



AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

**SUBCONTRACT AGREEMENT No. 2979-SC-BG-50**

THIS AGREEMENT is made in Haskovo, Bulgaria, on the day of December 2<sup>nd</sup>, 2020,

BETWEEN:

**AVAX BRANCH**, having its registered office Apartment 18, Entrance 6, Floor 4, 22 Golo Byrdo Str., Sofia 1407, Bulgaria, legally registered with the National Revenue Agency Office Center (NRA Office Center), VAT Registration No. BG131440707, represented by Mr. Antonis Mitzalis and Mr. Georgios Tassekos (the "Contractor") of the one part,

AND:

**Horizontal Drilling International S.A.S**, having its registered office at Immeuble Gershwin, 165 Boulevard de Valmy, 92707, Colombes Cedex, France, VAT Registration No. FR 38 388 835 308, represented by Mr Atef Khemiri (the "Subcontractor") of the other part,

Contractor and Subcontractor hereinafter referred to individually as a "Party" and collectively as the "Parties".

WHEREAS

the Contractor desires Subcontract Works to be rendered for the Design, Procurement, and Construction of the Natural Gas Interconnector Greece – Bulgaria (IGB Project),

and

the Subcontractor has submitted on 30.06.2020 a Subcontractor's Technical and Commercial proposal (Ref. EEEY\_TECHNICAL & COMMERCIAL PROPOSAL REV03) for these Subcontract Works,

Originator/ основопо- ложник	Procurement Manager/Мениджъ- р по общест-	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител

Замислено  
обстоятелство  
по 330Д!





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

NOW THEREFORE the parties to this Subcontract hereby agree on the following:

**1.0 Definitions**

- 1.1 "Employer" means the "ICGB A.D."
- 1.1 "Main Contract" means the contract entitled "Design, Procurement, and Construction of the Natural Gas Interconnector Greece – Bulgaria (IGB Project)" between the Employer and the Contractor, dated 10.10.2019.
- 1.2 "Subcontract" means this Subcontract Agreement together with such documents as are specified herein and any amendments, supplements and alterations thereto.
- 1.3 "Main Works" means the works which the Contractor has undertaken to execute in accordance with the Main Contract.
- 1.4 "Subcontract Works" means the works that is described herein and form part of this Subcontract Agreement.
- 1.5 "Supervisor" or "Owner Engineer" means the natural or legal entities appointed by the Employer to supervise the Main Works.
- 1.6 "Practical Completion" means the Time for Completion of the Subcontract Works as stated in the agreed Time Schedule.
- 1.7 "Taking Over Certificate" means the certificate issued by the Contractor to the Subcontractor on completion of the Subcontract Works in accordance with the Subcontract and upon these works being taken over by the Contractor, provided that all as-built drawings and the like as specified herein to be provided by the Subcontractor have been completed successfully to the satisfaction of the Employer.
- 1.8 "Defects Notification Period" means the period stated in the Subcontract during which all outstanding defects shall be remedied by the Subcontractor and generally the Subcontractor shall have fulfilled all its outstanding obligations under the Subcontract to the satisfaction of the Contractor. The Defects Notification Period shall be 24 months from the date of issue of the Taking Over Certificate.

Originator/ основоположник	Procurement Manager/Менеджер по общ.	Project Manager / Ръководител проект	Head of Department / Начальник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golc Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria - BG131440707

- 1.9 "Defects Notification Certificate" means the certificate issued by the Contractor to the Subcontractor after the Defects Notification Period has expired.
- 1.10 "Project" means the Design, Procurement, and Construction of the Natural Gas Interconnector Greece – Bulgaria (IGB Project)
- 1.11 "Change in Law" means the coming into effect or repeal (without re-enactment or consolidation) of, or any modification to or amendment or variation of, after the signing of this Subcontract:
- a) Laws, other than the coming into effect of any Law which on the date of signature of the Subcontract have been published:
    - (i) In official draft form;
    - (ii) as a proposal in the Official Journal of the European Union; or
  - b) the judicial or official governmental interpretation of any Law.
- 1.12 "General Change in Law" means a Change in Law which is not a Specific Change in Law.
- 1.13 "Specific Change in Law" means:
- a) a Change in Law which expressly applies to gas pipeline infrastructure in the in the Republics of Greece and Bulgaria; or
  - b) a Change in Law which expressly applies to health and safety in respect of gas pipeline infrastructure; or
  - c) a Change in Law which expressly applies to the environment and which directly affects the Works; or
  - d) a Change in Law which expressly applies to the national security of the Republics of Greece and Bulgaria.
- 1.14 "Qualifying Change in Law" means:
- (a) a Specific Change in Law; and/or
  - (b) a General Change in Law.

**2.0 Scope of the Subcontract Works**

- 2.1 The Scope of the Subcontract Works includes the "Detailed Design for and Execution of two (2) Crossings (Maritsa River and Studen Kladenec Dam) by

Originator/ основополо жник	Procurement Manager/Мениджъ р по обществен и	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

method of **Horizontal Directional Drilling (HDD) for the installation of DN800 (32") Pipeline and 8" steel Fiber Optic Conduit (FOC)**", all on a back-to-back principle with the Technical Specifications, and other documents of the Main Contract to the extent that these relate to and affect the Subcontract Works and have been provided to the Subcontractor, as well as the terms and conditions stipulated herein (hereinafter referred to as the "**Subcontract Works**").

2.2 More specifically, the Subcontract Works shall include the following items and activities:

2.2.1 Detailed Engineering Design

The Subcontractor shall be responsible for furnishing the following deliverables:

a) For the Maritsa River Crossing

- Detail Design for HDD Crossing of Maritsa River at KP 111+616 (Bulgarian section). General Layout. (Scale 1:1000)
- Detail Design for HDD Crossing of Maritsa River at KP 111+616 (Bulgarian section). Longitudinal Section (Scale 1:1000)
- Detail Design for HDD Crossing of Maritsa River at KP 111+616 (Bulgarian section). Rig Site Layout (Scale 1:500)
- Detail Design for HDD Crossing of Maritsa River at KP 111+616 (Bulgarian section). Pipe Site Layout (Scale 1:500)
- Construction Method Statement for HDD Crossing of Maritsa River at KP 111+616 (Bulgarian section)

b) For the Studen Kladenec Dam Crossing

- Detail Design for HDD Crossing of Studen kladenec dam at KP 49+100 (Bulgarian section). General Layout. (Scale 1:1000)
- Detail Design for HDD Crossing of Studen kladenec dam at KP 49+100 (Bulgarian section). Longitudinal Section (Scale 1:1000)
- Detail Design for HDD Crossing of Studen kladenec dam at KP 49+100 (Bulgarian section). Rig Site Layout (Scale 1:500)
- Detail Design for HDD Crossing of Studen kladenec dam at KP 49+100 (Bulgarian section). Pipe Site Layout (Scale 1:500)

Originator/ основопо- ложник	Procurement Manager/Мениджър по обществен процес	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

- Construction Method Statement for HDD Crossing of Studen kladenec dam at KP 49+100 (Bulgarian section)

c) Other documents:

- Inspection Test Plans and QA/QC Plans. The quality records shall form part of the final handover documentation.
- Construction procedures for each Crossing
- Risk Assessment Analysis / Report
- Health & Safety (HSE) Plans following the Employer's and the Contractor's own HSE Policy.
- Mobilization & Demobilization Plan
- Rig Anchorage Design
- As-Built drawings, Drilling Logs, and all handover documents related to Drilling Works.
- A Hydrofracture Analysis for determining possible "frac-out" of drilling fluid and establishing the drilling parameters for related development of mitigation measures. This is to be provided after receiving the Geophysical Investigation(s).

The Subcontractor represents and warrants that it has checked all documents, technical requirements and information provided by the Contractor and acknowledges that all documents necessary for the contractual performance of the Subcontract Works have been made available and are sufficient for its calculation, planning and execution of the Subcontract Works.

2.2.2 DN800 Gas Pipeline and 8" steel FOC

For each HDD Crossing, the installation of the 8" steel FOC line shall be carried out in parallel to the DN800 Gas Pipeline and with an offset distance of 10m, and in accordance with the following estimative lengths:

Maritsa River		
Location	Drilling	Estimative Length*
Maritsa River	Pipeline	L=420,00 m
Maritsa River	F.O.C.	L=420,00 m

Originator/ основополо жник	Procurement Manager/Менеджър р по закупи и продажби	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

Studen Kladanec Dam		
Location	Drilling	Estimative Length*
Dam Studen Kladanec	Pipeline	L=1365,00 m
Dam Studen Kladanec	F.O.C.	L=1365,00 m

### 2.2.3 Drilling, Reaming, and Pullback of Pipeline

The methodology to be implemented for the HDD Crossings of Studen Kladanec Dam and Maritsa Rivers shall comprise the stages:

- Stage 1: Pilot Hole Casing installed at the entry point of the upper soft sections.
- Stage 2: Pilot Hole is drilled to the exit point.
- Stage 3: The 8" FOC is pulled directly after the Pilot Hole and is to be used as a Mud Return (MR).
- Stage 4: The Drilling Rig is transferred to the entry point of the Product Pipeline.
- Stage 5: Pilot Hole for the Product Pipeline is drilled to the exit point.
- Stage 6: The reaming tool is installed at the exit point and pulled towards the entry point. Any cutting shall be transferred to the entry point through the MRL for recycling and re-use.
- Stage 7: After enlargement of the hole to 42" via concentric reaming, the hole is cleaned using barrel reamers and prepared for the pulling phase.
- Stage 8: The prefabricated 32" Product Pipeline at the exit point is attached to the drill string and pulled towards the entry point for the pulling phase.
- Stage 9: The 8" MRL is cleaned, the drilling rig demobilized and prepared to be shifted to the next drilling site.

### 3.0 Subcontract Documents

- 3.1 The following documents shall constitute the entire Subcontract and shall have the following order of precedence:

Originator/ основополю жник	Procurement Manager/Менеджер р по обединени и	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

- ❖ This Subcontract Agreement (No. 2979-SC-BG-50)
- ❖ Appendix 1: Extract of the Main Contract including all appendices, specifications, and other technical documents relevant to the Subcontract Works.
- ❖ Appendix 2: Studies, reports, investigations, and other documents provided by the Contractor.
- ❖ Appendix 3: Responsibilities Matrix
- ❖ Appendix 4: Time Schedule of the Subcontract Works
- ❖ Appendix 5: Agreement for the joint provision of health and safe working conditions, signed by both Parties;
- ❖ Appendix 6: Health & Safety Specifications & Requirements
- ❖ Appendix 7: The Decision for Environmental Impact Assessment No. 1-1/2013 issued by the Ministry of Environment and Water of the Republic of Bulgaria.
- ❖ Appendix 8: Subcontractor's Organization Chart / Personnel
- ❖ Appendix 9: Subcontractor's Mobilisation Schedule.

#### 4.0 Soil Conditions

4.1 It has been assumed that the following Soil Conditions are present and shall be encountered during the drilling phase per Crossing location:

##### 4.1.1 For Maritsa River:

Clay and medium compact alluvial sands with minimum presence of gravel. The crossing is to be drilled using soft-soil tooling.

##### 4.1.2 For Studen Kladenec Dam

Homogeneous tuff with UCS values from 10 to 20 MPa with assumed RQD values of 75%. A 16" entry casing is assumed to be used during the Pilot Hole Drilling. The crossing is to be drilled using soft-rock tooling.

Any additional Geophysical Investigations results which may be performed will be handed over to Subcontractor for further reference.

Originator/ основопо- ложник	Procurement Manager/Мениджър по обществен проект	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

**5.0 Plant, Equipment, and Fuel**

- 5.1 All Subcontractor's plant and equipment intended to be for the execution of the Subcontract Works shall be accompanied by all relevant operational documents. Prior to the commencement of the Subcontract Works, and upon the Contractor's request, the aforesaid documents shall be submitted to the Contractor for its review and approval and shall be subject to the Employer's own review and approval.
- 5.2 Obtaining such Contractor's and Employer's approval shall not relieve the Subcontractor from its contractual and legal obligations and responsibilities in maintaining the subject documents. The Subcontractor shall hold both, the Contractor and Subcontractor harmless from any loss or damages which may arise out of the Subcontractor's failure to maintain such operational documents.
- 5.3 Drilling rigs shall be suitably designed to overcome any friction caused by the drill string in the hole and to provide sufficient pullback force to pull the line pipe through the hole.
- 5.4 The Subcontractor is solely and entirely responsible for maintaining its plant and equipment under good working condition at all times. This includes the procurement and installation of spare parts the cost of which shall be fully covered by the Subcontractor. Any idleness which may arise during the execution of the Subcontract Works by reason of breakdowns to the Subcontractor's plant and equipment shall not be covered by the Contractor and the Subcontractor shall ensure that the repair is executed as soon as possible and that any delay as a consequence to the breakdown is accounted for by means of recovery and/or acceleration to the Subcontractor's Works. The cost of repairs and mitigation measures shall be carried out at no additional cost to the Contractor.
- 5.6 The Subcontractor shall supply all Pipe Rollers in numbers as required under the proposed Method Statement together with all calculations in substantiation to the Rollers' capacity to withstand the pipeline weight. Both, installation of the Pipe Rollers and preparation of the Product Pipe as one (1) continuous string shall be provided by the Contractor prior to the pullback phase.
- 5.7 Fuel shall be provided by the Contractor and back-charged to Subcontractor via the Contractor's interim payment certificates at the Unit Rate stipulated under Sub-Clause 11.10 herein.

Originator/ основопо- ложник	Procurement Manager/Мениджъ р по общест	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





**6.0 Installation Loads and Stresses**

6.1 In order to account for the various loads and stresses generated during the installation of the Product Pipeline (e.g. frictional and fluid drag factors, unbalanced gravity, bending, external hoop stresses), the Subcontractor shall carry out its own calculations for determining the maximum permissible pulling load. Such Subcontractor's calculations shall be incorporated to the Subcontractor's Method Statement, and shall be subject to the Contractor's and Employer's review and approval/authorization.

6.2 For achieving a neutrally buoyant condition during Pullback, the Subcontractor shall develop and incorporate into its Detailed Engineering Design a Buoyancy Control System.

**7.0 Fiber Optic Cable Conduit**

7.1 The Fiber Optic Cable Conduit shall be installed by use of HDD methods. The holes shall be used as the Subcontractor's mud return line. However, upon completion of the HDD operations per crossing, such line shall be cleaned and free of any internal foreign debris by the Subcontractor. The Subcontractor's Fiber Optic Cable Conduit cleaning procedure shall be fully described and included in the Subcontractor's Method Statements and ITP.

**8.0 HDD, Drilling Rig, and Pipe Working Areas / Equipment Areas**

8.1 Each HDD operation and site shall be treated as a separate working area for which the Subcontractor shall prepare a Method Statement describing in detail the Subcontractor's assessment of the working areas, providing plans depicting the proposed layouts and locations of the Subcontractor's working areas, along with a list of the plant and equipment to be used for the execution of the Subcontract Works.

8.2 The Method Statement shall also take into account the drillings to accommodate the fiber optic cable conduit.

8.3 The Contractor shall endeavour to provide sufficient surface area (approx. 3500m<sup>2</sup>) so as to allow the adequate setup of the Subcontractor's plant, equipment, and facilities. In addition, the Contractor shall provide sufficient workspace along the Right-Of-Way (ROW) for fabrication of the pipe pull section.

Originator/ основополю жник	Procurement Manager/Мениджър по обществени	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: - Sofia, 1407, 22, Golo Byrdo str., entrance 5, floor 4, ap. 18, Bulgaria - BG131440707

- 8.4 If additional working space is required by the Subcontractor, then:
- a) The Subcontractor shall consider the possibility of using plastic deformation at the pipe pull entry point for extending the working area outside the normal routing corridor, or;
  - b) The Contractor shall endeavour to acquire and make available such additional space.

However, in the case of Sub-paragraph (b) above, the acquisition of such additional space shall be subject to the Employer's approval and the permission of adjacent land owners'/occupiers' approvals to do so.

- 8.5 Topsoil shall be removed from the occupied area by the Contractor and piled separately.

- 8.6 The Contractor shall make all necessary arrangements to ensure that water is made available for the purpose of executing the HDD Works.

**9.0 General**

- 9.1 The Subcontractor shall execute, maintain, and complete the Subcontract Works with all due care, and diligence and remedy any defects therein in accordance with the Subcontract and to the reasonable satisfaction of the Contractor. The Subcontract Works shall be carried out by the Subcontractor in such manner so as the works of the Contractor or of other subcontractors are not disturbed.

- 9.2 Unless otherwise provided in the Subcontract, the Subcontractor shall provide all labour, construction plant, temporary works and everything whether of a permanent or temporary nature required for the execution, maintenance, completion of the Subcontract Works and remedying of any defects thereto, and shall be responsible for the adequacy, stability and safety of its operations.

- 9.3 The Subcontractor is obliged to execute the Subcontract Works only with experienced personnel, in numbers sufficient for the needs of the Subcontract Works. Such personnel shall be selected by the Subcontractor itself under its own responsibility. The Contractor is, however, entitled to demand from the Subcontractor at all times the removal and replacement of any member or members of the personnel used by the

Originator/ основопо- ложник	Procurement Manager/ Административни отделъци	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





Subcontractor if, according to the Contractor's reasonable judgment, such personnel is not suitable, is insufficient or harmful to the proper and timely execution of the Subcontract Works and to the works of other subcontractors.

- 9.4 The Subcontractor is the exclusive employer of all personnel involved in the execution of the Subcontract works and the Subcontractor bears the responsibility towards the personnel it will employ for the execution of the project, for the strict observance of all provisions of the labour legislation, more particularly in respect of the recruitment of foreigners whose employment is strictly forbidden if the legal prerequisites are not satisfied. The Subcontractor is solely responsible towards such personnel and towards any third party for their accurate observance and for the fulfilment of all kinds of obligations deriving from them and from the employment/engagement relationship between the Subcontractor and the above personnel. More particularly, the Subcontractor bears the responsibility to pay in full and on time all legal or contractual remuneration fees, compensations of any nature etc. all of which shall be borne exclusively by the Subcontractor.
- 9.5 Neither Party shall assign any or all its rights and obligations under this Subcontract, nor shall it further subcontract the whole or any part of the Subcontract Works without the prior written consent of the other Party.
- 9.6 Instructions given by the Contractor shall be in writing and the Subcontractor shall only act upon instructions that are given in writing. If, however, the Contractor considers it necessary to give an instruction orally, then the Subcontractor shall comply with such instruction and the Contractor's oral instruction shall subsequently be confirmed by the Contractor in writing before the Subcontractor carrying out the oral instruction. If such confirmation is not contradicted by the Subcontractor in writing within 7 days of receipt of the written confirmation, then such confirmation shall be deemed to be an instruction within the meaning of this Sub-Clause.
- 9.7 The Subcontractor undertakes that its designers shall be available to attend meetings/discussions with the Contractor and/or the Employer at all reasonable times during the design preparation period and until its approval by the Employer.

Originator/ основопо- ложник	Procurement Manager/Мениджъ р по торъчки договори	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: - Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

#### 10.0 Main Contract

- 10.1 The Subcontractor acknowledges that the Subcontract Works form part of the works to be executed by the Contractor under the Main Contract.
- 10.2 The Subcontractor shall so execute, maintain, complete the Subcontract Works, and remedy any defects therein so that no act or omission by it in relation thereto shall constitute, cause, or contribute to any breach by the Contractor of any of his obligations under the Main Contract.
- 10.3 The Subcontractor shall indemnify, hold harmless, and defend the Contractor against any, all and every liability which the Contractor may incur towards any other person whatsoever, and against any and all claims, demands, proceeding, damages, costs and expenses made against or incurred by the Contractor by reason of any direct breach by the Subcontractor of the Subcontract.
- 10.4 Nothing herein shall be construed as creating any privity of Contract between the Subcontractor and the Employer.

#### 11.0 Subcontract Price / Unit Rates

- 11.1 The Subcontract Works are re measurable and thus, subject to final measurement. The final Subcontract Price shall be determined by the actual quantities of Subcontract Works executed in accordance with the actual conditions encountered during execution, the Contractor's instructions, and the application of the Unit Rates stipulated under Sub-Clause 11.5 herein.
- 11.2 The Subcontract Price may also be adjusted by any Variation initiated by the EPC Contractor in accordance with the relevant provisions of the Subcontract Agreement to be entered into.
- 11.3 Subject the provisions of Sub-Clause 11.4 here below, and in consideration of the Subcontractor's execution of the Subcontract Works and its performance of its duties and obligations under this Subcontract, the Contractor shall pay to the Subcontractor the Subcontract Price which has been agreed to the amount of Amount of

Originator/ основополю жник	Procurement Manager/Менџџ р по	Project Manager / Рџководител проект	Head of Department / Начал отдел	Subcontractor/ подизпџнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

) excluding V.A.T. (hereinafter referred to as the "Subcontract Price"), all in accordance with the terms and conditions of this Subcontract and the currently known quantities multiplied by the agreed Unit Rates which shall remain fixed throughout the Subcontract period.

11.4 Notwithstanding the provisions of Sub-Clause 11.1 and 11.2 above, and provided that no variation has been initiated or instructed by the Contractor, the Final Subcontract Price shall not by any reason whatsoever exceed the amount of \_\_\_\_\_ it

\_\_\_\_\_ (hereinafter referred to as the "Maximum Allowable Subcontract Price"). The variance between difference between the Subcontract Price and the Maximum Allowable Subcontract Price shall be treated by both Parties as a Provisional Sum which shall be activated only in the event of where the actual quantities executed exceed those used in forming the Subcontract Price, and substantiation of such quantities shall be included in the Subcontractor's interim payment applications.

11.5 The Subcontract Price derives from and is broken down as follows:

S/No.	Description	Unit	Qty. (Estimated)	Unit Rates	Amount
A.	Mobilisation / Demobilisation of HDD plant and equipment	L.Sum	-	-	
B.	Dam Studen Kladanec				
	Pipeline	m	-		
	F.O.C.	m	1365		
C.	Maritsa River				
	Pipeline	m	420		
	F.O.C.	m	420		
<b>Total Subcontract Price:</b>					

Originator/ основоположник	Procurement Manager/Менеджер по закупуване на обекта	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

D.	Provisional Sum as per Sub-Clause 11.4 above	-	-	-	
<b>Maximum Allowable Subcontract Price:</b>					

- 11.6 The Unit Rates of Sub-Clause 11.5 here above are deemed to be the full inclusive value of the Subcontractor's cost for mobilisation and demobilisation of its personnel, its plant and equipment, transportation, food and accommodation of personnel, all necessary plant and equipment, the procurement of drilling consumables and spare parts, bentonite and mud additives, the supply of 16" Pilot Entry Casings, down hole tools for the drilling works, adequate number of pipeline Rollers, pulling heads for Product Pipelines, ballasting for use during pullback activities, PPE and Safety equipment, lubricants of plant and equipment, and all other items required for executing the Subcontract Works, all custom fees, stamp duties, taxes (except for V.A.T.), the cost of permits acquisition, maintenance of the Subcontractor's plant and equipment, any legal and governmental fees, salaries, annual and sick leaves of personnel, social security contributions, insurances premiums, as well as the Subcontractor's overheads and profit.
- 11.7 The Unit Rate of Sub-Clause 11.5 do not include the supply of waste containers, diesel storage tank, concrete, sheet pile and equivalent setup for anchors, and the supply of consumables for civil works, and all other items supplied by Contractor as detailed within Appendix 2.
- 11.8 The Unit Rate for Drilling and Crew Working has been agreed at
- 11.9 In the event of a suspension to the Subcontract Works, and if it is proven that such suspensions are attributable to either the Contractor and/or the Employer, then the following Unit Rate shall apply as compensation for idleness / standby:
- For the standby of drilling Spread and Crew: .....

Originator/ основопо- ложник	Procurement Manager/Мениджъ- р по работни	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

The above Unit Rate shall apply after the occurrence of a 2-day consecutive suspension, i.e. from the 3<sup>rd</sup> onwards of the suspension. Exceeding a standby of ten (10) days in aggregate, the above Unit Rate applies onwards.

As a precondition to the Subcontractor's entitlement for compensation for idleness /standby, and as a prerequisite for obtaining the Contractor's certification of such idleness /standby, the Subcontractor must, no later than four (4) working days from the day upon which the Subcontractor became aware of the event giving rise to the suspension, submit a written notice to the Contractor informing it of the event and the date upon which the Subcontractor's operations entered into a state of idleness / standby.

In the event, however, that a suspension to the Subcontract Works is neither attributable to the Subcontractor or the Contractor or the Employer, then the above Unit Rate for idleness / standby shall not apply and the Subcontractor agrees to solely bare such cost.

- 11.10 Fuel shall be provided by the Contractor for the purpose of the Subcontract Works and back-charged to the Subcontractor via the Contractor's interim payment certificates at a Unit Rate of \_\_\_\_\_ compensate transportation and further related handling costs.
- 11.11 The Subcontractor shall verify all dimensions, benchmarks and levels as are appropriate to the Subcontract Works and provide such information to the Contractor prior to the Subcontractor commencing work on site. The Subcontractor shall notify the Contractor of any discrepancies or inaccuracies arising from this survey and shall implement such measures as the Contractor may instruct.
- 11.12 The Subcontractor declares that it has complete knowledge and has proceeded in a meticulous study of all the Subcontract documents and within this framework, the Subcontractor accepts entirely and without any reservations the completeness and thoroughness of the documents / data of the present Subcontract and undertakes to deliver the Subcontract Works complete in every respect.
- 11.13 To the extent that could be reasonably expected from a pre-tender site visit and examination of the geotechnical reports, the Subcontractor is deemed to be aware of

Originator/ основополо жник	Procurement Manager/ ръководител проект	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

the subsurface, climatic and other conditions prevailing on the site. The Subcontractor is deemed to have visited the site and to have done all that was necessary to fully familiarize himself as to the nature of the ground and site access. The Subcontractor is deemed to have allowed for all costs arising from such in its Subcontract Price. The Contractor shall bear no responsibility or liability towards the Subcontractor or to any other person or contractor for the state or condition of the Subcontract Works site, arising from any cause whatsoever, natural or otherwise. The Subcontractor warrants the accuracy of his calculations for the establishment of the Subcontract Price, which will not be subject to any fluctuation for the entire duration of this Subcontract.

- 11.14 The Subcontractor shall be solely liable for any studies or calculations which it has carried out for the purpose of executing the Subcontract Works. Any errors or miscalculations and the subsequent effects, including rectification or modifications of the Subcontract Works, due to such errors or miscalculations, shall be the sole responsibility and at the cost of the Subcontractor.

#### 12.0 Terms of Payment

- 12.1 Payment to the Subcontractor shall be affected as per the following Partial Payments arrangement (otherwise referred to as "Payment Milestones"):

1<sup>st</sup> Payment:

directly here below.

to the total value of the \_\_\_\_\_ nt Milestones

tee equal

. at

am

Pilot Holes

- 12.2 The Bank Guarantees of Sub-Clause 12.1 shall be issued by a Bank to be approved by the Contractor and in a form subject to the Contractor's approval. The total value of

Originator/ основопо жник	Procurement Manager/Мен р по	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: - Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

the Bank Guarantee submitted by the Subcontractor with the

Payment of Sub-Clause 12.1 shall be repaid as per the following stages:

- a) upon arrival of the Subcontractor's equipment on Site.
- b) Onsite
- c)
- d) ile.
- e)
- f)

The f shall be released to the Subcontractor upon total repayment of the Advance Payment.

**12.3 Certification of the Subcontractor's Partial Payments shall be as follows:**

12.3.1 With the exception of Payment Milestones No.1 and No.2 of Sub-Clause 12.1 above, upon achieving each other Payment Milestone, and within the first five (5) days of each succeeding month, the Subcontractor shall prepare and submit its Provisional Monthly Report (PMR) for the Contractor's evaluation, along with Subcontractor's application for the issuance of the relevant Provisional Monthly Report Certificate (PMRC). The Subcontractor's PMR shall indicate the Subcontract Works completed with regards to the respective Payment Milestone along with all corresponding remunerations. The said PMR shall be sent via email to the Contractor to Mrs. Ioanna Bagkou: [ibagkou@avax.gr](mailto:ibagkou@avax.gr);

12.3.2 After the Contractor has completed its evaluation of the Subcontractor's PMR, and within five (5) calendar days from its receipt, the Contractor will either return the PMR with comments thereto, or proceed with its approval and issuance of the PMRC.

12.3.3 Following receipt of the Contractor's PMRC, the Subcontractor shall then issue the relevant tax invoice indicating the Payment Milestone achieved and dated on the last date PMR pertains to.

12.3.4 It is clearly stated herein that the Subcontractor shall not proceed with the issuance of any tax invoice without first having received the Contractor's PMRC. Any invoices issued by the Subcontractor without regard to this

Originator/ основолополо жник	Procurement Manager/Менеджер по закупкам	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: - Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

prerequisite shall be automatically rejected by the Contractor and the Subcontractor shall not be entitled to any claims against the Contractor on the basis of such rejection

12.4 Invoicing Procedure shall be as follows:

12.4.1 An electronic version of each invoice shall be sent by email to:  
[kachtaris@avax-sa.gr](mailto:kachtaris@avax-sa.gr) & [kgeorgiadou@avax-sa.gr](mailto:kgeorgiadou@avax-sa.gr)

12.4.2 Invoices issued according to Bulgarian regulations and articles above shall be addressed and forwarded to:

AVAX BRANCH, REPUBLIC OF BULGARIA  
22, Golo Byrdo str.,  
Entrance 6, floor 4, ap. 18  
Sofia, 1407, BULGARIA  
Unified Identification Code: 131440707  
making reference to: SUBCONTRACT 2979-SC-BG-50

The original copies of invoices need to be delivered to:

AVAX BRANCH CAMP HASKOVO  
North Industrial Area, National Road E80,  
5TH KM Haskovo-Plovdiv, PC 6303, Haskovo, Bulgaria  
Making reference to: SUBCONTRACT 2979-SC-BG-50  
Attention: ACCOUNTING DPT. Ms. K. Georgiadou

12.4.3 Subcontractor's Bank details:

Bank Name: \_\_\_\_\_  
Account No.: \_\_\_\_\_

The Subcontractor's Invoice must be accompanied by the Contractor's PMRC and must state the relevant Subcontract number and the Subcontractor's Bank details. Any failure by the Subcontractor to provide the said information and all other documents

Originator/ основопо- ложник	Procurement Manager / Мениджър по обществен закупки	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: - Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

requested herein will automatically grant the Contractor to postpone the payment until such time as the required information and documents are delivered to the Contractor.

12.5 it is reiterated herein that, as a prerequisite to the Subcontractor's receipt of payment, and for each payment received under the Payment Milestones of Sub-Clause 12.1 above, the Subcontractor shall issue the relevant tax invoice for the corresponding value.

**13.0 Defects Notification Period**

13.1 The Subcontractor warrants the prompt and timely fulfilment of all its contractual obligations, as well as the sound, technically complete and timely execution of the Subcontract Works. The Subcontractor warrants that the Subcontract Works shall be free from defects.

13.2 The Defects Notification Period shall be twenty-four (24) months from the date of issue of the Taking Over Certificate for the Subcontract Works. During this period, the Subcontractor guarantees the proper operation of the Subcontract Works, the non-occurrence of defects and the existence of the agreed qualities. During the Defects Notification Period, and upon formal notification by Contractor, the Subcontractor is obliged to inspect the Subcontract Works regularly and replace or repair, without delay at its own expense and its own responsibility, every deficiency or impairment or damage, as provided in the Subcontract.

**14.0 Performance Guarantees & Retention**

14.1 For the accurate, timely and faithful fulfilment of its contractual obligations, including its obligations to third parties, against which the Contractor may be liable according to Bulgarian Laws on the payment of fines and penalty clauses, due to non-fulfilment of the obligations of the Subcontractor, such that result from this Subcontract, the Subcontractor shall provide at its own expense the following guarantee:

14.1.1 W... .. tor

Originator/ основополю жник	Procurement Manager/Мениджъ р	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 5, floor 4, ap. 18, Bulgaria • BG131440707

by a Bank subject to the Contractor's approval, and which shall meet the following requirements:

- a) be an unconditional and irrevocable Bank Guarantee which obliges the issuing bank to pay upon first written demand by the Contractor, stating a default of the Contractor or any other grounds for enforcing the Performance Guarantee under this Subcontract, regardless of the objections of the Subcontractor any third person;
- b) be on such terms that the Subcontractor's Bank will pay within five (5) working days to the Contractor the sum of the due payment or part thereof as stated in the Contractor's written request; and
- c) be valid until the date which is sixty (60) days following the date of issuance of the Defects Notification Certificate by the Contractor.
- d) This guarantee may only be assigned or transferred with the Subcontractor prior written consent.
- e) This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758.

14.1.2 Any bank charges or fees for issuing and maintaining the Bank Guarantee, as well as administering a demand by the Contractor on the guarantee where there are grounds for that, shall be at the expense of the Subcontractor.

14.1.3 The Contractor is entitled to forfeit the Performance Bond in whole or in part, in case the Subcontractor fails to perform the Subcontract Works in a proper and timely manner and/or fails to fulfil any obligations under this Subcontract.

14.2 In addition to the Subcontractor's obligations under the Subcontract, the Subcontractor shall be responsible for the performance of the Subcontract Works in a proper and timely manner and/or fails to fulfil any obligations under this Subcontract.

## 15.0 Commencement & Completion – Time Schedule

15.1 The Subcontractor shall commence its Detailed Engineering Design within fourteen calendar days (14) of signing this Subcontract and submit to the Contractor the completed documents within twenty (20) days from commencement, or unless

Originator/ основопо- ложник	Procurement Manager/Мениджър по обекта	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

otherwise instructed by the Contractor. The Contractor shall then submit the Subcontractor's design to the Employer for review and/or approval. The Employer, through the Contractor, may give notice that the Subcontractor's design fails (to the extent stated) to comply with the Main Contract requirement. If the Subcontractor's design so fails to comply, it shall be rectified and resubmitted to the Contractor within one (1) week from notice date at the Subcontractor's cost.

The Subcontractor must execute and complete all the Drilling Works related to both crossings (Maritsa river and Studen Kladenec Dam) within four (4) months starting from the date of arrival of the equipment onsite and receipt of the writing notice from Contractor instructing the start of the drilling works, subject to readiness of the pipeline section on due time. Likewise, the Subcontractor shall not proceed with its mobilisation of its plant, equipment, labour, and other resources unless it has first received the Contractor's prior written notice instructing the Subcontractor to proceed with such mobilisation.

- 15.2 The Subcontractor agrees and is committed to achieving the following Key Subcontract Work Milestones:
- 15.2.1 All required pre-work Documentation Package for Maritsa River to be prepared and submitted to the Contractor prior to October 23<sup>rd</sup>, 2020.
  - 15.2.2 All required pre-work Documentation Package for Studen Kladenec Dam to be prepared and submitted prior to December 15<sup>th</sup>, 2020.
  - 15.2.3 Mobilisation to commence and be completed during and within February 2021.
  - 15.2.4 The Subcontractor shall commence the physical execution of the first HDD Drilling Works at such time as will be determined and instructed by the Contractor. In any case, the Subcontractor shall not commence with the aforementioned Works prior to first having received the Contractor's written permission to do so.
- 15.3 The sequences of the Drillings and the working schedule will be discussed and mutually agreed between the Parties.
- 15.5 Prior to the commencement of the Subcontract Works on site the Subcontractor shall submit its own construction programme (based on his method statement) to the Contractor for approval and which shall detail its method of achieving the Subcontract Time for Completion Date.

Originator/ основополю ЖНИК	Procurement Manager/Мениджъ в проект/отвени	Project Manager / Ръководител проект	Head of Department / Началник /отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: - Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria - BG131440707

- 15.6 The Subcontract Works shall be taken over by the Contractor when:
- (i) the Subcontract Works have been completed in accordance with the Subcontract;
  - (ii) all tests and pre-commissioning and commissioning activities have been concluded to the satisfaction of the Contractor and the Employer; and
  - (iii) a Taking Over Certificate for the Subcontract Works has been issued by the Contractor.

The Subcontractor may apply by notice to the Contractor for a Taking Over Certificate not earlier than 7 days before the Subcontract Works will, in the Subcontractor's opinion, be complete and ready for taking over. The notice for Taking Over Certificate shall be accompanied by one hard copy (complete set) and one set in electronic format (acceptable to the Contractor) of all as-built drawings complete and inclusive of all field changes and revisions.

- 15.7 Once the above are completed successfully to the satisfaction of the Contractor, the Contractor will proceed with the issue of the Taking Over Certificate. The Contractor shall, within 20 days after receiving the Subcontractor's application either:
- a) issue the Taking Over Certificate to the Subcontractor, provided the above documentation has been approved by the Contractor and the checks/tests have been completed successfully, stating the date on which the Subcontract Works were completed in accordance with the Subcontract, except for any minor outstanding work and defects which will not substantially affect the use of the Subcontract Works for their intended purpose (either until or whilst this work is completed and these defects are remedied); or
  - b) reject the application, giving reasons and specifying the work required to be done by the Subcontractor to enable the Taking Over Certificate to be issued. The Subcontractor shall then complete this work before issuing a further notice under this Sub-Clause.
- 15.8 The deadlines provided for in the Time for Completion may be extended only in the following cases:
- a) Approved Variations issued by the Contractor pursuant to Clause 17;
  - b) General National Strikes;
  - c) Events of Force Majeure, deterring the Subcontractor from proceeding with the Subcontract Works;

Originator/ основопо- ложник	Procurement Manager/Менеджер по закупуване на работи	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

- d) Severe damage to the Subcontract Works caused by events of Force Majeure or attributed to the responsibility of the Employer or the Contractor;
- e) Orders issued by the Employer, the Contractor or any competent authority to suspend or cease the Subcontract Works or the Main Works on site for reasons not attributed to the Subcontractor's responsibility.

15.9 In the cases enumerated in Sub-Clause 15.8, the Subcontractor shall be entitled to an extension of the deadlines of the Time for Completion as may in all the circumstances be fair and reasonable.

15.10 It shall be a condition precedent to the Subcontractor's right to an extension of the Time for Completion that it shall have given notice to the Contractor of the circumstances or occurrence which is delaying the Subcontractor within fourteen (14) days of such event first occurring and shall also submit any supporting particulars for the claim, all as relevant to such event or circumstance. The Contractor shall then proceed to respond with approval, or with disapproval and comments within a period of fourteen (14) days.

**16.0 Delays & Penalties**

16.1 Time is of the essence to this Subcontract and the execution of the Subcontract Works is critical to the performance of the Contractor towards the Employer and failure of the Contractor to meet contractual dates entails payment of delay penalties to the Employer.

16.2 If the Subcontractor fails to comply with the Time for Completion of the Subcontract Works in accordance with Clause 15 here above, then the Subcontractor shall be liable to pay to the Employer a sum of delay penalties for each and every day of delay. The total delay penalties paid shall not exceed the Subcontract Price. The Delay Penalties shall be the sole and exclusive remedy for failure of the Subcontractor to meet any contractual dates under this Subcontract.

16.3 The Contractor may, without prejudice to any method of recovery, deduct such damages from monies otherwise due or becoming due to the Subcontractor. The payment or deduction of such damages shall not relieve the Subcontractor from its

Originator/ основоположник	Procurement Manager/Менеджър по обекта	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: - Sofia, 1407, 22, Golo Byrdo str., entrance 5, floor 4, ap. 18, Bulgaria - BG131440707

obligation to complete the Subcontract Works, or from any other of his obligations and liabilities under the Subcontract.

- 16.4 Where sectional Periods of Completion (i.e. Completion Milestones) are specified in the Subcontract for different parts of the Subcontract Works, then, and for the purposes of the preceding with the provisions of this Clause, each such part shall be treated as if it were the whole of the Subcontract Works.
- 16.5 If the Subcontractor achieves Practical Completion within the prescribed date, any sectional delay penalties imposed shall be cancelled and any amount withheld shall be released to the Subcontractor.
- 16.6 If the Subcontractor fails to comply with the approved construction programme for more than 14 days, the Contractor may, by giving written notice to the Subcontractor, instruct the Subcontractor to accelerate the Subcontract Works at the Subcontractor's own cost in order to make up the time lost. If the Subcontractor fails to recover the delay within the period in the Contractor's above notice, the Contractor expressly reserves the right to introduce additional resources to recover the time lost or to take part of the Subcontract Works out of the hands of the Subcontractor and may, by itself, or its servants or agents execute, complete and maintain such part. In such events, the Contractor may recover its reasonable costs of so doing from the Subcontractor, or deduct such costs from monies otherwise becoming due to the Subcontractor. Any measures which the Contractor may take under this Sub-Clause do not prevent it from making use of its other contractual remedies and/or entitlements.
- 16.7 In the event of any dispute arising, during the progress of the Subcontract Works, either between the Contractor and the Subcontractor, or between the Subcontractor and any other third party, this will not justify any stoppage or delay by the Subcontractor in the progress of the Subcontract Works.
- 16.8 The Subcontractor shall be fully liable and shall bear all risks in relation to the Subcontract Works until the issue of the Defects Notification Certificate in respect of the Subcontract Works.

Originator/ основополю жник	Procurement Manager/ управляващи еки	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

## 17.0 Variations

- 17.1 The Subcontractor shall only make such variations to the Subcontract Works, whether by way of addition, modification or omission, as may be ordered in writing by the Contractor. However, if the Subcontractor considers itself to be entitled to a Variation under this Subcontract, then the Subcontractor shall give notice to the Contractor, describing the events and circumstances giving rise to the variation. No such variations shall in any way vitiate or invalidate the Subcontract but the value (if any) of all such variations shall be taken into account in ascertaining the amount of the Subcontract Price.
- 17.2 After receiving such Subcontractor's variation notice, or a written order by the Contractor, the Subcontractor shall prepare and submit to the Contractor its proposal along with the relevant documentation in support of such variation proposal. Within seven (7) days of receipt of the Subcontractor's proposal, and as may be reasonably required by the Contractor to perform and complete its evaluation of such proposal, the Subcontractor may be instructed to provide further information. No later than twenty-one (21) days from date of receipt of any such Subcontractor's proposal, or not later than fourteen (14) days after the receipt of further information, the Contractor shall notify the Subcontractor of the Contractor's determination on the Subcontractor's proposal and, if approved, shall inform the Subcontractor on the commencement of relevant the variation works.
- 17.3 The Subcontractor shall only act upon an order for the variation of the Subcontract Works from the Contractor. If the Subcontractor shall receive any order from others, it shall forthwith inform the Contractor thereof and shall supply the Contractor with a copy of such order, if given in writing. The Subcontractor shall only act upon such order as directed in writing by the Contractor.
- 17.4 The value of all authorised variations shall be ascertained by reference to the rates and prices (if any), specified in the Schedule of Rates for the like or analogous work, but if there are no such rates and prices, or if they are not applicable, then such value shall be such as is fair and reasonable in all the circumstances. In determining what is a fair and reasonable valuation, regard shall be paid to similar rates and the level of pricing under this Subcontract. Being understood that unless with Subcontractor's prior written consent to the terms of an amendment to the Subcontract for the implementation of such variation, Subcontractor shall not be obliged to execute a

Originator/ основополо жник	Procurement Manager/Мениджъ р по об ръчки	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

variation, provided that such Subcontractor's refusal to execute the variation is reasonable.

- 17.5 Increases or decreases to the Subcontract Works shall be valued only on the basis of the Schedule of Rates, i.e. the quantities of the added or omitted items shall be measured and multiplied by the relevant unit rates and the Subcontract Price shall be increased or decreased by the resulting sum accordingly. Variations shall be made on the basis of actual net quantities.
- 17.5 If for reasons beyond the control of the Contractor, certain parts of the Subcontract Works cannot be executed, then such decrease to the Subcontract Works shall likewise be valued in accordance with Sub-Clause 17.3.
- 17.6 If during the course of executing the Subcontract Works, and if it is technically established and proven, the Subcontractor encounters unforeseen conditions, then such an event shall constitute grounds for a variation. In such occurrence, the Subcontractor shall collaborate closely with the Contractor, each acting in good faith, in order to take all reasonable steps to manage, minimise and mitigate all costs in respect of this Subcontract. Provided that such reasonable steps have been taken, and if the Subcontractor still considers itself entitled to a variation, then it shall proceed with the variation procedures described in Sub-Clause 17 [Variations].

#### 18.0 Confidentiality, Intellectual Property and Ownership of Documents

- 18.1 It is explicitly and unconditionally agreed that throughout the duration of the Subcontract and following its termination or expiry, the Subcontractor is obliged not to disclose to any third party, or make use of any, confidential information of the Employer and/or Contractor.
- 18.2 Confidential information may be of any kind or form and may contain details including (but not limited to) all information and know-how, the drawings, designs, technical specifications, coordinates, and other material provided by the Contractor to the Subcontractor or prepared by the Subcontractor pursuant to the Subcontract. All reasonable endeavours shall be used to ensure that the parties shall comply with the provisions of the present Confidentiality Clause. In case of breach of its confidentiality obligation, the Subcontractor will be obliged to reimburse all damage incurred by the Employer and/or the Contractor due to such breach.

Originator/ основополо жник	Procurement Manager/Мениджъ р по съществени въпроси	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: - Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

18.3 All rights, title and interest in and to any and all models, software information, design concepts, audio, video, drawings (including "as built" drawings), programs, schedules, manuals, diagrams, graphs, charts, projections, specifications, sketches, estimates, records, correspondence, reports, files, concepts, analyses, findings, accounts, plans, formulae, calculations, designs, whether complete or in draft form, generated, created or acquired (excluding use under licence from a third party) by the Subcontractor or its personnel, whether solely or jointly with others, in connection with the Subcontract Works will be the Contractor's and the Employer's exclusive property upon creation, including without limitation, copyright and other intellectual property, proprietary and moral rights (collectively referred to as "Technical Material"). If by operation of the law ownership of the Technical Material is not immediately vested in the Contractor and the Employer, then the Subcontractor agrees that upon creation of the Technical Material the Subcontractor will and hereby does assign and transfer to the Contractor and the Employer all right, title and interest that Subcontractor has in and to the Technical Material, including copyright and other intellectual property, proprietary and moral rights. The assignment in this Clause will not extend to any intellectual property of the Subcontractor that was in existence before the date of this Subcontract.

18.4 The Subcontractor shall indemnify the Contractor and the Employer, and their directors, officers, employees, agents and contractors from and against all losses and liabilities against infringements to the Intellectual Property of a third party.

#### 19.0 Indemnities

19.1 The Subcontractor shall indemnify and hold harmless the Contractor, the Contractor's personnel, and their respective agents, against and from all claims, damages, losses and expenses (including legal fees and expenses) in respect of:

- a) bodily injury, sickness, disease or death, of any person whatsoever arising out of or in the course of or by reason of the Subcontractor's design, the execution and completion of the Subcontract Works and the remedying of any defects, unless attributable to any negligence, wilful act or breach of the Subcontract by the Contractor, the Contractor's personnel, or any of their respective agents, and
- b) damage to or loss of any property, real or personal (other than the Subcontract Works), to the extent that such damage or loss arises out of or in the course of or by reason of the Subcontractor's design, the execution and completion of the Subcontract Works and the remedying of any defects, unless and to the extent that

Originator/ основоположник	Procurement Manager/Мениджър обществени фирми	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

any such damage or loss is attributable to any negligence, wilful act or breach of the Subcontract by the Contractor, the Contractor's personnel, their respective agents, or anyone directly or indirectly employed by any of them.

19.2 The Liability of the Subcontractor towards the Contractor under this Subcontract shall not in any circumstances exceed 50% of the Subcontract Price and neither Party shall be liable to the other for indirect or consequential losses.

#### 20.0 Insurances

20.1 The Insurances to be effected by the Subcontractor are:

- (i) Employer's Liability Insurance with regard to the personnel employed in relation to the Subcontract Works covering the amount of indemnification owed due to accidents throughout the Subcontract period.
- (ii) Third party Liability Insurance for any material damages or accidents to Third Parties resulting from its activities or negligence.
- (iii) Motor Vehicle Liability Insurance in respect of the motor vehicles, machinery and equipment being driven and/or used for the execution of the Subcontract in accordance with Bulgarian legislation.
- (iv) Contractor's Plant and Machinery Insurance for its own or rented construction machinery and equipment.  
Subcontractor is solely responsible for the safekeeping of the machines and tools he uses. Under no circumstances may he claim compensation from the Contractor for any damage (loss, destruction, etc.) of his machines or equipment
- (v) Transportation Insurance, to cover the total price of the transported at the Subcontractor's responsibility materials (equipment, machinery, etc.), irrespective of foreign and/or local origin, until delivered on site including unloading thereon.

20.2 If the Subcontractor fails to effect and keep in force any of the insurances it is required to effect and maintain under the Subcontract, or fails to provide satisfactory evidence and copies of policies in accordance with this Sub-Clause, the Contractor may (at its option and without prejudice to any other right or remedy) effect insurance for the relevant coverage and pay the premiums due. The Subcontractor shall pay the amount of these premiums to the Contractor and the Subcontract Price shall be adjusted accordingly.

Originator/ основопо- ложник	Procurement Manager/ ръководител на поръчки	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

- 20.3 The Employer has concluded and is maintaining a CAR insurance policy for the Main Works. The Subcontractor shall be covered under such Policy. The Subcontractor shall, however be responsible for any policy deductibles, policy exclusions or restrictions, uninsurable risks etc. A copy of the policy and its exclusions shall be provided by the Subcontractor 7 days after Subcontract signature.
- 20.4 The Subcontractor shall indemnify and hold the Contractor harmless against and from the consequences of any errors and miscalculations to the Subcontractor's studies and calculations on the Subcontractor's part and in its performance of such obligations. The rectification of any such errors and miscalculations shall be the sole responsibility of the Subcontractor who shall also bare the cost of such restcification.
- 21.0 Termination of the Main Contract**
- 21.1 If the Main Contract is terminated for any reason whatsoever before the Subcontractor has fully performed its obligations under the Subcontract, then the Contractor may at any time thereafter by notice in writing to the Subcontractor forthwith terminate the Subcontract. Thereupon, the Subcontractor shall, within ten (10) working days of receipt of such notice remove its staff and workmen and Subcontractor's equipment from the site.
- 21.2 Upon such termination of the Subcontract, the other provisions of this Subcontract shall cease to have effect and subject to Sub-Clause 21.3 hereof, the Subcontractor shall be entitled to be paid the full value, calculated by reference to the Subcontract Price and to the rates and prices contained herein, of all work properly done on the site by the Subcontractor and of all materials properly bought and left on the site by the Subcontractor, together with its reasonable costs of removing its equipment from the site, but less such sums as the Subcontractor has already received on account. Furthermore if at the date of such termination the Subcontractor has properly prepared or fabricated off site any goods for subsequent incorporation in the Subcontract Works and it shall deliver such goods to the site or to such other place as the Contractor may reasonably direct, then the Subcontractor shall be paid for such goods as for materials properly brought and left on the site by it. Payments to the Subcontractor under this Clause shall be effected only after the Employer has proceeded with payment to the Contractor for the corresponding part of the works. Provided always that nothing

Originator/ основополо жник	Procurement Манаџер / Манаџи р / отвени позво лки	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: - Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

herein shall affect the rights of either party in respect of any breach of the Subcontract committed by the other prior to such termination.

21.3 If the Main Contract is terminated in consequence of any breach of the Subcontract by the Subcontractor, then the provisions of the preceding Sub-Clause as to payment shall not apply, except for the payment of all work properly done, but the rights of the Contractor and the Subcontractor hereunder shall be the same as if the Subcontractor had by such breach repudiated the Subcontract and the Contractor had by his notice of termination under Clause 16 elected to accept such repudiation.

**22.0 Subcontractor's Default**

22.1 The Contractor shall have the right to terminate this Subcontract by giving fourteen (14) days' notice from its receipt ("Termination Notice") in writing if:

- ❖ The Subcontractor fails to adhere to the dates fixed in the attached Time Schedule;
- ❖ The Subcontractor fails to execute work according to the terms of the Subcontract, in particular if it fails to comply with the requirements of the Contractor;
- ❖ The Subcontractor refuses or neglects to remove defective materials or make good defective work;
- ❖ The Subcontractor shall become bankrupt or have a receiving order made against it or shall present its petition in bankruptcy or shall make an arrangement with or assignment in favour of its creditors or shall agree to carry out the Subcontract under a committee of inspection of its creditors or shall go into liquidation, or if the Subcontractor shall assign the Subcontract or any part thereof without the Contractor's prior written consent or shall have an execution levied on its goods.

22.2 In all cases of termination described in this Clause, the Subcontractor shall be deemed to be in breach of this Subcontract and the Contractor shall, notwithstanding any further rights and claims vis-à-vis, be entitled to retain the Performance Guarantee furnished by the Subcontractor and to demand payment there from pending settlement of the Contractor's claim as well as to retain any monies due or to become due to the Subcontractor.

**23.0 Contractor's Entitlement to Termination**

23.1 The Contractor shall be entitled to terminate the Subcontract, at any time for the Contractor's convenience, by giving notice of such termination to the Subcontractor.

Originator/ основопо- ложник	Procurement Manager/Мъ- др по заку- пки	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

The termination shall take effect 28 days from the later of the dates on which the Subcontractor receives this notice or the Contractor returns the Performance Guarantee. The Contractor shall not terminate the Subcontract under this Sub-Clause in order to execute the Works himself or to arrange for the Subcontract Works to be executed by another contractor. After this termination, the Subcontractor shall be paid in accordance with sub-clause 21.2.

In the event of a Termination for the Contractor's convenience, the Subcontractor shall be entitled for payment of a termination fee of 5% of the residual value of the Subcontract Price.

#### 24.0 Suspension of the Subcontract Works

- 24.1 The Contractor may at any time instruct the Subcontractor to suspend progress of part or all of the Subcontract Works. During such suspension, the Subcontractor shall protect, store and secure such part of the Subcontract Works against any deterioration, loss or damage.
- 24.2 If the suspension has continued for more than 60 days, the Subcontractor may request the Contractor's permission to proceed with the resumption of the Subcontract Works. If the Contractor does not give permission within 28 days after requested to do so, the Subcontractor may, by giving notice to the Contractor, treat the suspension as an omission under Clause 17 (Variations) of the affected part of the Subcontract Works.
- 24.3 If the order to suspend the Subcontract Works shall be given after the Subcontractor commenced in practice the execution of the Subcontract Works, an evaluation of the Subcontract Works that were actually executed shall be performed by the Subcontractor and the Contractor in order to determine the relative share (in percentage) of the Subcontract Price due to be paid to the Subcontractor for such works. Payment shall be made in accordance with the provisions of Clause 17.
- 24.4 The Contractor shall pay these sums subject to Subcontractor's fulfilment of all its obligations according to this Subcontract, in full and on time, and the payment of the aforesaid sums shall be considered as the final and complete payment of the Subcontract Works and as the final settlement of all claims and/or demands of any type or kind by the Subcontractor against the Contractor, including for any loss and/or prevention of profit and/or compensation and/or expense and/or damage caused to

Originator/ основополю жник	Procurement Manager/Мениджъ р по обект/отвѐнни объекти	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

the Subcontractor, if any, as a result of suspension in the execution of the Subcontract Works and/or the lack of possibility to continue the execution of the Subcontract Works and/or the performance of the Subcontract Works.

**25.0 Deduction and Set-off**

25.1 The Contractor shall, notwithstanding anything contained in this Subcontract, be entitled to deduct from or set-off against any monies due from the Contractor to the Subcontractor any sum or sums for which the Subcontractor is liable to the Contractor under this Subcontract, whether for damages or otherwise.

25.2 The Contractor shall be entitled to set-off against any money otherwise due under this Subcontract, the amount of any claim for loss and/or expense which has actually been incurred by the Contractor incurred by reason of any breach of or failure to observe the provisions of this Subcontract by the Subcontractor or by reason of any tortious act or breach of statutory duty in respect of which the Subcontractor is liable to indemnify the Contractor and/or the Employer, provided that the amount of each set-off has been quantified with reasonable accuracy and in reasonable detail by the Contractor. The Contractor's estimate shall be relevant upon the Subcontractor until agreement between the parties or final ascertainment.

25.3 Any notice or amount set-off under the provisions of Clause 18 is without prejudice to the rights of the Contractor or Subcontractor, any subsequent negotiations or litigation to seek to vary the amount claimed and set-off by the Contractor under Clause 18.

**26.0 Miscellaneous Provisions**

26.1 The Contractor shall from time to time make available to the Subcontractor such part or parts of the site and such means of access thereto within the site as shall be necessary to enable the Subcontractor to execute the Subcontract Works in accordance with the Subcontract, but the Contractor shall not be bound to give the Subcontractor possession or exclusive control of any part of the site or any specific means of access thereto.

26.2 The Subcontractor shall permit the Contractor, its personnel, servants and agents, including any other subcontractors engaged in the execution of the Main Works, during

Originator/ основопо- ложник	Procurement Manager / Менеджер по закупу- вателски поръчки	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: - Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria - BG131440707

working hours to have reasonable access to the Subcontract Works and to those places on the site where any work or materials thereof are being executed prepared, or stored.

- 26.3 The Subcontractor shall permit and/or procure reasonable access for the Contractor, and/or any person authorised by the Contractor, to such places off the site where work is being executed or prepared by or on behalf of the Subcontractor in connection with the Subcontract Works.
- 26.4 The Subcontractor is obliged to strictly follow the Contractor's Quality Plan, as well as the Contractor's Health & Safety Plan, the health and safety regulations for workers on site, all in compliance with the legislation of Bulgaria and in accordance with the Contractor's instructions.
- 26.5 The Subcontractor undertakes to provide to the Contractor, twenty (20) calendar days from entering into this Subcontract, a specific Quality Plan for the Subcontract Works. The Subcontractor's Quality Plan forms part of this Subcontract and shall describe, as a minimum (but without limitation) the Subcontractor's organisational structure, responsibilities, method of works execution, its documentation procedures etc., which shall be eventually agreed between the Contractor and the Subcontractor.
- 26.6 Any inspections, tests and approvals by the Contractor's representatives and/or the Supervisor shall not constitute acceptance of the quality of the Subcontract Works nor shall they relieve the Subcontractor of his responsibilities with regard to the quality of the Subcontract Works. The Subcontractor confirms that it possesses the necessary experience and the specialised plant and personnel in order to successfully meet the requirements of the Quality Control applicable to the Subcontract Works.
- 26.7 The Contractor maintains the right to reject any goods, material and/or workmanship which, in its opinion, are not conforming to the Subcontract requirements, in which case the Subcontractor shall, at its own expense, remove and replace the rejected item(s) as soon as possible.
- 26.8 The Subcontractor undertakes, on a daily basis, to keep the site clean and to hand over the site on completion of the Subcontract Works free from any debris, which it must dispose of at an approved location.

Originator/ основопола жник	Procurement Manager/Мениджъ р по общественни цки	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: - Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria - BG131440707

- 26.9 The Subcontractor is obliged to immediately remedy any defective work, following an instruction by the Contractor. If the defect is such that requires the Subcontractor's urgent action, then the Subcontractor shall reciprocate accordingly. To the contrary, should the Subcontractor fail to comply with such an instruction within ten (10) working days of receipt of the notice, the Contractor is entitled to carry out this work either on its own or through another subcontractor, and all expenditure shall be for the Subcontractor's account.
- 26.10 The Subcontractor shall be represented on site at all times by a fully qualified supervisor, to the Contractor's approval, and who shall be fluent in the English language, both verbally and in writing.
- 26.11 Any modifications, additions, amendments and/or enclosures to this Subcontract shall be executed in writing referring to this Subcontract and shall be legally signed by both parties.
- 26.12 The Subcontractor shall comply with all applicable safety regulations, take care for the safety of all persons entitled to be on the site and use reasonable efforts to keep the site and works clear of unnecessary obstructions so as to overt danger to these persons.
- 26.13 The Subcontractor shall comply with all the relevant labour Laws applicable to the Subcontractor's personnel, including Laws relating to their employment, health, safety, welfare, immigration and emigration, and shall allow them all their legal rights. The Subcontractor shall require his employees to obey all applicable Laws, including those concerning safety at work.
- 26.14 No overhead wire line surveying system will be allowed for the execution of the Subcontract Works.
- 26.15 Neither Party shall have any liability to the other for indirect or consequential damage or loss.
- 26.16 In the event of a new or change or change in interpretation or change in application in applicable law and in the different countries having an impact on the realization of the

Originator/ основополо жник	Procurement Manager/Менџџь управления проекти	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

Subcontract Works (including but not limited to tax and social welfare laws), statute, ordinance, regulation, decree, or rule, enacted after the coming into force of the Subcontract and having an impact on the Subcontract, which increases the cost incurred by the Subcontractor in performing the Subcontract Work, then the Parties shall meet to discuss the impact of such changes.

26.17 Prior to Mobilisation, the Subcontractor shall issue the following documents:

- a) Risk assessments
- b) HSE Plan
- c) All the relevant permits and certifications according to Bulgarian law

Prior to Safety Induction, the Subcontractor shall submit the following:

- a) Medical certificates of participants (fit to work);
- b) List of vehicles and insurance evidence
- c) List of materials and equipment for the activities (if assessed as hazardous and mentioned in the risk assessment)
- d) List of PPE available for the personnel during activities
- e) List of personnel in cases of rotation
- f) H&S Training certifications (e.g. first aid, firefighting etc.)
- g) Health Insurance for Personnel
- h) An appointed safety representative. (The Superintendent is in charge of the implementation of safety measures under the supervision of the Project Manager)
- i) Reference telephone numbers for Emergency

Contact person from Contractor's part:

Antonis Pappas  
HSS Manager  
[apappas@avax.gr](mailto:apappas@avax.gr)

The Subcontractor shall immediately and prior to the commencement of the Subcontract Works, contact the Contractor's HSS representative for induction and training issues. No activity will be permitted to commence unless the necessary inductions have taken place. The Contractor's representative data on HSS induction issues is : Mr. Georgios Kechagias, Tel.: +30 6940464865, email: [gkechagias@avax-sa.gr](mailto:gkechagias@avax-sa.gr)

Originator/ основопо- ложник	Procurement Manager/Мениджъ р по от- ветствени сфери	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

## 27.0 General Items

- 27.1 The terms and conditions of the Subcontract shall be governed by and construed in accordance with the English Law. However, the applicability of English law as the governing law of this Subcontract shall not contravene, or derogate from, the mandatory requirements of Bulgarian and Greek law that are applicable to the design, execution and completion of the Subcontract Works (and the remedying of any defects therein), including any requirements in respect of construction and commissioning, and environmental, social, immigration and labour law, such that in case of any such contravention or derogation said mandatory requirements shall prevail."
- 27.2 In case of any claim by the Subcontractor, the Subcontractor is obliged to submit such claim to the Contractor in writing at the latest within 20 days from the date of occurrence of any event which may be reason for such a claim. No claim will be considered or accepted, if submitted beyond the aforesaid time.
- 27.3 In the event of any dispute arising, during the progress of the Subcontract Works, either between the Contractor and the Subcontractor, or between the Subcontractor and any other third party, this will not justify any stoppage or delay by the Subcontractor in the progress of the Subcontract Works.

## 28.0 Effective Date of the Subcontract

- 28.1 This Subcontract comes into effect on the date of signature by both parties.

## 29.0 COVID-19 Pandemic

- 29.1 The Parties agree that the Subcontract Price and the Schedule do not take into account all the specific measures and consequences related to the COVID-19 pandemic ("Pandemic"), and thus constitute an unforeseeable event for the Subcontractor.
- 29.2 In the event that the performance of the Subcontract is impacted (i) as a result of this Pandemic and/or (ii) by special measures or restrictions, in particular legal measures or restrictions, in connection with this Pandemic, the Subcontractor shall inform the Contractor as soon as possible by any means with acknowledgement of receipt, indicating the contractual obligations concerned and all the consequences resulting therefrom.

Originator/ основопо- ложник	Procurement Manager/Мениджър по обхващани обекти	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

- 29.3 If, as a consequence to the Covid-19 Pandemic, the Subcontract Works are affected by way of delay to the Time for Completion and/or additional cost, the Subcontractor shall notify the Contractor of such delay and/or cost and both Parties shall commence the necessary procedures in evaluating the true impact of the Pandemic. It is clearly stated herein, however, that the Subcontractor's compensation, whether it be in the form of an extension of time, or the reimbursement of additional cost, or both, shall be subject and proportional to the Employer's approval of the Contractor's respective claim for extension of time, or additional cost, or both, and that the Subcontractor shall not be entitled to claim for any compensation beyond the limitations stipulated under this Sub-Clause.
- 29.4 In mitigating the effects of Covid-19 to the Subcontract Works, the Parties undertake to renegotiate in good faith the terms of the Subcontract, including the Subcontract Price, performance duration and deadline related clauses and shall make every effort to ensure the continuance of the performance of the Subcontract and mitigate the effect of the Pandemic to ensure the restoration of the financial balance of the Subcontract, including a Subcontract Price adjustment due to inflation from the date of execution of the Subcontract, in accordance with the arrangements to be defined by mutual agreement.
- 29.5 The Parties agree to meet via conference call at the end of every week and until completion of the Subcontract Works to discuss the ongoing progress and agree on the implementation of the appropriate measures.
- 30.0 Compliance**
- 30.1 Each Party shall at all times perform this Subcontract Agreement in a lawful manner and in compliance with its own ethical standards and principles, meaning the Contractor's Code of Ethics and Business Conduct, the Contractor's Competition Rules Compliance Manual, the Contractor's Anti-bribery Policy, the Vinci Code of Ethics and Conduct, the Vinci Code of Anticorruption Conduct and the VINCI Guide of Human rights. Each Party acknowledges that they have received copy of all the aforementioned documents.
- 30.2 Each Party represents, warrants and undertakes in relation to the Project or this Subcontract Agreement that (i) it has not made, offered or authorised, and will not

Originator/ основопо- ложник	Procurement Manager/Мениджър по обекта	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

make, offer, or authorise, whether directly or through any other person, any payment, gift, promise or anything of value or advantage to or for the use or benefit of another person (any individual, whether private or public official) to induce a person to perform or reward a person for performing improperly a relevant function or activity, where such payment, gift, promise or advantage would violate any anti-corruption law; (ii) nor has it requested or will request any service, action or inaction by any other person which would constitute a violation of any anti-corruption law and (iii) neither Party nor any of its directors, employees or agents shall not enter into any business arrangement with any director, employee or agent that could potentially result in any conflict of interest between their private financial activities and their part in the conduct of Party's business.

Each Party shall promptly inform the other Party on becoming aware of any breach or potential breach of any obligation, representation, warranty and undertaking contained in this Article and/or any investigation or legal proceedings initiated against it by any public authority relating to an alleged violation of any applicable anti-corruption law in connection with the Subcontract Agreement or the Project.

30.3 Without prejudice to any other remedies available at law or in equity, the non-defaulting Party shall be entitled to take appropriate action including the immediate termination of this Subcontract Agreement, without the need of any legal formality, proceedings or indemnity on its part in the event of a breach of the present Article by a Party and the defaulting Party shall assist the non-defaulting Party in any audit it may reasonably decide to conduct. Notwithstanding any other provisions of the Subcontract Agreement, the defaulting Party shall bear all loss, expense and damage and shall save, defend and indemnify the other Party from and against any and all losses, claims, suits, demands, liabilities, costs, expenses (including legal, court, experts' and investigative fees) and causes of action for any breach by the defaulting Party of this Article.

### 31.0 Force Majeure

A Force Majeure event shall mean an exceptional event or circumstance:

31.1 which is beyond a Party's control; and

31.2 which such Party could not reasonably have provided against before entering into the Contract; and

Originator/ основополю ЖИЗНИК	Procurement Manager/Менеджер р по обекта за покупки	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: - Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

- 31.3 which, having arisen, such Party could not reasonably have avoided or overcome; and
- 31.4 which is not substantially attributable to the other Party; and
- 31.5 which is limited to the following (subject to Sub-Clauses 31.1 to 31.4 (inclusive)):
- a) war, hostilities (whether war be declared or not), invasion, act of foreign enemies;
  - b) rebellion, terrorism, revolution, insurrection, military or usurped power, or civil war;
  - c) riot, commotion, disorder, strike or lockout by persons other than the Contractor's Personnel and other employees of the Contractor, Subcontractors and Suppliers;
  - d) munitions of war, explosive materials, ionising radiation or contamination by radio-activity, except as may be attributable to the Contractor's use of such munitions, explosives, radiation or radio-activity; and
  - e) earthquake, flooding (not caused by the Works), landslide (not caused by the Works), hurricane, typhoon or volcanic activity.

## 32.0 Dispute Resolution

### 32.1 Amicable Dispute Resolution

32.1.1 If any dispute, difference or claim arises out of or in connection with this Subcontract (including, without limitation, any question regarding its existence, validity or termination), whether contractual or non-contractual (a "Dispute") then senior representatives of the Parties with authority to settle the Dispute shall, within twenty-eight (28) days of a written request from one Party to the other, meet in order to attempt to resolve the Dispute amicably. Should both Parties to the amicable Dispute Resolution reach a mutual agreement, then such agreement shall be final and binding.

32.1.2 If the Dispute is not resolved within fifty-six (56) days of receipt of the written request, then either Party may refer the Dispute to arbitration in accordance with Sub-Clause 32.3 [Arbitration].

Originator/ основопо- ложник	Procurement Manager/Мениджър по обекта	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdra str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

### 32.2 Amicable Settlement

32.2.1 In the event that the Parties fail to settle a Dispute amicably, arbitration may be commenced on or after the twenty-eighth (28th) day after the day on which the amicable Dispute Resolution proceedings were concluded

### 32.3 Arbitration

32.3.1 Unless settled amicably, any Dispute which has not become final and binding, shall be referred to and finally resolved by international arbitration. Unless otherwise agreed by both Parties:

- a) the Dispute shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce ("Rules of Arbitration");
- b) the seat of the arbitration shall be Vienna;
- c) the Dispute shall be settled by one (1) arbitrator appointed in accordance with the Rules of Arbitration; and
- d) the arbitration shall be conducted in English.

32.3.2 Neither Party shall be limited in the proceedings before the arbitrator(s) to the evidence or arguments previously put before the amicable Dispute Resolution procedure.

32.3.3 Arbitration may be commenced before or after the issue of the Defects Notification Certificate. The obligations of the Parties shall not be altered by reason of any arbitration being conducted prior to the issue of the Defects Notification Certificate.

32.3.4 This Sub-Clause 32.3 [*Arbitration*] shall be governed by, and construed in accordance with the law of England and Wales.

Originator/ основопо- ложник	Procurement Manager/Ме- р за	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител





AVAX Branch, Republic of Bulgaria: • Sofia, 1407, 22, Golo Byrdo str., entrance 6, floor 4, ap. 18, Bulgaria • BG131440707

In Witness Whereof the parties hereto have caused this Subcontract Agreement to be executed the day and year above written in accordance with their respective corporate documents and laws. One original copy signed for each of the Parties.

Signed for and on behalf of the  
**CONTRACTOR**

.....  
(Signature)

.....  
(Name)

Signed for and on behalf of the  
**SUBCONTRACT**

.....  
(Signature)

**HORIZONTAL DRILLING INTERNATIONAL**

.....  
**Directeur Général  
Managing Director**

Заместно  
отговорство  
по ЗЗМ!

Originator/ основопо- ложник	Procurement Manager/Мениджъ р по об- екти	Project Manager / Ръководител проект	Head of Department / Началник на отдел	Subcontractor/ подизпълнител
.....	.....	.....	.....	.....



APPENDIX 2