivery of the material and equipment detailed therein, all the connected and complementary operations and activities that have not been explicitly excluded by the Contractor and are necessary and reasonably standard up until the delivery of the same.

4. The subject matter of the Contract or Order includes, under the responsibility of and at the expense of the Contractor, on a simply illustrative basis but not limited to, the following:
  - a) The provision of materials and manufacturing in all its phases
  - b) The carrying out of the inspections, tests and trials required by the applicable regulations or by Reganosa.
  - c) Painting, protection and packaging, both standard and special.
  - d) The training of Reganosa personnel in the use and maintenance of the material and equipment acquired.
  - e) The preparation and delivery to Reganosa, with the lead-time necessary for the former to make use of it, of all the paperwork inherent to the fulfilment of the Contract or Order, such as plans, programs, reports, manuals, instruction books, protocols, monitoring and tests and lists of spares and tools.
  - f) The management and obtaining of endorsements, authorisations and licences required in or for the fulfilment of the Contract, barring those that legally attach to Reganosa by virtue of its status as owner, the management and obtaining of which by Reganosa shall be facilitated by the Contractor whenever this be reasonably necessary and within its disposition.
  - g) The manpower needed for the execution of the Contract or Order with all the costs and social charges its employment gives rise to.
  - h) Transportation to the site of all the material, equipment, tools and machinery that the Contractor is due to deliver.
  - i) All the taxes and excises the Contract or Order incurs or are levied on account of the same, except Value Added Tax (VAT) or the tax that legally replaces it.
  - j) Insurance of the risks for which the Contractor must have coverage in accordance with the provisions of section 19 of these General Conditions.
  - k) The preparation and delivery to Reganosa, with the lead-time necessary for the former to make use of it, of all the paperwork inherent to the fulfilment of the Contract such as, including but not limited to, warranties and operation manuals.
5. The Contractor has the obligation to deliver the reference, its own and its supplier's, of the material it does not manufacture itself. The reference must be numeric, graphic, describing the nature of the materials, their composition and construction.

## 7. VARIATION OF THE SUBJECT MATTER

1. Reganosa may at any time order the increase or decrease of the quantities set out in the Contract or Order, change of quality, as well as the omission or execution of additional work or services not included in the Contract or Order and are necessary to fulfil the supply.
2. The Contractor is obliged to accept the modifications mentioned in the above section, providing they do not represent in their entirety a variation, upwards or downwards, exceeding 20 per cent of the value of the Contract or Order.
3. The new Delivery Date shall be established by common agreement between both Parties, at the reasoned proposal of the Contractor and, if such an agreement is not reached, the date initially agreed shall be modified pro rata with the increase or decrease in the price of the Contract or Order.
4. If the extensions, modifications or reductions that Reganosa proposes represent altogether a variation, upwards or downwards, of more than 20 per cent of the price of the Contract or Order, the Contractor may accept or reject them. In the event of the latter, the Parties must negotiate in good faith the novation of the terms applicable in the aforesaid Contract or Order. In the absence of an agreement between the Parties after a maximum of fifteen (15) days from Reganosa's notification to the Contractor of the pertinent extension, modification or reduction of the Contract or Order, the latter may be terminated to all intents and purposes.
5. No modification to the subject matter of the Contract or Order may be carried out on the initiative of the Contractor without the prior agreement of Reganosa, and, those that are carried out may not involve a variation of either the price of the Date of Delivery, unless such variation has been offered beforehand by the Contractor and accepted by Reganosa in writing. Acceptance by Reganosa shall not incur any alteration to the Contractor's guarantee and responsibility regarding the Contract or Order.

## 8. PRICES

1. The prices of the Contract or Order cover everything that is the subject matter of the same, in accordance with the provisions of section 6 of these General Conditions, and in respect of what the Contractor must contribute or carry out for its fulfilment, with no more exceptions than the items or services that have been expressly excluded.
2. In accordance with the above, the price of the Contract or Order includes, for merely illustrative purposes and not limited to, the following:
  - a) Transportation to and from the workplace of the personnel, material and resources.
  - b) General costs and industry surcharge.

- c) Taxes and excises the Contract or Order incurs or are levied on account of the same, except Value Added Tax (VAT) or the tax that legally replaces it.
  - d) Delivery of complementary documents.
  - e) Costs of bonds, insurance, warranties and financing, if applicable.
3. The contract prices are fixed and non-reviewable. Price increases over those established in the Contract or Order, or in addition to the same, shall not be permitted except under the provisions of section 9.
  4. The Contractor shall bear any difference between the amount offered and the actual cost incurred, as well as the costs of freight, shipping, and any other costs arising from the non-fulfilment of the contractually established terms of delivery and shipment.

## 9. ADJUSTMENT OF PRICES

1. The prices shall be understood as fixed. In the event that it is agreed that prices should be subjected to review, an indispensable requirement for this to be carried out shall be that the Contract or Order establishes the polynomial formula or formulae to be applied in each case.
2. Price adjustments shall be carried out once the definitive indices chosen for the calculation have been published, which must be periodic and official in nature.
3. When price adjustment occurs, the prices shall only be reviewable with respect to the contractual delivery date. Once this date has passed, only the part delayed for reasons attributable to Reganosa shall be reviewed.
4. In order for price adjustment to take place it shall be an indispensable condition that the modification resulting from the polynomial formula or formulae being applied shall exceed 2% of the base price.

## 10. INVOICING AND PAYMENT

1. Invoices shall be submitted to Reganosa, detailing the item and the amount for the services rendered, and including but not limited to, the following information and paperwork, in accordance with the legal requirements:
  - (i) Order number.
  - (ii) Contractor's identification and code.
  - (iii) Description of deliveries, providing all the details needed for determining the taxable base.

- (iv) The date on which the delivery being documented was made or that on which, if applicable, advance payment was received, provided it is a date distinct from the invoice issue date.
  - (v) Validated copy of the delivery note or certification, if applicable.
  - (vi) All the legally-required tax and commercial references.
- 2. Invoices that do not fulfil the above requirements shall not be accepted. Nor shall invoices containing items, positions or amounts that do not coincide with those established in the Contract or Order be accepted.
- 3. An indispensable requirement for the payment of invoices shall be the delivery from the Contractor to Reganosa of the following documents:
  - (i) Duplicate copy of the Order or Contract accepted and signed by the Contractor.
  - (ii) The bank guarantees set out in section 15.2, or those that are established in the Contract or Order.
- 4. The payment of invoices shall be dependent on the fulfilment by the Contractor of the norms established regarding the quality control of Supply.
- 5. The due date of the invoices issued by the Contractor, and therefore the payment of the same, shall occur in accordance with the terms agreed between the Parties, which shall in any event comply with the legislation prevailing at all times, and otherwise, on the latest date that is legally valid. Payment shall be carried out by bank transfer, once the invoice falls due, on the days established to this effect and, if applicable, the retention of any deposit shall be applied.
- 6. All payments that are made prior to delivery, in accordance with the provisions of the Order or Contract, have the character of advances to the Contractor on the price of the Order or Contract.
- 7. The payment of the Price shall not entail that Reganosa deems that the Contract or Order has been correctly executed by the Contractor or renounces the rights it may have by virtue of the same in respect of the Contractor, explicitly reserving the exercise of such rights, without prejudice to the payment made.
- 8. In the event that Reganosa establishes that some non-fulfilment of the Contractor's obligations is being perpetrated by the Contractor that may give rise to joint and several or subsidiary liability or other direct action against Reganosa, independently of whether or not the Contract or Order is terminated, and as soon as it has knowledge of such circumstances, Reganosa may retain all the payments that on any heading are owing to the Contractor to the amount sufficient to cover such liabilities, including being able to pay such obligations on behalf of the same.



## 11. EXECUTION

### 1. Inspections, Tests and Trials

1. Reganosa may inspect the material and equipment subject to the Order or Contract at any time of its manufacture, using its own personnel or persons or entities it designates for the purpose, whether in the factories, workshops or warehouses of the Contractor or those of its suppliers and subcontractors, to which end the Reganosa inspectors shall have free access to the same which shall be facilitated whenever the need arises
2. The Contractor also undertakes to respect the principles of the United Nations Global Compact and the rights set out in the Universal Declaration of Human Rights in the performance of its activities, whether carried out by its own personnel or its subcontractors. The Contractor shall also comply with the provisions relating to sustainability and ethical behaviour in force in Reganosa's internal regulations and practice (in particular in the Ethical and Conduct Code). The Contractor also undertakes to allow Reganosa to carry out the verification tasks it deems appropriate to determine the degree of compliance with the aforementioned requirements, and take any remedial action it may see fit.
3. Notwithstanding Reganosa's right of inspection, the Contractor is obliged to carry out, on its own initiative and cost, all the agreed tests and trials, as required by the administrative rules and regulations or generally accepted as best practice within the industry, with the obligation to notify Reganosa of the dates of such tests with a minimum advance notice of ten (10) days, so that inspectors or authorised representatives of the same can attend, as well as the result of the tests and trials carried out, accredited by the corresponding certificates or protocols, including whether Reganosa inspectors or representatives were present.
4. Unless Reganosa or its authorised representatives have explicitly authorised it, or seven (7) days have elapsed since the Contractor announced it, the latter may not proceed with any stage or phase of manufacture, construction or assembly, or carry out shipments of material, without previously carrying out a satisfactory verification of the tests and trials the prior execution of which was required.
5. Notwithstanding the above stipulations, in those Orders or Contracts where they are contractually included, the tests and trials shall be carried out in accordance with the entire programme of inspection points determined by Reganosa or the person or entity it authorises or, if applicable, the detailed quality programme that the Contractor, at the request of Reganosa, may have submitted.
6. Reganosa may demand tests and trials in addition to those set out in the Orders and Contracts when it deems them necessary. Such additional tests and trials shall be deemed, if applicable, as changes in accordance with clauses 7.4 and

7.5. If such tests yield acceptable results in accordance with the specifications set out, they will be paid for by Reganosa and otherwise by the Contractor.

7. The completion, to Reganosa's satisfaction, of the inspections, tests and trials shall not entail that the subject matter of the Order or Contract altogether complies with what has been agreed nor that it has been duly received by Reganosa, nor that the Contractor has been exempted from its responsibilities.

Nor do any recommendations or observations that Reganosa's technicians or inspectors make during the execution of the Order or Contract or during inspections, tests or trials exempt or reduce or excuse the Contractor from discharging such responsibility in everything that has been agreed, unless the specifications agreed are explicitly modified in writing.

8. If the results of an inspection, test or trial carried out show that the specifications agreed or the quality guarantees established have not been met, Reganosa may, without waiting for delivery, reject what has been improperly carried out and order its replacement or repair, at the expense of the Contractor and free of all charge and expenditure for Reganosa. Any expenditure arising from the new undertaking of Supply may be deducted from the sums owed by Reganosa to the Contractor under any heading. Reganosa's inspectors or authorised representatives shall ensure that the inspections, tests or trials that are carried out do not hinder the normal execution or manufacture of the Order or Contract; but the requirement, the time and the terms for carrying out such inspections, tests and trials may not under any circumstances be invoked by the Contractor as cause or justification for postponing the delivery date.
9. In those Contracts or Orders that so stipulate, the travel, lodging and subsistence costs of the Reganosa technicians and inspectors who go to the factories and workshops to carry out inspections, tests, trials and receptions prior to shipping to destination points shall be borne by the Contractor. The amount of such costs shall be determined on the basis of the prevailing Reganosa regulations in this respect and debited from the Contractor upon payment of the next invoice falling due. A breakdown of costs will be forwarded to the Contractor on request.

## **2. Control of Quality, Delivery and Reception**

1. The Contractor must have a quality assurance system in place in accordance with UNE, EN or ISO Standards, certified by a duly accredited entity.
2. The Contractor shall be uniquely responsible for the quality control of the equipment, regardless of the controls and tests that Reganosa carries out or requests using its own resources or those of a third party. Such trials shall not affect the full responsibility falling exclusively on the Contractor.

3. Quality control requirements specific to the supply, if applicable, will appear in the specifications that will be appended to these General Conditions.
4. Before starting the manufacturing process, the Contractor shall present Reganosa with a quality control plan including the programme of inspection points, as well as the schedule of applicable operations and procedures.

If Reganosa does not approve this document, the Contractor must amend it, the Contract not taking effect until the necessary corrections have been carried out in accordance with the Reganosa amendments.

5. With each delivery, the Contractor must include all the technical documentation and protocols of the tests established in the Contract or Order specifications.
6. The Contractor, in addition to the above documentation, must certify that the raw materials, materials and brands and types of component are identical to those that earned the seal of approval.
7. In order to carry out delivery the Contractor shall send Reganosa, at an appropriate time beforehand, notification of shipment indicating the following points:

- Reference number of the Order or Contract.
- Number of packages sent with an indication of the material they contain and, if they are the last of the Order or Contract, explicit indication of this fact.
- Details of the mode of transport used or company in charge of shipping.
- If the Order or Contract stipulates that transport is to be borne by Reganosa, the date and place at which the materials or equipment in question will be available.

Notification of shipment shall be sent for the attention of the contact or person in charge of reception appearing in the Order or Contract.

8. For materials or equipment subject to quality control, the Contractor shall not proceed with their shipment until having possession of the obligatory shipping authorisation, generated by Acceptance by Protocol or Acceptance at Source, issued by Reganosa. Supplies falling within the system of agreed quality shall not be subject to this requirement.
9. Unless stipulated to the contrary, the delivery of materials and equipment shall be made DDU (Incoterms 2000) to the place established in the Contract or Order. In the event of not having been specified, the Contractor shall request Reganosa to stipulate the place of destination in good time to avoid any delay to the availability of the materials or equipment.

10. All the equipment and materials shall be properly marked, referenced and labelled for correct and easy reception, accompanied by the corresponding delivery note which must clearly show the number of the Order or Contract and the name of the Contractor.
11. The delivery note must be perfectly legible and must contain all the information set out in clause 11.2.7 of these General Conditions. If it does not meet these requirements, Reganosa reserves the right to refuse to receive the goods into its warehouses. The consignments in question shall be deemed as not received, and treated as such for contractual purposes (penalty for delay, etc.).
12. In accordance with the provisions of clause 11.2.9, transportation to the point of destination shall be borne by Contractor. Unloading shall be at the expense of Reganosa.  
If the type of material requires it, the Contractor shall be obliged to obtain from the competent authorities the appropriate transit permits, licences, authorisations and police escorts that the transportation may require, and the cost of all work arising from the same, such as traffic diversions, underpinning of bridges, signage, etc. shall be borne by the Contractor.
13. All materials and equipment that are the subject of the Order or Contract shall be carefully packaged and protected for their handling, loading, transport and storage in accordance with best practice and therefore taking special precautions when required, such as transportation by sea, delicate materials and those that cannot persist in the open air. In any event the packaging and protection shall be sufficient to satisfy the requirements of the Insurance.
14. The Contractor must insure the shipping of goods with an insurance company of sufficient guarantee and in accordance with the minimum coverage specified by the Institute Cargo Clauses (Institute of London Underwriters) or similar.
15. Delivery must be carried out on the date or deadline agreed for this purpose in the Order or Contract. The Contractor is obliged to comply with the final date of delivery and the partial dates of delivery stipulated in the Order or Contract.
16. If there is no specific date of delivery stipulated in the Order or Contract and only the lead-time for execution or delivery is established, the latter shall be calculated from the date of signing the Order or Contract, barring an explicit stipulation to the contrary.

When the Order or Contract mentions neither a date nor a lead-time for execution or delivery, this shall be carried out immediately in the case of off-the-shelf material or equipment, and otherwise in the period that its manufacture normally requires, placing the emphasis on the greatest speed at all times.

17. Bringing forward the delivery date or reducing the lead-time for execution or delivery require the prior consent of Reganosa. Reganosa's authorisation for bringing forward the delivery date or reducing the lead-time for supply shall not entail bringing forward payment of all or part of the price, which must be carried out in accordance with the stipulations of the Order or Contract and these General Conditions.
18. The delivery dates may not be postponed, nor the lead-times for execution and delivery extended, except for circumstances attributable to Reganosa, or for reasons of *force majeure*. In order for a delay arising from such circumstances or causes to be taken into consideration it is also an indispensable requirement that Reganosa be notified in writing of their commencement and termination no more than ten (10) days after the date that such circumstances occur.
19. The Contractor is obliged to use all the resources at its disposal to make up for any delay to the dates of delivery, including when the delay is justified.
20. Reganosa's reception of a shipment or dispatch shall not be taken to imply its acceptance of the stipulated quantity or quality of the materials received.
21. Notwithstanding the delivery date being deemed to have been fulfilled, Reganosa reserves the right to postpone any shipment or dispatch of material and equipment. The Contractor shall bear the costs of storage and insurance up to fifteen (15) days from the agreed date of delivery. If the postponement of shipping is delayed for longer, the compensation arising from the aforementioned costs of storage and insurance shall be determined by mutual agreement.
22. Once material or equipment with the appropriate shipping authorisation has been received a note of provisional reception shall be issued, making reference to the satisfactory results of the final tests, trials and inspections, or a record shall be made that the defects noted in them have been remedied or corrected. The provisional reception note shall be formalised in a maximum period of eight (8) days from the date that either of the parties requests it, all the conditions and activities that are the subject of the Order or Contract having been fulfilled and, in particular, those set out in clause 6.

When final tests, trials and inspections are not required, the Contractor's delivery and Reganosa's reception of the material and equipment shall require no formalities except the signing of the delivery notes or shipping certificates in question.

23. Ownership of and liability for the material and equipment that are the subject of the Order or Contract shall transfer to Reganosa upon delivery by the Contractor and reception by Reganosa being effected in the place and conditions stipulated in the Contract or Order or explicitly agreed between the Parties. Notwithstanding

this, the Contractor authorises Reganosa to take possession of the material and equipment, wholly or in part, from the time they enter a site or installation belonging to Reganosa, and make use of them as it sees fit, including carrying out on them or with them work, assembly and other types of task and incorporating them into the Reganosa site or installation.

## 12. ASSIGNMENT

1. The Contractor may not assign or transfer to third parties, wholly or in part, the rights or obligations arising from the Order or Contract, without prior and explicit written authorisation from Reganosa.
2. Under no circumstances may the Contractor assign to third parties the rights and credits deriving from the Contract or Order for the same, nor undertake any other operation that involves the disposal of any title, responsibility, commitment and/or transaction, wholly or in part, concerning the aforementioned rights and credits, unless it has obtained Reganosa's prior and explicit agreement in writing for each operation.

## 13. SUBCONTRACTING

1. The Contractor may not subcontract, wholly or in part, the Supply of the subject matter of the Contract or Order without Reganosa's prior approval in writing.
2. Under no circumstances shall any contractual and/or employment relationship be understood to exist between the subcontractors and Reganosa, the Contractor being always answerable to Reganosa for all the activities of the said subcontractors and the contractual and employment obligations stemming from the fulfilment of their work.
3. In cases of subcontracting, the Contractor undertakes to secure from the subcontractor the prior acceptance of the obligations to Reganosa that arise for it from all the contractual terms and conditions.
4. Notwithstanding the above, Reganosa may at any time inspect and oversee the work of the subcontractor and the fulfilment of its obligations, and the Contractor is obliged to facilitate all the collaboration of the subcontractor that may reasonably be required to this end (including, but not limited to, the submission of documentation and reports, as well as free access to its installations).
5. The Contractor must require the subcontractor's compliance with the same legal, employment and safety conditions established by Reganosa.
6. The Contractor shall hold Reganosa harmless from any claim that subcontractors may lodge in relation to the Contract or Order, indemnifying it for all costs or payments that,

if applicable, it may be liable for as a consequence of such claims, including legal defence and procedural claims.

7. In the event of a judicial or extrajudicial claim on the part of a subcontractor, Reganosa shall be entitled to retain the amount in question from the debt Reganosa owes to the Contractor.

#### 14. DELIVERY DEADLINE

- 1 Delivery must be carried out in compliance with the quantity, place and date or lead-time agreed to this effect in the Order or Contract. The Contractor is obliged to comply with the Delivery Lead-time and the partial delivery dates established.
- 2 If a Delivery Deadline is not indicated in the Order or Contract and only the lead-time in which delivery must be made is established, this shall be calculated to run from the day following the signing of the Order or Contract, barring explicit stipulation to the contrary. When the Order or Contract does not indicate either a date or a lead-time for execution or delivery, this shall be carried out immediately.
- 3 The Delivery Deadline may not be postponed, nor the lead-times for execution and delivery extended, except for circumstances attributable to Reganosa, or for reasons of *force majeure*. In order for a delay arising from such circumstances or causes to be taken into consideration it is also an indispensable requirement that Reganosa be notified in writing of their commencement and termination no more than ten (10) days after the date that such circumstances occur.
- 4 In the case of *force majeure*, if the Delivery Deadline was essential due to Reganosa needing the material or goods on the initial date, it not being possible to countenance any delay (or because the delay causes a clear reduction in the utility of the goods and equipment being supplied), Reganosa may terminate the Contract without any liability on its part.
- 5 The Contractor is obliged to use all the resources at its disposal to make up for any delay to the dates of delivery, including when the delay is justified.
- 6 Reganosa's reception of a shipment or dispatch shall not be taken to imply its acceptance of the stipulated quantity or quality of the materials received.
- 7 In the event that delivery of the material or equipment is rejected for a justified cause, all the costs and other consequences stemming from the rejection shall be borne by the Contractor, barring explicit agreement to the contrary. Once thirty (30) days have elapsed from the rejection of the material or equipment without their being withdrawn by the Contractor, Reganosa shall be authorised to do with them as it sees fit, including destruction.

- 8 Notwithstanding the delivery date being deemed to have been fulfilled, Reganosa reserves the right to postpone any shipment or dispatch of material and equipment. The Contractor shall bear the costs of storage and insurance up to fifteen (15) days from the agreed date of delivery. If the postponement of shipping is delayed for longer, the compensation arising from the aforementioned costs of storage and insurance shall be determined by mutual agreement.
- 9 Once material or equipment with the appropriate shipping authorisation has been received a note of provisional reception shall be issued, making reference to the satisfactory results of the final tests, trials and inspections, or a record shall be made that the defects noted in them have been remedied or corrected. The provisional reception note shall be formalised in a maximum period of eight (8) days from the date that either of the parties requests it, all the conditions and activities that are the subject of the Order or Contract having been fulfilled.
- 10 When final tests, trials and inspections are not required, the Contractor's delivery and Reganosa's reception of the material and equipment shall require no formalities except the signing of the delivery notes or shipping certificates in question.
- 11 Ownership of and liability for loss or damage to the material and equipment that are the subject of the Order or Contract shall transfer to Reganosa at the moment that; (i) they have been effectively delivered and unloaded at the place and in the agreed terms, and (ii) a Provisional Reception note has been issued, if applicable. Notwithstanding this, the Contractor authorises Reganosa to take possession of the material and equipment, wholly or in part, from the time they enter a site or installation belonging to Reganosa, and make use of them as it sees fit, including carrying out on them or with them work, assembly and other types of task and incorporating them into the Reganosa site or installation.

## 15. GUARANTEES

### 1. Guarantees of the seller

1. The Contractor guarantees Reganosa:
  - a) That all the material and equipment:
    - Fulfils the contractual specifications, standards and requirements.
    - Is fit for the purpose for which it is designed.
    - Is of the quality required.
    - Has not been used.
    - Is appropriate for the uses and standards of good practice.



- b) That the equipment is free of defects of design, of materials, of workmanship (both of the Contractor and its subcontractors), of manufacture and of operation.
- c) That the equipment functions perfectly, with the reliability and performance, capacity and other characteristics stipulated.
- d) The transmissibility of the equipment and material that are the subject of supply and, in particular, that they are not the subject of seizures or property mortgages, non-possessionary pledges or any other lien or encumbrance.

Unless specified otherwise in the Contract or Order, the Contractor also guarantees the transfer of the intellectual or industrial property rights needed for the correct use of the supply.

- 2. The guarantee does not include breakdowns and defects that arise in the material or equipment and are due to misuse or improper treatment on the part of Reganosa, unless it be due to the application of incorrect or confusing manuals or instructions supplied by the Contractor.
- 3. In order to comply with its guarantee the Contractor must, throughout the period that it remains in force:
  - a) Replace material and equipment that does not fulfil what has been agreed or required, whether inadequate or of defective quality. This material and equipment shall remain on Reganosa premises until such time as it is replaced, it being understood that Reganosa has the right to use the rejected material while its replacement is being supplied.
  - b) Modify, repair or replace equipment that exhibits any defect of design, material, workmanship, manufacture, operation or performance.
- 4. All modifications, repairs and replacements having to be carried out to comply with the guarantee shall be exclusively borne by the Contractor and free of any cost or expenditure for Reganosa, including, but not limited, to the costs arising from this cause incurred by Reganosa (including in adjacent or adjoining installations), such as disassembly, transport, insurance and packing of returned materials and those that replace them, assembly and supervision of the same, taxes and the like.
- 5. The decision to go ahead with modification, repair or replacement of whatever is defective shall always be in the hands of Reganosa, which may order, based always on objective reasons, professional repairs, pending the definitive repairs or replacements that are deemed necessary.
- 6. The modifications, repairs and replacements shall be carried out in the shortest time possible, in such a way as to minimise harm to Reganosa and without causing

onsite delays or paralysing installations, or, when this is not possible, keeping such delay and the total or partial downtime of the installations to a minimum.

7. If the Contractor does not comply with the promptness required by its guarantee obligation or does not carry out in 72 hours what is due in accordance with the guarantee, Reganosa may do the work itself or engage third parties at the expense of the Contractor, without forfeiting the guarantee. The Contractor shall moreover be obliged to reimburse Reganosa for any damages caused.
8. The Contractor shall obtain and deposit the spare parts and tools necessary for maintaining the equipment supplied in good working order, or the goods or equipment of which it forms a part, for a minimum of five (5) years from the Date of Delivery.
9. The Contractor's guarantee shall cover the period stipulated in the Order or Contract and, by default, a period of one (1) year from the date of the delivery notes for the final delivery or the provisional reception certificate.
10. The period of guarantee shall be interrupted, and as a consequence extended, by the time taken up by repairs or replacements carried out in compliance with the guarantee.
11. The aforementioned repairs and replacements shall in turn be guaranteed, from the date of being finished, for a time equal to the guarantee period.
12. If, at the expiry of the guarantee period, fewer than six (6) months have elapsed since the entering into service of the Reganosa installation to which the material or equipment that are the subject of the Order or Contract are destined or form part of, the guarantee period shall automatically be extended until the six months have passed.
13. When the guarantee period has satisfactorily elapsed and, if applicable, the defects and breakdowns that have occurred or been notified during the period have been remedied to Reganosa's satisfaction, the definitive reception certificate shall be issued, previously issued in a provisional manner.
14. The total or partial application of the guarantee or the expiry of the guarantee period and the definitive reception of the material that is the subject of the Order or Contract shall not release the Contractor from its possible responsibility for hidden faults and defects or any other responsibility it may have in accordance with the applicable legislation.
15. Once the guarantee period has expired and the definitive reception has occurred, Reganosa may proceed, on its own account or that of third parties, freely to modify or alter the material and equipment that are the subject of the Order or Contract,

including when they are covered by licences, patents and other titles of industrial property in the name of the Contractor.

16. The existence of a manufacturer's guarantee shall under no circumstances release the Contractor from its responsibility to Reganosa.

## **2. Bank guarantees and securities**

1. In the case of all Contracts and Orders below a value of 30,000 euros, unless explicitly agreed otherwise, Reganosa will retain from the amount payable of each of the invoices, by way of security, 10% of each invoice submitted by the Contractor. This security may be replaced, at the request of the Contractor and with the authorisation of Reganosa, by a bank on-demand abstract guarantee. The 10% retention on each invoice submitted by the Contractor will be returned at the end of the guarantee period referred to in General Condition 15.1.8.
2. In the case of all Contracts and Orders exceeding a value of 30,000 euros, or those in which it is thus determined, on the signing of the Contract or Order the Contractor must deliver a bank guarantee to Reganosa, by way of a faithful compliance with the duties and responsibilities arising from the same, for an abstract and on-demand amount of ten per cent (10%) of the total price. The guarantee shall be held in favour of Reganosa until the expiry of the guarantee period set out in General Condition 15.1.8.
3. The bank guarantee shall be issued by a bank of recognised good standing, with commercial offices in Spain, and with the validity, scope and amount that Reganosa shall determine. Costs arising from the guarantees shall be borne by the Contractor.
4. If the Price of the Contract or Order rises while it is being executed, the Contractor shall be obliged to present Reganosa with a complementary bank guarantee, with identical requirements to those set out in this General Condition, for ten per cent (10%) of the increase in the Price, within fifteen (15) days following the date on which the increase is formalised.
5. Both the bank guarantee of faithful compliance and the retentions that are withheld (or the bank guarantee that replaces them), may be used to ensure fulfilment of all the Contractor's obligations deriving from the Order or Contract and, among these, the payment of those penalties that cannot be deducted from the sums paid to Reganosa; the replacements, repairs or new Supplies carried out at the expense of the Contractor by virtue of its obligation of guarantee; compensation for damages caused to Reganosa by any non-fulfilment of the Contract or Order or by delay in its fulfilment, and the reimbursement of damages in the execution of the Contract or Order caused to third parties and claimed or demanded by them from Reganosa, provided that such damages are attributable to the Contractor.

6. The provision of the bank guarantee or the establishment of the security shall not entail that the responsibilities that may be demanded of the Contractor by virtue of the Contract or Order be limited to its value or period of validity and merely constitutes a medium whereby the effectiveness of the same may be facilitated.

## 16. PENALTIES

1. In the event of non-fulfilment of the Delivery Date or the execution dates, both partial and final, established in the Contract or Order the Contractor must pay Reganosa a penalty for each week of delay, or a pro rata part for each day of delay, in accordance with the following amounts:
  - (i) 2% of the total price of the Contract or Order for the first and second weeks of delay.
  - (ii) 3% of the total price of the Contract or Order for the third and fourth weeks of delay.
  - (iii) 5% of the total price of the Contract or Order from the fifth week onwards for each subsequent week.
2. The recovery of a delay in the Delivery Date or the execution dates will give rise to the return of the penalties levied on that account, once the major costs and expenditures that the recovered delays have occasioned Reganosa have been deducted.
3. Penalties for delay may not exceed 15% of the total price of the Order or Contract. Reganosa may pass on to the Contractor all the costs and surcharges that it is obliged to pay other sellers and Contractors as a consequence of the delay concerned up to the maximum amount of the penalty.
4. If during the guarantee period Reganosa should be denied the availability or use of the contracted material or equipment due to defects, faults or breakdowns that have occurred or been noted in them, not attributable to Reganosa or the work that has been carried out to remedy them, in compliance with the guarantee, the Contractor shall be sanctioned with a penalty established to that effect in the Order or Contract and, if it is not established, with a penalty of 0.1% of the total price of the Order or Contract for each day of non-availability.
5. The technical defects exhibited by the contracted material or equipment, due to there being differences, to the detriment of Reganosa and without exceeding the permissible tolerances, between the contracted values for specific factors (such as, among others, performance, capacity, consumption, heating and losses) and those confirmed in the definitive tests and trials that are carried out, shall be sanctioned by penalising the Contractor in accordance with the penalties set out to this end in the Order or Contract.
6. The application of the penalties set out does not release the Contractor from fulfilling the obligation of the guarantee in all its extent. Therefore the Contractor is obliged to carry

out as soon as possible work to eliminate or reduce to a minimum any technical defects that come to light; to pay penalties for those it cannot remedy and that are within the permissible tolerances; and to replace the material and equipment that are the subject of the Order or Contract at the request of Reganosa, if the defects detected exceed the permissible tolerances.

7. Reganosa may offset at any time, and to an unlimited amount, the sums owed by the Contractor by way of penalty against any amount Reganosa owes to the Contractor for any charge, including sums owed on other Orders or Contracts, invoking the guarantees that have been set up, or jointly using both methods, or another at the discretion of Reganosa, in accordance with the Law.

## 17. TERMINATION

1. The Contract or Order may be terminated in the circumstances authorised by Law or when any of the following cases arise:
  - a) Either of the Parties may unilaterally annul the Order or Contract with the simple certified notification of its decision delivered to the other Party with minimum advance notice of fifteen (15) days. In such a case, both Parties shall jointly agree the consequences that stem from the early termination. The Party that unilaterally terminates the Order or Contract shall recompense the other for any direct damages that it is caused.
  - b) At the request of either of the Parties, in the event of substantial non-compliance by the other Party, wholly or in part, of the obligations established by the Contract or Order, when, the complying party having requested that the non-compliance be remedied, provided that this is possible, the non-complying party has not embarked on the remedy in a period of ten (10) calendar days, and provided that none of the causes set out in section c) below pertain, in which case the provisions of the said section shall prevail.
  - c) At the request of Reganosa when one or other of, but not limited to, the following causes occurs:
    - (i) The death of the Contractor, or changes in his capacity to act or in physical or psychological conditions that may modify or hinder fulfilment of the Order or Contract, when the former is a natural person, and the winding up, transformation, capital reduction and significant changes to the company share structure, if the Contractor is constituted as such.
    - (ii) The declaration of insolvency against the Contractor at the submission of a legitimate creditor, the Contractor's initiation of voluntary bankruptcy proceedings or being the subject of summary proceedings or liens or other preventative measures that reveal the attenuation of its economic solvency

or financial difficulties in honouring the normal fulfilment of its payment obligations.

The Contractor shall be deemed to fall into these causes when they occur in its parent company, in another or others of the same corporate group (where “group” in this context is taken to have the definition contained in article 42 of the Commercial Code), in any of those of the union or grouping of companies of which the Contractor forms a part, or in one of the suppliers or subcontractors that plays a significant role, in the judgement of Reganosa, in the fulfilment of the Order or Contract.

- (iii) The abandonment, interruption or suspension by the Contractor of the fulfilment of the Order or Contract.
  - (iv) A delay in the delivery of the contracted material or equipment exceeding half a partial delivery lead-time, or exceeding one third of the total lead-time; or for failing to comply with the delivery lead-times deemed essential by Reganosa for the successful conclusion of the Order or Contract.
  - (v) The inability on the part of the Contractor to obtain the certificates and approvals that it is contractually required to provide for its products or activities.
  - (vi) The Contractor’s effective inability to remedy possible non-compliance with the technical specifications established, repetition of errors or defects or non-compliance with Reganosa’s instructions covered by any of the clauses of the contractual documentation.
  - (vii) The Contractor’s non-compliance with its obligations in the fields of employment law, social security and health and safety at work, in accordance with the provisions of these General Conditions.
  - (viii) The emergence at any time, after signing the Order or Contract, of a lack of veracity in the Contractor’s information regarding compliance with the terms set out.
  - (ix) Any other non-compliance on the part of the Contractor that may hinder or significantly affect the successful outcome of the Order or Contract, or that in the latter are listed as causes of termination, such as exceeding the maximum penalties set out in the same.
2. When one of the above causes arises, the Order or Contract shall be null and void from the date that Reganosa notifies the Contractor of this fact or, if applicable, its successors.

3. In the scenario set out in General Condition 17.1.b), the non-complying party shall be obliged to indemnify the other for damages caused as a consequence of the non-compliance, including the surcharges arising from the breach of the Contract or Order.
4. In the scenarios set out in General Condition 17.1.c), Reganosa shall pay to the Contractor those sums that are pending payment and correspond to Supplies that have already been correctly carried out at that date. By the same token, the Contractor shall provide Reganosa with the pro rata part of the Supplies that the Contractor has been paid for in advance; all the above is without prejudice to the compensation for damages that each of the Parties may claim in accordance with the provisions of the applicable legislation.

In the event of a breach that thwarts the objective of the Supply, the Contractor shall be obliged immediately to return to Reganosa the total amount it has collected under all headings.

5. In the event of termination of the Order or Contract, Reganosa shall have the right, but not the obligation, to acquire all or any of the material that the Contractor had already subcontracted, amassed, manufactured in part or delivered, paying for them the prices set out in the Order or Contract or, if they were not included, determining the price of this acquisition by mutual agreement or, if this cannot be reached, by independent evaluation. In exercising this right, Reganosa shall acquire title to the materials from when termination of the Order or Contract takes effect, and it may freely dispose of the said material from then on, including collecting them from the Contractor's factories, workshops and warehouses or those of its subcontractors or suppliers.
6. Notwithstanding the above, Reganosa, in all scenarios except those arising from the causes set out in sections i) and ii) of General Condition 17.1.c), explicitly reserves the right to demand the compensation due, if the amount of the damages suffered exceeds that of the security or the latter has not been arranged, and is empowered to make such compensation effective by discounting payments pending to the Contractor, including for another Order or Contract.

Unless all the damages have been compensated, Reganosa shall be empowered to retain all the Contractor's material, equipment, machinery and items that lie in Reganosa's possession or may be found in its installations, without prejudice to other actions that may be appropriate.

7. Even when one of the causes for the termination of the Order or Contract occurs, Reganosa may choose to demand fulfilment of the same, the Contractor remaining under its obligations until Reganosa notifies it of the nullity of the Order or Contract.
8. In those scenarios where the Order or Contract is terminated, Reganosa may take any of the measures set out below, as well as the decision to declare it null and void or, alternatively, to secure compliance with the Order or Contract if it chooses to do so:

- a) To suspend payments due, including for another Order or Contract.
- b) To cash any securities or bank guarantees that the Contractor may have established, including for another Order or Contract.
- c) To retain the Contractor's material, machinery and items in the possession of Reganosa
- d) To expel the Contractor and its teams from Reganosa's installations.

## 18. INTELLECTUAL AND INDUSTRIAL PROPERTY

- 1. The Contractor warrants Reganosa, and is obliged to provide it with certifying documentation, if so requested, that it possesses the patents, licences and other industrial property rights needed for carrying out whatever is the subject matter of the Contract or Order.
- 2. The Contractor releases Reganosa from all responsibility for industrial property infractions into which it may fall, and is obliged to do whatever may be necessary to ensure that Reganosa be protected from any claims or demands that may be directed against it on account of such infractions, including obtaining at its exclusive expense any patents, licences or rights that might be necessary, and compensate it for any damages may it may incur, directly or indirectly, as a result of such claims or demands.
- 3. The intellectual and industrial property and know-how stemming from the equipment and material supplied by the Contractor in fulfilment of the Order or Contract shall belong wholly to Reganosa, as well as any registrations associated with them. The intellectual and industrial property rights, including use by and assignment to third parties that may stem from the equipment and/or material supplied or intellectual creations shall automatically be the property of Reganosa by virtue of the Order or Contract, and the Contractor shall not acquire any type of right over the same unless it is to use them for the fulfilment of the Order or Contract.
- 4. In the event that the Contractor has collaborated with a third party outside the Contract or Order it should have obtained, as part of the price and at no additional charge, all the authorisations and licences needed to cede to Reganosa all the operating rights that may be derived in the widest terms set out in Law.

## 19. INSURANCE

- 1. The Contractor, in accordance with the provisions of clause 11.2.14 of these General Conditions, is obliged to insure, at its expense and in an adequate way, the loss or damage that may be borne by: (a) the material or equipment that are the subject of the Order or Contract during their handling, loading and transportation and until the moment of their delivery to Reganosa in the place set out in the Contract or Order or explicitly agreed by the parties; and (b) the material and equipment that Reganosa



provides to the Contractor for the fulfilment of the Order or Contract, from the time they are placed at the disposal of the Contractor, or its subcontractor, and until they are returned and received by Reganosa.

2. If the supply that is the subject of the Order or Contract is carried out by way of material on consignment from the Contractor in Reganosa's installations, the Contractor shall be obliged to take out, in addition to the insurance mentioned above, theft insurance on the material deposited for the entire fulfilment period of the Order or Contract.
3. When the Order or Contract includes the carrying out of work or services in Reganosa's sites or installations, the Contractor shall be obliged to take out insurance, at its own expense and in an adequate manner, throughout the period the Order or Contract is being fulfilled, on civil liability for the damages that may result, due to itself or its personnel and its suppliers or subcontractors, to Reganosa personnel and property and/or third parties.
4. Unless it be decreed to the contrary, the insurance policies required by the preceding section shall establish; (i) the obligation to pay Reganosa directly any compensation that may fall due and (ii) the disavowal on the part of the insurer of the right of subrogation vis-à-vis Reganosa.
5. The Contractor must demonstrate to Reganosa with the appropriate paperwork its acquisition and the validity of the insurance required in the preceding sections of this clause, with the scope and for the time indicated in them, otherwise falling into contractual default.
6. In the event of a loss, any difference that arises in the payment of compensation compared to the amount claimed by Reganosa, whether due to the application of excesses or any other reason, shall be borne by the Contractor.
7. The Contractor shall reimburse and hold Reganosa harmless against any damages Reganosa may suffer as a result of any payment due under the insurance policies not being made, payment that would have been made were it not for the Contractor or its advisors making a formal false declaration or being in breach of some declaration, condition, agreement or formal declaration contained in the insurance policy in question, or the Contractor not having paid one or other of the premiums.

## 20. RESPONSIBILITY

1. The Contractor is the only party responsible to Reganosa for the proper execution of the Contract or Order and is obliged to indemnify and hold Reganosa harmless from any damages, expenditure or loss, including the costs of legal defence, that it may directly or indirectly suffer as a result of any non-compliance, inaccuracy, omission or error in the execution of the Order or Contract, and in particular those related to breaches of obligations of confidentiality, breaches of the applicable standards,

breaches of industrial and intellectual property law, damage to property and injuries, and administrative, occupational and other types of sanction.

The approval by Reganosa and/or its consultant engineers of the projects, calculations, plans or other technical documents drawn up by the Contractor, and the oversight of the work by Reganosa, shall not release the Contractor from that responsibility, nor entail that it should be shared between the Contractor and Reganosa and/or its consultant engineers.

2. The existence of a manufacturer's guarantee shall under no circumstances release the Contractor from its responsibility to Reganosa.
3. The Contractor is answerable for the exact fulfilment of its legal and contractual obligations with its suppliers and subcontractors and, in particular, that it has title to the material and equipment delivered or supplied for the fulfilment of the Contract or Order and that they are of its free use and disposal and are free of encumbrances and liens in favour of third parties.
4. The Contractor is also obliged to show full and timely respect to all legal obligations of an administrative, tax or employment character that are required for the fulfilment of the Contract or Order.
5. The Contractor must demonstrate to Reganosa with the appropriate paperwork, prior to the signing of the Contract or Order and however many times it may be requested during its execution, its compliance with the obligations listed in the preceding sections. Failure to present the documentation that demonstrates it or the presentation of documentation shall constitute a serious breach of contract.
6. The Contractor releases Reganosa from all responsibility for any non-fulfilment of the preceding obligations, as well as the acts and omissions it commits, on its own account or that of its personnel, during the fulfilment of the Contract or Order and, in consequence, is obliged to act as and when necessary to ensure that Reganosa is excluded from the claims and demands that for such a reason might be directed towards it, and compensate Reganosa for all the damages caused.
7. When the Contractor comprises two or more persons (natural or legal) or a grouping of them, each and every one of the said persons or entities shall be jointly obliged to fulfil the Contract or Order and also answer jointly for the obligations established in it and in these General Conditions.

## **21. LABOUR AND EMPLOYMENT LAW AND HEALTH AND SAFETY CONDITIONS AND OBLIGATIONS**

1. This clause shall be applicable in the event that the execution of the Contract requires, in addition to the delivery of goods or material, the undertaking of work or services on the part of the Contractor.
2. The Contractor shall comply with applicable employment, occupational accident prevention and social security regulations with respect to the workers involved in the execution of the Contract or Order, and with respect to the execution of the Contract or Order itself. The Contractor must provide Reganosa with demonstration of such compliance at the start of the Contract and at any time when so required. In this regard the Contractor is obliged to hand over to Reganosa:
  - a) At least 24 hours prior to the commencement of the contracted work, via the Reganosa document management platform:
    - Payroll relationship of the workers of the contracting company providing services in the execution of the contract, with individual listings of name, surnames, professional group, Spanish national ID (D.N.I.), Social Security number and the type of employment contract linking the worker to its company, as well as the duration of the contract.
    - Certificates of Social Security registration for those workers affected by the execution of the Contract or Order.
    - Clearance certificate of good standing in the Treasury of Social Security as well as being up-to-date in the payment of salaries to workers, and not being indebted to the same.
    - Residence and work permits for non-EU employees.
    - Declaration of having complied with the obligations contained in sections 3 and 5 of article 42 of the Workers' Statute, regarding the duties of information in the case of subcontracting work and services owed to workers, their legal representatives and the Treasury of Social Security.
    - Copy of the notification to the Employment Authority of the Labour Centre being opened, when this is legally required (for work that lasts longer than one month).
    - Designation, on the part of the Contractor, of a contact and a person in charge of complying with health and safety standards.
    - Documentation certifying the coverage of professional liability.
    - Recording in Mutua of workplace accidents.

- Civil liability insurance.
- Method of organising accident prevention.
- TC2 social security forms
- Certificate of compliance with the law of health and safety.
- Notification of accidents on the part of collaborating companies.
- Coordination of activities.
- Risk assessment.
- Preventative resources.
- Workers' H&S training
- Medical certificate.
- Delivery of PPEs.

b) During the execution of the Contract or Order and when the events occur:

- Employment and discharge certificates arising among the personnel who supply the service.
- In the case of subcontracting, a document in which the subcontractor undertakes to comply with the obligations stemming from this text.

c) During the execution of the Contract or Order and every three months:

- Clearance certificate of good standing in the Treasury of Social Security as well as being up-to-date in the payment of salaries to workers who provide labour for the work.
- In the case of subcontracting, a notification from the Contractor's legal representative certifying that the subcontractor in question fulfils its employment, Social Security and health and safety obligations.

3. The Contractor shall comply with Law 31/1995, dated 8 November of that year, on health and safety at work, as well as the regulations that develop and complement it, whether of legal or conventional nature, and its personnel shall attend the safety course for access to the sites.

4. When workers belonging to the Contractor and Reganosa undertake activities in the same place of work, the companies must cooperate in applying the health and safety regulations in accordance with Royal Decree 171/2004, dated 30 January of that year, covered by article 24 of the aforementioned Law 31/1995, on the matter of coordinating company activities. In particular, both companies must:
  - a) Inform each other of any specific risks linked to the activities they undertake in the workplace that could affect the workers of the other companies present.
  - b) Inform and train their respective workers of the risks stemming from the co-occurrence of company activities in the terms set out in articles 18 and 19 of Law 31/1995.
  - c) Establish the means of coordination necessary for the prevention of workplace risks deemed to be appropriate and pertinent, depending on the degree of danger in the activities being conducted.
  
5. In addition to the above, when Reganosa acts as the lead company, it can and must:
  - a) Notify the Contractor, as a company in attendance, of the risks inherent in the workplace that may affect the activities undertaken by them, the measures relating to the prevention of such risks and the emergency measures that should be applied.
  - b) Give the Contractor instructions for the prevention of existing risks in the workplace that could affect the workers of companies in attendance and on the measures that should be applied when an emergency situation arises.
  - c) Oversee compliance of the health and safety regulations on the part of the Contractor. Before the commencement of activity in its workplace, Reganosa will thus require the Contractor to certify in writing that it has undertaken, for the contracted works and services, a risk assessment and preventative action plan, and fulfilled its obligations in terms of informing and training those of its workers affected by the activity.

Such accreditations must be required by the Contractor, for delivery to the lead company, when it subcontracts part of the work or service to another company, it being within the remit of Reganosa to ascertain the correct coordination between the two companies.
  
6. Whenever an accident occurs in its activities, including cases where there are no victims, the Contractor has the compulsory obligation to provide an account to Reganosa, collaborating at all times with the clarification of the circumstances and fulfilling whatever documentary duties may be necessary, including drafting a complementary report at the request of Reganosa.

With a view to the permanent improvement of the health and safety conditions, the Contractor's or subcontractors' personnel participating in the contracted work shall pass on to their superiors the suggestions they deem appropriate so that they may be transmitted, via the communication procedure established in each case, to Reganosa.

7. When Royal Decree 1627/1997, dated 24 October of that year, whereby minimum health and safety provisions on construction sites are established, is applicable, it shall be obligatory that, among other issues, and prior to the commencement of the activity, the Contractor shall draw up a health and safety plan for the job in which it analyses, studies, develops and complements the provisions contained in the study or basic study carried out by Reganosa, including proposals for any alternative prevention measures necessary. Should this plan prove unacceptable to Reganosa, the Contractor must modify it, the Contract or Order not taking effect until such modifications have been carried out in accordance with the Reganosa indications.

By way of guidance and in general terms, the specific safety plan for the contracted work that the Contractor must submit to Reganosa shall include at least the following sections:

- a) Subject and scope of application.
- b) Tasks to be carried out:
  - Description of the work.
  - Risks foreseen: identification and if applicable assessment.
  - Especially dangerous risks.
  - Preventative measures and protection.
- c) Place of carrying out the work:
  - Description of the setting's conditions.
  - Risks foreseen, identification and if applicable assessment.
  - Existence of especially dangerous risks.
  - Preventative measures and protection.
- d) Working methods to be used in the development of the work:
  - Risks foreseen, identification and if applicable assessment.
  - Especially dangerous risks.
  - Methods for especially dangerous tasks.
  - Preventative measures and protection.
- e) Organisation of safety at the site or installation.

- f) Safety regulations applied.
8. When Reganosa detects that the Contractor is not complying with the health and safety measures laid down, it may determine an appropriate period for their correction and as many measures as may prove necessary to avoid a recurrence of the non-compliance. If the Contractor does not carry out the necessary modifications in the time established, Reganosa may make good such non-compliance, at the expense of the Contractor, without such action incurring any responsibility for Reganosa. In the event that Reganosa suffers any type of cost or expenditure from the aforementioned action.

In the event that the circumstances described in the preceding section cause delay to the execution of the work, the Contractor shall take the necessary steps to make up for the delay in question, without having any right to extend the agreed execution lead-times.

Taking into account the gravity of the circumstances, the number of workers exposed to risks and the non-compliance with the coordination measures and the safety plans, Reganosa may sanction the seller with:

- a) Verbal or written warning to the Contractor.
- b) Partial or total halting of the work until the defects have been remedied.
- c) Termination of the Contract or Order in the event of reoccurrence or when the regulations that have been breached are considered fundamental for Reganosa and are classed as such by good practice.
- d) The withdrawal of the Contractor's classification as an approved Reganosa supplier.

The preceding sanctions may be in addition to the civil, administrative and criminal liabilities stemming from non-compliance with health and safety regulations. By the same token, the Contractor may not use any halting of work for the reasons set out as justification for delay in delivering the work.

9. The Contractor undertakes not to use the services of persons who have taken early retirement or retirement from Reganosa for the purposes of executing the subject matter of the Contract, whether they come in an employment or commercial capacity, whether personally, or through an entity with which they have an employment, commercial or proprietary relation or through third parties, except with the explicit authorisation of Reganosa.

Nor shall any person in early retirement or retirement from Reganosa be able to hold any post of administrator or majority shareholder in the Contractor except with the explicit authorisation of Reganosa.

The breach of any of these obligations shall constitute just cause to terminate the Contract.

## 22. CONFIDENTIALITY AND DATA PROTECTION

1. The Contractor undertakes to maintain all the information received from Reganosa for the development of the Contract or Order as confidential, committing itself to not divulging it to third parties without Reganosa's prior written consent.
2. The Contractor shall guarantee the conditions of secrecy and discretion that may be required and undertakes to communicate the confidential nature of all the data, plans and generally all the information received from Reganosa to the personnel involved in the Contract or Order, unless such information be in the public domain.
3. Breach of the preceding commitments may be taken by Reganosa as cause for terminating the Contract or Order.
4. The Contractor is obliged to adopt the measures of a technical and organisational nature necessary to guarantee the security of the data of a personal character to which it has access by virtue of the Contract or Order and to avoid their alteration, loss, manipulation or non-authorised access, whether this stems from human, physical or natural action, in accordance with the provisions of article 9 of Law 15/1999, dated 13 December of that year, regarding Protection of Data of a Personal Nature.
5. If the Contractor uses the data for another purpose, communicates them or uses them in breach of the stipulations of the Contract or Order it shall be held responsible for the handling and personally answerable for any infractions that may have occurred.
6. The use by the Contractor of the documentation generated by Reganosa shall be carried out in strict compliance with the prevailing legislation in the area of data protection. Under no circumstances shall it be able to make use of such documentation for purposes other than those of Contract or Order, or pass it on to third parties.

## 23. FORCE MAJEURE

1. Only the things listed below are deemed to be causes of *force majeure*:
  - a) Earthquakes, tsunamis, fires of a catastrophic nature and floods officially classified as catastrophic.
  - b) Damage caused by armed or violent force in times of war, sedition or tumult.



- c) Legal strikes that exceed the scope of the Contractor's company and whose termination does not depend on its decision.
- 2. In the event that something occurs that could be considered as *force majeure*, the affected Party will notify the other, in writing, as soon as feasibly possible, and in any event before forty-eight (48) hours elapse from its appearance, detailing the cause as well as its possible duration and effects on the contracted Supply and attaching, if applicable, the documents that attest to it.
- 3. In the event of delay due to one of these causes, the lead-times stipulated in the Contract or Order shall be extended no more than the length of the delay suffered, the other obligations that are not affected by the event in question remaining in place. In the event that the cause of the *force majeure* lasts more than six months, the Order or Contract shall be terminated, barring agreement to the contrary between the Parties.
- 4. The Contractor shall have no right to any compensation for the possible manifestation of any of the causes of *force majeure* and the resulting delay, if applicable, shall not constitute any additional charge for Reganosa.

## 24. ENVIRONMENTAL PROTECTION

- 1. The Contractor commits itself to complying with its obligations arising from the application of the prevailing environmental legislation, especially in terms of the correct packaging and labelling of the products supplied, as well as the returnability of the packaging of chemical products in those cases where such products are classified as dangerous substances according to prevailing regulations.
- 2. The Contractor shall respect the limits placed on the sale of dangerous substances and preparations specified in Royal Decree 1406/1989, dated 10 November of that year, and its amendments, as well as any other future amendment in this respect.
- 3. In cases where the transport of the product to its destination is the responsibility of the Contractor, the latter will be responsible for ensuring that such transportation complies with the provisions of Royal Decree 97/2014, dated 14 February of that year, whereby operations involving the transport of dangerous goods by road are regulated in Spanish territory, and its amendments.
- 4. If the subject of the Order or Contract is the supply of any of the following products: (i) insulating oils, (ii) lubricating oils, (iii) greases, (iv) paint, ink (including toner) and varnishes, (v) solvents, (vi) chemical products and (vii) electric batteries or lamps, the Contractor undertakes to manage the residues that are generated, taking total responsibility for complying with the regulations that are binding in terms of transport, as set out in the preceding point.

## 25. TAXES

1. The Parties are obliged to comply with any requirements and supply any documentation that may be necessary for the correct settlement of taxes and the payment of the corresponding demands.
2. In the case of domestic material, equipment and services, the tax in force in the place of delivery or any other tax that may be established in future to replace it will be the exclusive responsibility of Reganosa. When the material, equipment and services have a foreign provenance, the taxes shall be paid as follows:
  - a) All taxes, charges and duties of the countries from where the merchandise is exported and those that apply to transit up to final delivery, as well as the taxes that may be levied in Spain for the profits obtained from the corresponding sale, shall be borne by the foreign Contractor.
  - b) Tariffs, taxes and other official charges for customs clearance of the materials and equipment imported shall be borne by Reganosa.
3. The Parties are obliged to cooperate in obtaining any exemptions and other tax benefits that may be applicable in relation to or occasioned by the supply. If, due to lack of diligence or any other cause attributable to the Contractor, Reganosa loses the opportunity to benefit from any of the previously mentioned tax abatements, it may discount such benefit from the agreed amount of the price.

## 26. APPLICABLE LAW AND CONFLICT RESOLUTION

1. The Order or Contract and all the issues that may arise between the Parties in relation or connection to it shall be governed exclusively by Spanish law, to which the Contractor and Reganosa explicitly submit themselves whenever an Order or Contract is agreed for the supply of a service or for carrying out work in that territory.
2. If the Order or Contract establishes an Arbitration Agreement, and provided this does not indicate anything to the contrary, any dispute, discrepancy or claim that may arise between the Contractor and Reganosa resulting from the interpretation or realisation of the Order or Contract or directly or indirectly related to it, shall be definitively resolved through arbitration at law. There shall be three arbiters, one being nominated by each Party and the third, who shall be the President of the Board of Arbiters, by the common agreement of the arbiters thus nominated. In the absence of agreement between the arbiters nominated by each of the Parties on the appointment of the third arbiter, the latter will be appointed by the Illustrious College of Lawyers of A Coruña from among the lawyers of the said College, someone of recognised prestige and more than fifteen years of professional experience.

The arbitration shall take place in the city of A Coruña (Spain) and its ruling shall be handed down no later than six months from the date on which the last-appointed arbiter accepted the appointment. The ruling must also decide on the costs of the arbitration.

3. Except for questions submitted to arbitration in accordance with the preceding section, any other incident, argument or dispute that arises from these General Conditions shall be submitted to the competence of the Courts and Tribunals of the Province of A Coruña, the interested parties explicitly renouncing the competence of the courts of their own regional systems, if there be such.

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Revised: 9 March 2016