



**General Sales Conditions for Asea Brown Boveri, S.A.
(Supply of Services, Repairs, Assembly Operations, Installations and Works)**

Madrid, February 2011

1. General.

1.1 The services, repairs, assemblages, jobs, installations and works (hereinafter, the "Services") to be executed by Asea Brown Boveri, S.A. (hereinafter, the Vendor) will be governed by the present General Sales Conditions, except in all those matters that are expressly agreed otherwise in the respective quotation or in the acceptance of the order and which form its special conditions. Therefore, any other conditions that have not been expressly accepted by the Vendor have no value.

1.2 If the execution of the Services includes the additional supply of components, equipment and systems or of any other material by the Vendor, the conditions of sale of this additional supply shall be governed by the respective "General Sales Conditions for the Supply of Components, Equipment and Systems" issued by the Vendor.

1.3 The present General Conditions shall be considered to have been communicated to the Buyer from the time at which the latter is informed of the address of the web page where they can be found or receives an offer from the Vendor accompanied by these Conditions. Alternatively, they shall be considered communicated if the Buyer has received them previously in the course of his business relations with the Vendor. In all of the foregoing cases they shall be considered accepted by the Buyer for all purposes when he places his order.

2. Intellectual and Industrial Property.

The intellectual and/or industrial property of the offer, in all its terms, and the information attached to it, as well as that of the technical documentation, engineering information, procedures, plans, drawings, software, etc., included in or relating to the performance of the Service, belong to the Vendor or to his suppliers, so not only their use by the Buyer for purposes other than the fulfilment of the order, but also their reproduction in part or in full or the assignment of use to third parties without the Vendor's prior written consent are all expressly forbidden.

3. Formalisation of Orders and Scope of the Services.

3.1 The scope of the Services must be clearly specified in the Buyer's order. In order to be considered effective, the Buyer's order has to receive express acceptance on the Vendor's part.

3.2 The scope of the performance only includes the Services that are the subject of the order. Any other Service or job activity not included explicitly in the Buyer's order accepted by the Vendor and which may be necessary directly or indirectly for the execution of the Services shall be on the Buyer's account and obligation. Provisions are included in point 6 for: "Preparatory works. Works, services and supplies not contracted. Permits and authorisations".

3.3 Modifications and/or variations of the scope, delivery dates or other terms of an order that may be proposed by one of the parties should always be notified to the other party in writing and they will have to be accepted by the other party for them to be valid. Modifications due to changes in applicable legislation, regulations or rules which take place after

the date of presentation of the corresponding offer shall also be considered as modifications / variations. Should said modifications and/or variations signify the imposition of additional or more onerous obligations for the Seller, the Seller will have the right to adjust the contractual terms to fully compensate for the consequences of the new and/or modified legislation or regulations.

4. Prices.

4.1 The prices of the Services, both for personnel and for the use of auxiliary equipment, transport material, consumables, etc., are based on unitary price rates. The unitary rates which will be attached as an annex to the Seller's offer are net and do not include VAT or any other tax or duty, which will be charged later in the invoice at the relevant rates.

4.2 If a number of hours has been estimated for the different activities making up the Services, it is stated that this number of hours is merely informative and the hours actually worked will be invoiced.

4.3 The prices stated in the offer are for the terms of payment specified therein. If these terms of payment are modified, the prices of the offer would be reviewed.

4.4 Once the order has been accepted by the Vendor, the prices of the Services will be considered fixed and not subject to review. However, a price review shall be applicable when:

- a) It has been expressly agreed between the Buyer and the Vendor.
- b) The execution time of the Services or the acceptance of same has been delayed for a reason directly or indirectly attributable to the Buyer.
- c) The scope of the Services has been modified at the Buyer's request.
- d) In the event of the prices being quoted in a currency other than the euro, the variation in parity that the currency may undergo in respect of the euro from the date of the order until the contractual dates for the invoicing of each milestone shall give rise to the relevant adjustment of the respective selling price.
- e) The Buyer has unilaterally suspended the execution of the services contained in the order.

5. Terms of Payment.

5.1 Unless agreed otherwise, the amount of the Services shall be invoiced at the end of the month in proportion to the jobs done. Payments shall be made in accordance with the terms of Law 15/2010, dated July 5th, modifying Law 3/2004, dated December 29th, which establishes corrective measures to combat delays in payment in commercial transactions, and, in no case may exceed the maximum time limits specified in said Law. In absence of a specific agreement, the payment period will be thirty (30) days from the date of termination of the period being invoiced.

5.2 Payment has to be made in the agreed conditions to the Vendor's bank account by means of agreed upon procedures. Payment

shall be made without any deduction such as: non-agreed withholdings, discounts, expenses, imposts or taxes, or any other deduction.

5.3 If the execution of the Services or their reception were delayed for any reason not attributable to the Vendor, the contractual conditions and terms of payment would be maintained.

5.4 In the event of delay in the payments by the Buyer, he would have to pay the Vendor, without any requirement and as of the payment due date, the late payment penalty interest, which shall be calculated in accordance with the terms of Article 7 of Law 3/2004 dated December 29th. Payment of this interest shall not release the Buyer from the obligation to fulfill the rest of the payments in the agreed conditions.

5.5 If the Buyer incurs delays in the agreed payments, the Vendor may discontinue the execution of the agreed Services, either temporarily or finally, at his discretion, without detriment to the Buyer being required to make the delayed payments and, when appropriate, being asked for additional compensation for the suspension of execution of the Services.

5.6 The formulation of a claim by the Buyer does not entitle him to discontinue or make any deduction in the payments pledged.

6. Preparatory works. Works, services and supplies not contracted. Permits and authorisations.

6.1 The Buyer must carry out properly, in time and for his own account and risk, the preparatory jobs needed for the Vendor to be able to execute the Services in the agreed conditions and times, such as accesses, water supply connection, lighting, electricity, ground clearance, foundations, drain systems, works in general, prior installations, etc. The Buyer also has to give the Vendor the necessary documentation (drawings, plans, specifications) and the appropriate scheduling of the jobs for which he is responsible so that the Vendor may carry out a correct execution of the Services contracted without interference.

6.2 If the Buyer assumes the commitment to provide auxiliary personnel (bricklayers, labourers, electricians, etc.) required for certain jobs connected to the execution of the Services, this personnel should have the necessary qualifications. The Buyer will be responsible for being up to date in whatsoever legal and labour obligations may be applicable with respect to said personnel under current legislation as well as for complying scrupulously with all the safety and hygiene at work measures, supplying the Vendor with any documentation requested with respect to the applicable regulations. In any case, the Vendor shall assume no responsibility whatsoever for these jobs.

6.3 The Buyer must obtain at his own expense and for his own account all the permits and authorisations needed so that the Services may be executed by the Vendor in accordance with the regulations applicable.

7. Working Hours. Facilities for Executing the Services.

7.1 The Vendor shall adapt as far as possible the working hours of his employees or his contractors to the Buyer's working hours, if the latter carried on any industrial activity at the place of execution of the Services. However, when it is necessary to avoid interference, advantage should be taken of down times, or in the case of Services at plants in the process of construction, a working day should be adopted tailored to the specific circumstances.

7.2 In any case, the working hours of the Vendor's or his contractors' employees should be in line with current labour legislation and the collective agreements applicable to his sector with regard to length, overtime, breaks and rest periods. If the number of hours worked were shorter than the legally established working day for reasons not attributable to the Vendor, without this circumstance having been taken into consideration in the offer, the legally established working hours would be invoiced.

7.3 Whatever working hours may be adopted, the Buyer must provide the most suitable working environment possible for the execution of the Services by the Vendor, his employees and his contractors including lighting, heating, safety, security, etc.

7.4 The Buyer shall provide the Vendor's or his contractors' employees with such necessary operating facilities as: accesses to

washrooms; a place for meals; changing room; store for materials, tools and equipment; security, etc.

8. Subcontracting.

The Vendor may subcontract part of the jobs included in the execution of the Services. The Vendor, however, shall retain full responsibility for the quality and execution time of the Services contracted.

9. Industrial Safety and Coordination

9.1 The Buyer shall have sole responsibility for adopting whatsoever measures may be necessary for the protection of safety and health at work, so he shall be responsible for (i) informing of the inherent risks of the work centre where the contracted jobs are carried out, (ii) the measures that may have to be applied when an emergency situation arises; (iii) the coordination between the different contracts and contractors who may, when applicable, be taking part in a given project, (iv) the functions of consultation, participation and training of the workers and, in general, (v) whatsoever other obligations in the field of safety and hygiene at work may stem from the application of the Occupational Risk Prevention Law 31/1995, both in relation to his own workers and to those of his contractors. Furthermore, the regulations for prevention deemed necessary in accordance with the internal regulations of the Seller must be applied. However, if the Buyer's regulations are stricter, then they will be applied.

9.2 The Vendor is entitled to bring the execution of the Services to a standstill in accordance with article 21 of Law 31/1995 if it is considered that the safety of the personnel is not assured, with the benefit of a reasonable extension of the delivery time when any delay occurs and being compensated by the Buyer for any loss or damage that he may suffer, such as lost working hours, personnel travelling expenses, living allowances, immobilisation of equipment and tools, etc. with regard to the obligations and responsibilities specified in the present clause and those considered in the aforesaid Occupational Risk Prevention Law 31/1995.

10. Services Completion Time.

10.1 The order shall clearly specify the completion time of the Services.

10.2 The completion time of the Services shall be modified when:

- a) The Buyer requires modifications in the order, which may be accepted by the Vendor and which in the Vendor's opinion call for an extension of the time for execution of the Services.
- b) On the Buyer's part, the preparatory jobs have not been carried out, or the obligations, jobs, services and supplies that are not the Vendor's responsibility have not been completed, or else the necessary permits and authorisations have not been obtained; all the foregoing as set forth in clause 6 hereof.
- c) The Buyer has failed to meet any of the contractual obligations entailed in the order, in particular that referring to payments.
- d) For reasons not directly attributable to the Vendor circumstances may arise that impede or delay the execution of the Services scheduled. By way of example these include as such, but are not limited to, the following causes: supplier, transport and services strikes, failures in third party supplies, transport system failures, floods, storms, disturbances, strikes, walk-outs by the Vendor's or his subcontractors' personnel, sabotage, accidental shut-downs at the Vendor's works due to failures, etc. and acts of God (Force Majeure) taken into account in current legislation, as established in Clause 15.
- e) The Buyer has unilaterally suspended execution of the order.

In the foregoing cases delays in the execution times of the Services will not affect the payment schedule. If payments are linked to the compliance with milestones, the original milestone scheduling shall be used as a benchmark for making the payments.

10.3 If a delay takes place in the execution of the Services contracted directly attributable to the Vendor, the Buyer will apply the penalty clause agreed previously with the Vendor, said penalty being the only possible compensatory action on account of delay.

11. Temporary or Final Suspensions in the Execution of the Services.

11.1 For the execution of the Services and depending on their duration and complexity, the Buyer and the Vendor should agree upon a joint schedule. If a circumstance or situation arises for reasons beyond the Vendor's control which forces the execution of the Services to be suspended, the Vendor shall receive economic compensation from the Buyer for the hours lost, personnel travelling expenses, living allowances, immobilisation of equipment and tools, etc., as well as payment for the completed Services or Services that are in an advanced state of progress in the moment of the suspension, to cover the economic losses that this unscheduled suspension may occasion the Vendor. Moreover, the Vendor will have the right to an extension of the date for completion of the Services equivalent to the duration of the suspension, plus a reasonable warning period before reinitiation of said Services.

11.2 In the same manner, if for reasons beyond the Vendor's control, the suspension is prolonged for a period of time greater than ninety (90) days, the Vendor will have the right to request the definitive termination of the Services under the same terms as those established in the paragraph below.

11.3 If the Buyer decides to discontinue the execution of the Services finally for reasons beyond the Vendor's control, a schedule should be arranged jointly for their orderly suspension. The Buyer will also have to compensate the Vendor economically for whatever costs and expenses may be generated by all of the damages produced by this final suspension.

12. Inspection and Acceptance.

12.1 Except in the cases so specified in the order, supervision of the progress of the execution of the Services will be carried out by the Vendor. If the Buyer requires additional supervision performed by himself or by third parties, this additional supervision has to have the Vendor's approval and shall be carried out at the Buyer's expense.

12.2 Within a period of 15 working days after execution of Services is completed, the Buyer must conduct an inspection of the Services carried out in order to detect possible defects and/or faults in same that might be attributable to the Vendor, notifying the Vendor immediately of the existence, when applicable, of such defects and/or faults.

12.3 Except in cases when reception tests in conditions and at times agreed between the Vendor and the Buyer are specified in the order, at the end of the 15 days from termination of the execution of the Services without the Vendor having received written notification from the Buyer of possible defects and/or faults, the Services executed shall be considered to have been accepted by him and the guarantee period shall start to be calculated from that time. The Services shall also be considered to have been accepted by the Buyer if he starts to use the installation or equipment on which the Services have been executed.

12.4 If the Buyer has arranged with the Vendor for acceptance tests to be conducted on the Services executed, these should be performed on the agreed dates, while to this end the Buyer should make available the auxiliary personnel and consumables needed to run these free of charge for the Vendor. If these tests have not been carried out at the dates and in the conditions specified for reasons not attributable to the Vendor, the Services executed shall be considered to have been accepted by the Buyer.

13. Guarantees.

13.1 Unless expressly stipulated otherwise either in the offer or in the acceptance of the order, the Vendor guarantees that the Services that he has completed with regard to defects and errors of execution and start-up (if he has responsibility for this) for a period of three months, calculated as of the date of acceptance of the Services, whether this be explicit (successful completion of the final inspection agreed between the Vendor and the Buyer and remittance of a letter of acceptance of the Services), or tacit (15 days after execution of the Services is completed, without written

communication from the Buyer to the Vendor informing of some nonconformity; through use or because the tests have not been performed).

13.2 The guarantee expressed in 13.1 consists in the remedying of the errors and defects that have been acknowledged as such in the Services executed. The repairs shall be carried out at the Vendor's shops or at the site where the Services were originally executed, at the Vendor's discretion. The Buyer shall be liable for the disassembly operations, packing, loading, transport, customs, taxes, etc. that are, when applicable, occasioned by the shipment of the defective material to the Vendor's shops and for their return to the Buyer.

13.3 Repairs during the guarantee period may be executed directly by the Vendor or by one of his contractors, although the Vendor shall retain responsibility for the proper execution of the jobs in any case.

13.4 Repairs to specific items or systems do not affect the termination date of the guarantee period for the Service executed as a whole, which is as stated in point 13.1. However, the specific item or system repaired has three months' guarantee as of the repair completion date.

13.5 The guarantee does not cover the damage or defects due to normal wear from use of the equipment. Also excluded from the guarantee, which shall moreover be considered expired, are damages and defects caused by improper upkeep or maintenance, storage, and incorrect or negligent handling, misuse, use of unsuitable liquids and gases as well as incorrect flow or pressure, fault installations, variations in the quality of the power supply (voltage, frequency, disturbance) modifications made in the supply without the Vendor's approval, installations carried out or modified later without following the product's technical instructions and, in general, any cause that is not attributable to the Vendor.

13.6 The guarantee shall also be considered expired if, in the event of it being stipulated that the supply should be started up with the Vendor's attendance, the supply is started up without such attendance or if, in case of failure, no measures are taken to mitigate the damage.

13.7 Despite the provisions of the previous points in this clause, the Vendor in no event shall be liable for defects in the equipment items and materials that are the subject of the services for a period of more than six months calculated from the start of period specified in point 13.1.

14. Limitation of Liability.

The liability of the Supplier, its agents, employees, subcontractors and suppliers with respect to any and all claims arising out of the performance or non-performance of obligations under the contract shall not exceed in the aggregate the base Contract price and shall in no event include damages for loss of profit, loss of revenues, loss of use, loss of production, costs of capital, costs of substitute equipment, facilities or services, downtime costs, or delays and claims of customers of the Buyer, costs for substitute energy, or costs connected with interruption of operation, loss of anticipated savings, increase in production costs nor for any special indirect or consequential damages or losses of any nature whatsoever.

The limitation of liability set out in the present clause will prevail over the contents of any other contractual document which is contradictory or incongruent with its terms, except in the case in which said provision is more restrictive with respect to the responsibility of the Vendor.

15. Applicable Law. Submission to Jurisdiction and Authority.

The present conditions will be subject to and interpreted in accordance with Spanish Law.

The parties expressly waive any other code of laws that might pertain to them and agree to submit to the jurisdiction and authority of the Courts and Tribunals of the city of Madrid.

16. Force Majeure

16.1 In the case that the Seller is impeded, either totally or partially, from complying with his contractual obligations due to Force Majeure, compliance with the affected obligations will be suspended, with no responsibility to the Seller, for as long as is reasonably necessary in accordance with the circumstances.

16.2 Force Majeure will be understood as any cause or circumstance outside of the reasonable control of the Seller, including but not limited to, strikes by suppliers, transportation and services, failure in third party deliveries, failure in transportation systems, natural catastrophes, floods, storms, uprisings, strikes, labour conflicts, work stoppages by the Vendor's personnel or it's subcontractors' personnel, sabotage, acts, omissions or intervention by the government or any of its agencies, accidental stoppages in the Seller's factory due to breakdowns, etc. and all the force majeure causes contemplated in the current legislation which affect the Vendor's activities either directly or indirectly.

16.3 When there is a cause of Force Majeure, the Vendor will notify the Buyer as soon as possible, explaining the cause of Force Majeure and the estimated duration. The Vendor will notify the buyer on the termination of the cause of Force Majeure specifying the period of time necessary to comply with the obligations suspended due to said Force Majeure. The occurrence of a cause of Force Majeure will give the Vendor the right to a reasonable extension in the date of delivery.

16.4 Should the cause of Force Majeure last for a period longer than three (3) months, the parties shall negotiate to reach a fair and adequate solution to the circumstances, taking into account the Vendor's difficulties. If no reasonable agreement is reached within thirty (30) days, the Vendor may cancel the order, with no responsibility on his part, by written notice to the Buyer.

17. Non-Disclosure Clause

The Buyer and the Vendor shall treat as confidential all documents, data, materials and information disclosed, shall not share it with third parties, and will refrain from using it directly or indirectly other than for the development of the Project (Supply/Service), unless said disclosure or use is authorized by previous written consent of the other Party.

Notwithstanding the above, the Vendor is authorized to provide the Buyer's name and basic details of the Project (Supply / Service) as part of their business references.

18. Termination of the Contract

18.1 Either Party may terminate the order immediately by virtue of written notice to the other Party, if the other Party fails substantially to comply with the terms of the order.

In order to constitute substantial non-compliance, the Party accused of said non-compliance must have been notified in writing previously and failed to comply within a thirty (30) day period of said notification.

The following will also be cause for termination of the order:

- The dissolution or liquidation of either Party, except for the case of mergers realized within the Group of Companies each one pertains to.
- The cessation of activity of either of the parties.
- The persistence of a situation of Force Majeure / suspension for more than three (3) months from the date of reception by one of the parties of the first written notification sent by the affected Party as referred to in Clause 16.
- Any other cause for termination expressly detailed in other Clauses in the present Conditions.

18.2 In the event of termination for reasons attributable to the Vendor, the Buyer will:

- Pay the Vendor the amount corresponding to the value of the services already rendered in accordance with the prices established in the order.
- Have the right but not the obligation:
 - to subrogate in Vendor's position in Vendor's contracts with its suppliers and / or subcontractors .
- Will have the right to be compensated for the damages suffered as a result of Vendor's breach of contract, within the limits established in Clause 11 of the present Conditions.

18.3 In the event of termination for reasons attributable to the Buyer, the Vendor will have the right to perceive:

- the amount corresponding to the value of the Services already executed in accordance with the prices established in the order,
- the amount corresponding to the value of the Services pending execution and/or the equipment and materials pending delivery

that the Vendor is obligated to receive from his subcontractors and suppliers, once they have been rendered or delivered to the Buyer,

- the amount corresponding to the cancellation of the orders issued by the Vendor to his suppliers and subcontractors, when said cancellation is possible, and
- indemnization for other damages suffered as a consequence of the Buyer's breach of contract.

18.4 In the case of termination due to a Force Majeure event, el Vendor will have the right to perceive:

- the amount corresponding to the value of the Services already rendered in accordance with the prices established in the order,
- the amount corresponding to the value of the Services pending execution and/or the equipment and materials pending delivery that the Vendor is obliged to receive from his subcontractors and suppliers, once they have been rendered or delivered to the Buyer, and
- the amount corresponding to the cancellation of the orders issued by the Vendor to his suppliers and/or subcontractors, when said cancellation is possible.