26/2/2025	Final		G. Hagay	D. Carmeli	T. Committee
Date	Description		Prepared	Checked	Approved
			Do	ocument Title	
נתיבי <b>הגז הטבעי</b> לישראל ISRAEL <b>NATURAL GAS</b> LINES		Agreement for the Provision of Advisory & QA Inspection Services According to NEN Standard			
					(INGL/TI
			•	ENDER/202	<b>5/02)</b>

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# **Professional Advisory and Inspection Services Agreement**

### By and Between

**THE ISRAEL NATURAL GAS LINES COMPANY LTD.,** whose registered office is at Kiryat Atidim, Atidim Tower, 33<sup>rd</sup> floor, 6158101 Israel. (Hereinafter called - "**Company**")

of the one part

\_\_\_\_\_

(Hereinafter called – the "Consultant")

of the other part

#### WITNESSETH THAT WHEREAS:

#### Whereas

Company is a company which was established in 2004; operates under the auspices and regulation of the Israeli Natural Gas Authority, in accordance with the Israeli Natural Gas Market Law, 2002 (the "Natural Gas Law"); is fully owned by the Government of the State of Israel, and is authorized, licensed and responsible for erecting and operating the national gas transmission System; and

#### Whereas

Following the Tender issued by Company (the "Tender"), in which the Consultant has placed its bid and was selected as the awarded bidder (the "Consultant's Proposal"), Company desires to engage the Consultant, and the Consultant agrees to be so engaged, in the provision of consulting services, all in accordance with and subject to the terms and conditions specified in this Agreement, the Tender and all documents ancillary thereto, including the Consultant's Proposal (as hereinafter defined).

### Now, therefore, the parties hereby agree as follows:

### 1. Recitals & Appendices

The Recitals to this Agreement and the Appendices thereto form an integral part of this Agreement.

# 2. **Definitions**

2.1 In this Agreement, unless the context otherwise requires, the following words and expressions shall have the respective meanings assigned to them below:

Best Industry	The recognized professional good practice principles of			
Practices	workmanlike, due care and diligence, as identified in the			
	field of the Services, subject to applicable binding standards,			
	as set forth in the Agreement.			

Commencement Date	The date as of which the Consultant is authorized by the Company in writing to start performing the Services in a Project.
<b>Contract Period</b>	The period designated in Clause 10 to this Agreement.
Consultant's Proposal	The Consultant's proposal as response to Company's Tender.
Contract or Agreement	This document including the Appendices thereto and any other document(s) or part(s) thereof expressly made by the parties hereto (in this document or elsewhere) an integral part of this Agreement.
Day	A calendar day according to the Gregorian calendar.
Fee or Fees	The Consultant's remuneration for its Services also referred to as the "Contract Price", payable pursuant to this Agreement.
Intellectual Property	Copyrights, patents, inventions, design rights, know-how data and all other similar rights which may subsist in any part of the world including any registration thereof and applications and rights to apply for such registrations.
Key Personnel	Means the essential key personnel to be employed by the Consultant in the execution of the Services, as proposed and approved by the Company during the Tender or approved by the Company in compliance with the Tender.
Law	Means all laws, ordinances, regulations, orders, including municipal by-laws, procedures and permits, directives, specifications, safety requirements, and decisions of any Ministry of the Government of Israel or other competent authority of the State of Israel and all rules, applicable standards and administrative orders in effect in the State of Israel, all as may be amended and updated from time to time.
Parties	The Company and the Consultant.
Project	Company's ongoing and future Onshore and Offshore natural gas or hydrogen transmission network projects and any other related activities, as determined by the Company.
Services	Means any and all services which are to be provided and/or performed by the Consultant in accordance with the Agreement according to the Scope of Work attached as <b>Annex A1</b> .

Site	Shall mean any place where the Services or any part thereof are to be performed.
System	The national gas transmission system in Israel, owned by the Government of Israel, and erected, operated and maintained by Company, which includes, <i>inter alia</i> , onshore, and offshore high-pressure pipelines and pressure reduction and metering stations (PRMS) connecting power plants, industrial customers and distribution networks to the System.
Tender	International Public Agreement for the Provision of Advisory & Inspection Services according to NEN standard (INGL/TENDER/2024/54).

- 2.2 The headings and titles contained herein are used for convenience and reference only and shall not be deemed to be part thereof or be taken into consideration in the interpretation thereof.
- 2.3 All annexes to this Agreement constitute an integral part of the Agreement.
- Wherever in the Agreement a provision is made for the giving of notice, consent, approval, certificates by any person, such consent or approval shall be made in writing and the words "notify", "certify" and "determine" shall be construed accordingly.
- 2.5 Words importing the singular shall include the plural and vice versa.
- 2.6 The documents forming the Agreement are to be taken as mutually explanatory of one another.

### 3. The Parties' Warranties & Representations

- 3.1 The Consultant hereby warrants, represents, and undertakes that:
  - 3.1.1 The Consultant is a corporation duly organized, validly existing and in good standing in the country of its incorporation and is qualified to do business in Israel and has the corporate power to execute and perform this Agreement, which will be legally binding on it in accordance with their terms, without requiring any further authorization.
  - 3.1.2 There is no prohibition, restriction and/or prevention whatsoever, including but not limited to any law, contract, or the corporation's documents of association, preventing the Consultant from engaging in the Agreement and carrying out its undertakings pursuant hereto.
  - 3.1.3 The Consultant undertakes its services in accordance with a Quality Management System complying with ISO 9001.

- 3.1.4 The Consultant has the experience, expertise, qualifications, equipment, skill, professional personnel, licenses, permits, approvals and/or authorizations facilities and commercial and legal know-how necessary to implement the Services with the required skill, care, efficiency, and diligence.
- 3.1.5 It is aware that guidelines and/or approvals given and to be given by the Company or on its behalf to the Consultant do not constitute an opinion and/or declaration by the Company and that such guidelines and/or approvals may not derogate from the Consultant's liability and/or impose upon the Company any responsibility in connection with performing the provisions of the Agreement.
- 3.1.6 The Consultant has fully familiarized itself with all aspects of the Services and has all the knowledge, experience, qualifications, and ability to carry out the Services in accordance with the terms of the Agreement and any applicable laws.
- 3.1.7 It has and shall independently acquire, review, and evaluate all factors and data that may reasonably be deemed to affect the carrying out of its obligations under the Agreement, including, but not limited to, permits, permissions and coordination required, technical risks and financial risks and any other risk involved in the execution or completion of the Services in accordance with the terms of the Agreement.
- 3.1.8 The Consultant acknowledges and confirms that it is aware of the safety and security requirements for performing the Services. The Consultant represents and warrants that it possesses all the necessary information, experience, equipment, and expertise to perform the Services.
- 3.1.9 It has been presented with the Company's Ethical Code for Contractors and Suppliers available at all times on the Company website (www.ingl.co.il) and undertakes to comply with it.
- 3.2 The Company hereby warrants, represents, and undertakes that:
  - 3.2.1 The Company is a corporation duly organized, validly existing and in good standing in the country of its incorporation, is fully owned by the Government of the State of Israel, and is qualified to do business in Israel, and has the corporate power to execute and perform this Agreement, which will be legally binding on it in accordance with their terms, without requiring any further authorization.

# 4. <u>Engagement & Implementation of the Services</u>

4.1 Company hereby confirms the engagement of the Consultant under this Agreement for the purposes of the Services, and the Consultant hereby confirms to be so engaged under this Agreement and to act as such Consultant and provide Company with all the Services, all in accordance with and subject to the terms and conditions of this Agreement, the Tender and all documents ancillary thereto including the Consultant's Proposal.

- 4.2 The Company's head of Procurement & Contracts department is Company's representative for this Agreement (hereinafter, the "Company Representative"). The Company may, by way of further written notice to the Consultant, revoke or amend the authority of the Company Representative or appoint a new Company Representative, and all at its sole discretion. Subject to any limitations imposed by the Company, the Company Representative may, from time to time, delegate all or any part of his authority to an assistant or assistants.
- 4.3 The Consultant shall carry out its obligations and provide the Services set out in this Agreement in accordance with written instructions given from time to time by Company.
- The Consultant appoints the Senior Consultant proposed in the Tender as its representative (the "Consultant Representative") who shall have authority to act on behalf of the Consultant on such matters in connection with the Agreement. The Consultant may with the prior written consent of the Company, which shall not be unreasonably withheld, change the identity of the Consultant Representative.
- 4.5 It is expressly understood and agreed by the Parties that this is not an exclusive Agreement. Nothing in this Agreement shall be construed as creating any exclusive arrangement with the Consultant or as prohibit the Company from either acquiring similar, equal, or like Services or from executing additional contracts with other entities for the provision of the Services.

### 5. **Services. Manner of Execution**

# 5.1 <u>Services and Scope</u>

5.1.1 The purpose of the Agreement is for the Consultant to provide the Company the Services to ensure that the Company receives a reliable and high-quality natural gas pipeline system which complies with applicable law and the Company's specifications and standards including, without limitation NEN 3650:2003, or any updated version/codes according to the Company's sole discretion and all other related standards.

# 5.2 Tasks

- 5.2.1 The Agreement may be implemented with respect to current and future Projects or any part thereof by the Company, at its sole discretion, through the issuance to the Consultant of notification which shall specify the applicable task in a Project.
- 5.2.2 At any time during the Contract Period, the Company may, at its sole discretion (but in no way is obligated to) instruct the Consultant to provide the Services or any part thereof to the tasks/Projects designated by the Company by giving the Consultant a prior notice.
- 5.2.3 The Services may be provided parallelly by the Consultant's Personnel to any or all on-going Projects in accordance with the MO as provided in Clause 8 below.

- 5.2.4 The Company may decide, at its sole discretion, to exercise its right to only part of the Services, taking into consideration the capabilities of the Consultant and Company's requirements.
- 5.2.5 Without derogating the above, the Company may instruct that the Services shall be provided by additional Consultant's personnel and/or Key Personnel. Within 30 days of Company's instruction the Consultant shall transfer to Company's approval the CV's and qualifications of such additional personnel, which shall be at least as required in the Scope of Work.
- 5.2.6 The consideration for the Consultant for such additional Personnel shall be in accordance with the rates provided in its quotation in the Tender. No additional or special consideration shall be paid for additional consideration shall be paid.
- 5.2.7 The Company may instruct the Consultant to provide the Services in Company's project/s in which execution have already begun.
- 5.2.8 Before commencement of each task, the Consultant shall submit to INGL's approval a complete list of all personnel who will be performing the Services (including the Key Personnel), their respective descriptions, responsibilities and tasks, and the estimated time they are expected to dedicate to the Services hereunder

### 5.3 <u>Manner of Execution of the Services</u>

- 5.3.1 Irrespective of whether the Services or any part thereof have been the subject of any instruction, review, approval, acknowledgment or inspection by the Company, or anyone acting on its behalf, the Consultant shall not be relieved from any of its liabilities or obligations hereunder.
- 5.3.2 Where the Company notifies the Consultant of any deficiency in the Services, which in the reasonable opinion of the Company is attributable to the Consultant, the Consultant shall, without prejudice to the Company's other rights, promptly remedy on his own expense the deficiency in the Services as required by the Company. If the Consultant fails to remedy the deficiency promptly in accordance with the notice of the Company, the Company may, without derogating from its other rights or remedies hereunder, including, without limitation, the right to terminate the Agreement, remedy or cause to be remedied any such deficiency at the Consultant's expense.

# 5.4 <u>Duty to Cooperate</u>

The Consultant shall, for the duration of the Agreement, cooperate with the Company, any representative or affiliate of the Company, and all contractors, subcontractors and affiliates with whom the Company has contracted for the performance of all works connected with a task/ Project.

# 6. Standard of Quality

- 6.1 The Services shall be carried out to the complete satisfaction of the Company, and the Consultant shall apply Best Industry Practice and shall use the highest standard of skill and care, as ordinarily exercised by experienced and competent consultants carrying out services of a similar nature and scope to the Services contemplated herein.
- 6.2 The Consultant shall perform the Services under this Agreement in accordance with the Law.
- 6.3 The Consultant will, in every respect, perform, as a reasonable and prudent Consultant, in accordance with the methods, regulations and to the standards which are customarily exercised by experienced consultants carrying out similar services.
- 6.4 Where implementing the task/Project hereunder the Consultant is required to exercise discretion, it shall exercise such discretion in a manner which will best serve the interest of Company.

# 7. The Consultant Personnel

# 7.1 The Company's Approval for the Consultant Personnel

- 7.1.1 The Consultant must obtain prior approval from the Company Representative for all Consultant's personnel and Key Personnel engaged for the purposes of performing the Services, with regard *inter-alia* to qualifications and clearances, if required.
- 7.1.2 The approval of Consultant's personnel by the Company shall in no way derogate from the Consultant's liability nor create any liability or responsibility on the part of the Company or anyone on its behalf.
- 7.1.3 The personnel proposed to be appointed may not begin performing Services until they have been approved by the Company. Company approval as contemplated herein shall not release the Consultant from any of its responsibilities under the Agreement.
- 7.1.4 If at any time, the Company is dissatisfied, for any reason, with the performance of any person engaged in the carrying out of the Services, the Consultant shall, if the Company so requests, in writing, cease to engage such person in the carrying out of the Services and promptly provide a suitable substitute at no additional cost to the Company.

### 7.2 Consultant's Personnel and Key Personnel

- 7.2.1 The Consultant shall provide all personnel necessary to carry out the Services. The number of Key Personnel shall be at least as required in the Tender. However, the Company may adjust the required Key Personnel.
- 7.2.2 The Consultant shall engage throughout the Contract Period Personnel as required under the Tender, whose identity shall be subject to the prior written approval of the Company, including (but not limited to) Senior Consultant and Consultant, which shall also act as inspectors as applicable to the certain task / project. The identity of the Personnel shall be as

- detailed in the Consultant's Bid (if detailed) and may not be replaced without the prior written approval of the Company.
- 7.2.3 The Personnel shall be fluent in the English language.
- 7.2.4 All qualified Key Personnel required to perform the Services in accordance with the Tender's requirements and Company's notice shall, if required by the Company, be present on Site for the provision of the Services in the Projects until the completion of the Services.

# 7.3 Replacement of the Consultant's Personnel

- 7.3.1 The Consultant shall not be permitted to replace the approved personnel, and Key Personnel without the Company's prior written approval.
- 7.3.2 The Company Representative may, for professional reasons, personnel misfit, or other reasonable reasons, withhold or withdraw approval previously granted and request the replacement of any of Consultant's Personnel or Sub-contractors, and the Consultant hereby undertakes to comply with such request.
- 7.3.3 The Company may, for professional reasons and/or interpersonal reasons withhold or withdraw approval previously granted and request the replacement of any of Consultant's Personnel, and the Consultant undertakes to comply with such request.

# 7.4 The Consultant Liabilities and Responsibilities for the Consultant's Personnel

- 7.4.1 The Consultant shall be exclusively responsible to obtain all types of permits, approvals, licenses etc. required for the purpose of carrying out the Services pursuant to the Agreement by the Consultant's personnel, including if required work permits, visas etc.
- 7.4.2 The Consultant shall provide reasonable and appropriate working conditions, all in full compliance with the Law. The Consultant shall conform to the requirements of the Law concerning working days and hours.
- 7.4.3 The Consultant undertakes to make its own arrangements for the engagement of all staff and labor, local or otherwise, including their housing, food, and transportation. The Consultant shall bare full responsibility and shall fully comply with applicable laws including any law regarding work conditions and permits.
- 7.4.4 The Consultant shall, itself and at its own expense, be liable for the remuneration, employment terms, conditions, and social security of its employees, and shall itself and at its own expense, bear the income tax, social insurance, national insurance, health insurance, employee's funds and pension payments and any other payments for which an employer is liable in respect of its employees.

7.4.5 The Consultant shall itself and at its own expense be liable for any and all damages of any kind caused to any of its employees and/or to any other person and/or property due to or in connection with any action or omission by the Consultant or by any of its employees or by any one on its or their behalf, while performing the Services hereunder or in connection therewith.

# 7.5 <u>Subcontracting</u>

- 7.5.1 The Consultant shall not subcontract any part of the Services, without the prior written consent of the Company, which may withhold such consent or withdraw its previously given consent. Permission is granted to subcontract the supply of equipment, yet the identity of the subcontractor is subject to the prior approval of the Company.
- 7.5.2 Where practicable, the Consultant shall give a fair, equal, and reasonable opportunity to Israeli contractors to be appointed as Subcontractors.
- 7.5.3 Each subcontracting agreement shall include provisions which would entitle the Company to require that the agreement shall be assigned in favor of the Company in the event of termination of the Contract and/or if a Subcontractor's obligations extend beyond the Contract Period.

### 7.6 The Services

- 7.6.1 The Consultant shall be responsible for acquiring, at its own expense, any permits, licenses and/or visas, as may be required for the performance of the Services by its personnel.
- 7.6.2 The Consultant undertakes to obey and comply with and to ensure that its employees obey and comply with all the applicable instructions in the Site regarding work safety, as given from time to time.

### 8. <u>'Modus Operandi' (Consultations, Approvals & Reports)</u>

- 8.1 The Parties shall mutually agree on the "modus operandi" necessary for the due and efficient progress and implementation of the Services, and for achieving in time the targets set out by Company for the tasks/Projects (the "MO").
- 8.2 The Consultant shall carry out and complete the Services within the periods specified in the MO and, where applicable, in accordance with any other program which has been agreed to by the Company at its sole discretion. The Consultant shall be required, for the duration of the Agreement, to take all necessary steps in order to remedy or minimize, mitigate and avoid any delay in the progress of the Services, including any revision of any program or schedule. The Consultant shall not be entitled to any additional payment for taking such steps, except where the delay has been caused by the Company or anyone acting on its behalf.
- The Consultant shall, at all times, keep the Company fully informed and shall provide the Company with all the reports as required. The Consultant shall also provide such additional information, as and when requested to do so by the Company to any other person or entity connected with the Project.

8.4 The Consultant shall promptly notify the Company if it considers that Data supplied by the Company is insufficient or if there are any important inconsistencies in any Data supplied by the Company.

# 9. Remuneration (Fees, Expenses, VAT, Accounts, Etc.)

- 9.1 In consideration of the Consultant's undertakings hereunder in full conformance herewith, the Company shall pay the Consultant a fee (herein the "Fee" or "Fees"), to be calculated in accordance with the rates set forth in <a href="#">Annex A4</a> to this Agreement, and which shall be payable in accordance with the terms of payment contained in Annex A3.
- 9.2 The Consultant shall, from the Commencement Date and until two (2) years after the termination of this Agreement, keep and maintain proper and accurate accounts and records with respect to the Services provided hereunder, and allow the representative(s) of Company periodically, to have access to, inspect and make copies of such accounts and records. The Consultant shall, if so, requested by Company, submit such accounts and records to audit by auditors acceptable to both parties. The cost of any such audit shall be borne by the parties hereto in equal shares.

### 10. Contract Period

- 10.1 This Agreement shall enter effect on the first date written above, and shall terminate two years thereafter, unless terminated earlier in accordance with clause 13 below.
- The Company shall have the option to extend the term of the Agreement by up to 4 additional periods, up to two years at a time (the "**Option**"), by issuing a written notice to the Consultant, at least 30 days before the end of the Agreement term or the Option term, unless the Consultant have notified the Company at least 6 months prior to the end of such term, of its wish that the Contract Period shall not be extended by the Company.
  - The Agreement term and any Option implemented by the Company shall be referred as the "Contract Period".
- 10.3 The Contract Period is the period in which the Company may instruct the Consultant to provide the Services or any part thereof with respect to the tasks/Projects designated by the Company. However, the Parties mutual rights and obligations under the Agreement shall continue in full force and effect until the actual completion of such Services by the Consultant to the full satisfaction of the Company, even if the actual date of completion of any such Services deviates from the Contract Period.

### 11. <u>Intellectual Property</u>

11.1 Intellectual Property in all items in which Intellectual Property is capable of subsisting, which are prepared by or for the Consultant in connection with or as part of this Agreement or the Project provided hereunder, and in any designs contained in and works executed from these items shall, unless otherwise agreed, automatically become, vest in and remain the sole property of Company, and the Consultant shall

not have any legal or moral rights therein or thereto nor shall it have the right to use it or any part thereof for any purpose other than for the Services hereunder. The Consultant shall provide full documentation and unfettered title to allow Company to alter or develop its Intellectual Property acquired here in above.

- Where any Intellectual Property or moral rights subsisting in any items as aforesaid are owned by third parties, then the Consultant shall (in each case with the prior express written approval of Company) procure a royalty-free, unlimited in time license to use such Intellectual Property for the Project and in connection therewith, and shall use any practicable efforts to cause such third parties to include in the said license rights to alter or develop the intellectual property as may be required by Company.
- 11.3 The Consultant shall not, in implementing the Project hereunder, infringe or otherwise violate the Intellectual Property rights of any third parties. The Consultant shall, immediately upon its first request, indemnify Company for and hold it harmless from and against any and all claims, demands, suits, actions, damages, losses and liabilities of any kind (including reasonable legal costs) arising out of any claim for such infringement or violation.

# 12. **Confidentiality and Privacy**

- 12.1 The Parties shall obligations with respect to confidentiality and privacy are provided in **Annex A6**.
- 12.2 Upon completion of a Project, the Consultant shall turnover to Company all Data and Information, including all copies thereof.
- 12.3 The Consultant shall be responsible for the observance by its directors and employees and by its contractors and sub-contractors (and their respective directors and employees), of the confidentiality provisions of Clauses 12.1 and 11.2 above.
- 12.4 The restrictions on the disclosure of Data and Information hereunder shall survive the termination of this Agreement and shall continue to apply, without limitation in time, unless and until, with respect to each part of the Data and Information, such part comes properly into the public domain through no fault of the Consultant.

# 13. **Termination**

- The Company may, at any time, including at its convenience, terminate the Agreement or any part thereof in whole or in part, by fourteen (14) days written notice delivered to the Consultant. The said notification shall take effect immediately as of the date set forth therein unless otherwise stated and the Consultant shall immediately take steps to bring the Services to a close and shall cease any further expenditures.
- In the event of termination under sub-clause above, the Company shall, unless otherwise agreed, pay the Consultant the Fees as shall be due on account of Services rendered up to the date of termination. The Consultant shall not be entitled to receive payment of cancellation charges in the event of termination.

- 13.3 The Consultant may terminate the Agreement in the event that the Company has committed a material breach of the Agreement, provided that it gives the Company a reasonable period, of not less than sixty (60) days to cure such breach.
- 13.4 If the conclusion of, the performance of any obligation under, or exercise of any right pursuant to this Agreement would result in the breach of any sanctions or restrictions provided in the Sanction List of OFAC (<a href="https://sanctionssearch.ofac.treas.gov/">https://sanctionssearch.ofac.treas.gov/</a>) ("Sanctions") by any Party or may expose any Party and/or its Affiliates to the risk of any adverse measures pursuant to the Sanctions, such Party is entitled to terminate the Agreement in whole or in part by written notice to the other Party with immediate effect and without any liability or compensation.
- Save as otherwise set out hereunder, under no circumstances shall the Company be liable to the Consultant for or in respect of any loss of profit, loss of contracts or other claims, losses, or expenses of any kind whatsoever, including in connection with any termination of the Consultant's engagement or termination of this Agreement howsoever arising, whether under this Clause or otherwise.
- 13.6 Upon completion of the Services or termination of the Agreement, by either party hereto, for any reason whatsoever, or upon receipt, by the Consultant, of the Company's notice requiring the Consultant so to do, at any time, the Consultant shall return all property if received from the Company and in the case of Data shall, at the Company's option, either send such Data, in whatever form it may exist, whether electronic or otherwise, and all copies thereof, to the Company or, where the Company has so requested certify to the Company that such Data has been destroyed.
- 13.7 Upon completion of the Services or termination of the Agreement, by either party hereto, for any reason whatsoever, or upon receipt, by the Consultant, of the Company's notice requiring the Consultant so to do, at any time, the Company may instruct the Consultant to assist a new Service provider's personnel to get familiar with the Projects aspects during in a 14 Day orientation period or an extended orientation period as determined by the Company to insure smooth transfer of the Services to its responsibility. The Consultant commits to coordinate and collaborate with the new Services provider's personnel during such orientation period, without additional consideration.

# 14. Suspension

- The Company may by provision of prior written notice, at any time, suspend all or any part of the Services and the Consultant shall immediately cease provision of the Services until receipt of notice by the Company of its intent to restart the provision of the Services or terminate the Agreement pursuant to below.
- 14.2 Suspension shall not limit or release the Consultant from its responsibilities pursuant to the Contract, including, without limitation, the obligation to complete the suspended Services upon resumption, except for the obligation to proceed with the work which has been suspended, and only to the extent, and for the time period during which the Consultant has been so suspended.

- 14.3 If any part of the Services is suspended as contemplated in Clause 14.1 above, during provision of the Services on Site, the Consultant shall only be entitled to receive the travel costs related to Consultant's Personnel directly related to the suspended part of the Services, payable in accordance with the terms of payment contained in <a href="#">Annex</a>
  A3.
- 14.4 Except as expressly set forth above, the Company shall not be held liable to the Consultant for any other damage or loss, including anticipated profits, on account of suspension of any part of Services or all remaining Services.

### 15. Cancellation of Services

- The Company may at any time cancel any part of the Services for any reason whatsoever by giving 30 days advance notice to the Consultant specifying the part of the Services to be cancelled and the effective date of cancellation (the "Cancellation Date"). Upon receipt of the Cancellation Notice, the Consultant shall cease all Services specified in the Cancellation Notice, by no later than the Cancellation Date. The Consultant shall continue to execute the surviving part of the Services, if any.
- 15.2 Where the Company so cancels the Services or any part thereof, then with respect to the cancelled part of Services, the Consultant shall execute and deliver to the Company all documents required by the Company.
- 15.3 In the event of cancellation hereunder the Consultant shall only be entitled to receive the Fees for the Services provided up to the Cancellation Date.
- 15.4 Except as expressly set forth above, the Company shall not be held liable to the Consultant for any other damages or loss, including anticipated profits, on account of the cancelation.

# 16. **Conflict of Interests**

- 16.1 For as long as the Consultant implements the Project and for 1 year thereafter, in the event that there may arise a conflict of interests between the Consultant and the Company with respect to the Consultant activities, the Consultant shall be obligated to immediately inform the Company in respect thereof, shall have to receive the Company's written approval to continue its Services in spite of such conflict/possible conflict, and shall use its best efforts to resolve such conflict in a manner which shall be satisfactory to the Company.
- In any event, within the above-mentioned time period, the Consultant shall be responsible and liable to ensure that its personnel and anyone on its or their behalf, employed by the Consultant in connection with the performance of the Project, shall not be, under any circumstances, in a position which may lead to or which leads to or which creates a conflict of interests vis a vis the Company, and accordingly, shall not be employed by the Consultant in any other task and/or project in Israel, in the field of natural gas. All as provided for in **Annex A2**.

### 17. <u>Liability and Indemnity</u>

17.1 The Consultant shall be liable to Company for any loss or damage caused by him or any person acting on its behalf in the performance of the Services.

- 17.2 The Consultant shall indemnify and hold harmless the Company, its agents and employees and anyone acting on its behalf and the State of Israel (the "Indemnified Parties"), for any damage (including legal and attorney's fees and costs), or any direct loss caused to the Indemnified Parties, as well as to any third party, resulting from any act and/or omission of the Consultant, its employees and/or anyone acting on its behalf, including, without limitation, breaches of any of the terms and provisions of the Agreement.
- 17.3 This Section shall also apply with respect to any damages, losses, liabilities, expenses, costs, penalties, compensation and claims, as a result of (i) the failure of the Consultant, or anyone acting on its behalf, to comply with any directives and instructions of the Representative.
- 17.4 In any event in which the Consultant is required to pay indemnity pursuant to this Section, the amount of compensation paid there under shall be limited to the Contract Price. The limitation of liability specified above shall not apply in case of gross negligence or willful misconduct on the part of the Consultant or any person acting on its behalf in performing the Services.
- 17.5 The Company shall be liable for and shall indemnify the Consultant and hold it harmless against all direct losses, expenses or claims in respect of loss of or damage to any physical property, or of death or personal injury whenever occurring to the extent caused by or arising out of any act and/or omission of the Company, its employees and/or anyone acting on its behalf. In no event shall the Company be liable for any loss of profit, loss of use, loss of production, or for any other indirect or consequential damage howsoever and whatsoever caused that may be suffered by the Consultant or any Third Party.
- 17.6 Neither party shall be liable to the other party, for any loss of profit, loss of use, loss of production, or for any indirect or consequential damage howsoever and whatsoever caused that may be suffered by the other party.

### 18. **Insurance**

- Throughout the period of provision of the services, The Consultant shall take out and maintain in full force and effect the insurance policies including terms and conditions which will not be inferior to those specified hereunder. The Consultant shall maintain the following insurance policies (hereinafter, collectively: "Consultant's Insurance"):
  - 18.1.1 Workers Compensation (if applicable) / Employers Liability Insurance Covering the Consultant's liability towards its employees engaged in the performance of the Services, due to death or injury of any employee as a result of an accident or illness while or during the execution of the Services up to a limit of liability of \$5,000,000 (five million U.S. Dollars) for an injured party, each event and in the aggregate for the period of insurance.
  - 18.1.2 Errors & Omissions / Professional Liability Insurance Covering The Consultant's legal liability that derives from a professional act or omission or breach of a professional obligation or duty or an error that originated in negligence, omission or oversight of The Consultant in connection with

the performance of the Services, The insurance shall also include coverage for claims alleging defamation, libel and slander, loss of documents, loss of use, delay as a result of an insured event, pure financial loss, infidelity of employees, consequential loss. The limits of liability shall at least \$2,000,000 per occurrence and \$5,000,000 in the aggregate for the period of insurance. In case the policy is on a "claims made" basis, it will be subject to an extended reporting period of 12 months following the termination of the insurance period.

It is further agreed that the Consultant shall maintain in effect the insurance for an additional term after the conclusion of this agreement, and for as long as it bears liability pursuant to law for the services provided, and in any case not less than 36 months. The retroactive date shall be no later than the date of commencement of provision of the services by The Consultant.

- 18.1.3 Third Party Liability Insurance Covering the Consultant's legal liability for any injury and/or loss or damage that is caused to any person or property of any individual or body whatsoever as a result of and/or in connection and/or due to the Services for a limit of liability of \$1,000,000 per occurrence and \$2,000,000 in the aggregate for the period of insurance.
- 18.1.4 Any other insurance required under any applicable law (including but not limited to workers compensation).
- 18.2 General conditions for the policies stipulated in Section 18.1 above:
  - 18.2.1 The insurance coverages stipulated above are extended to indemnify the Company and the State of and anyone acting on their behalf in respect of their liability for the acts and/or omissions of The Consultant and/or anyone on The Consultant behalf, subject to a cross liability clause, pursuant to which the insurance will be deemed to have been effected separately for each individual additional insured.
  - 18.2.2 The Limits of liability may be fulfilled by using Umbrella insurance. If such is used than the total limits of such Umbrella should be at least the aggregate of all limits as required above.
  - 18.2.3 The insurance policies are primary to any other insurance procured by the Company, the State of Israel, and the insurer hereby waives any claim or demand, which it may have with respect to the participation of their insurance.
  - 18.2.4 Include the insurer's waiver of the right to subrogation against the Company and the State of Israel.
  - 18.2.5 The policies shall not be detrimentally changed or cancelled, without 60 days' prior written notification by insurers, sent to the Company via registered mail.

- 18.2.6 Include a clause according to which noncompliance with the duties imposed upon The Consultant in good faith, and/or a breach of any of the policy conditions in good faith will not prejudice the rights of the Company and the State of Israel, to obtain indemnity under the policy.
- 18.3 The Consultant shall submit to The Company, 14 days prior the beginning of the execution of any of the Services, an insurance certificate evidencing that the insurances stipulated in clause 18.1 above are maintained, signed by The Consultant's insurer evidencing that all said insurances are in full force and contain all the terms and conditions required under this Agreement. Prior the expiry date of the previous Insurance Certificate, which was submitted to The Company, The Consultant shall submit an updated Insurance Certificate, in accordance with the period on which The Consultant is required to maintain the insurance policies pursuant to the terms of this Agreement.
- 18.4 The Company and/or anyone on its behalf may, but does not have to, examine the Insurance Certificate or any other document submitted by The Consultant, and the Consultant undertakes to make any change or amendment that will be required in order to make it conform to The Consultant undertakings under this Agreement.
- In addition to the Insurances detailed above, the Consultant undertakes to effect adequate and suitable Travelers Insurance (including Personal Effects, Medical & Hospitalization Costs as well as Personal Accident) in respect of the Consultant's non-local personnel engaged in the execution of this Agreement.
- 18.6 Without derogating from the aforesaid, The Consultant undertakes that all its engagements with contractors, subcontractors, or other service providers, on its behalf for the purpose of performing the Services, will comply with the requirements of this Exhibit.
- 18.7 The Consultant represents and undertakes that it shall not have any claims, demands or take any actions against The Company, the state of Israel and anyone on their behalf, with respect to any damage which might be caused to its or any of its subcontractors' property and concerning any other damage for which it is entitled to receive indemnification under its insurance policies. The Consultant hereby relieves The Company, the State of Israel, and anyone on their behalf of any liability for such damage. The foregoing shall not apply to the benefit of any person who caused damage with malicious intent.
- 18.8 The Consultant undertakes to fulfil the conditions of all insurance policies affected by it, to fully and punctually pay the insurance premiums, arrange for and ensure that The Consultant Insurance coverage is in full force and effect according to any of the Consultant undertakings. The Consultant shall bear the risk of, and be responsible for, all liability associated with any self-insurance and deductible amounts, as well as for any matter for which insurance is not maintained.

### 19. Warranty

19.1 The Consultant warrants the due performance of its Services. The warranty obligations of the Consultant shall be limited to remedying deficiencies or defects in the Services rendered by the Consultant, for which the Consultant is responsible, free of charge to the Company. The warranty obligations of the Consultant shall terminate 24 months from the Termination of the Agreement by the Company If the Consultant fails more than twice to remedy one and the same deficiency in its Services, as claimed by the Company within the above-mentioned period, the Company shall be entitled to have the said deficiency or defect remedied at the Consultant's cost by an independent Consultant or shall be entitled to a reasonable deduction of the Fee. Any other warranty obligations of the Consultant shall be excluded.

### 20. **Company - Consultant Relations**

- The relationship between the Company and the Consultant shall be that of independent contracting parties. Nothing herein shall be construed to create the relationship of employer and employee or any other relationship other than as explicitly specified herein. During the Consultant's performance of the Services, neither the Consultant's employees nor the employees of its subcontractors, if any, shall be considered employees of the Company for any purpose whatsoever.
- The Agreement shall not be construed as creating any employer-employee relationship or any other legal relationship whatsoever between the Company and the Consultant, the Consultant's Personnel or any third party whose services are retained by the Consultant or anyone on behalf of the Consultant.
- 20.3 The Consultant hereby declares that it is the employer of all those who are employed by it and/or on its behalf in connection with the Agreement, and bares the sole responsibility towards them, including any and all right for damages and/or indemnification awarded to them under any law, and all the obligations that applicable to employers according to any law and/or collective agreements and/or special agreements and/or expansion orders etc. and as set forth in this General Conditions. And shall pay any payment deriving from such obligations, in a timely fashion.
- There is no, and nor will be, between the Company and the Consultant, and/or anyone on its behalf, any delegacy and/or partnership relations.
- 20.5 The Consultant hereby exempts the Company and/or the State of Israel of any responsibility deriving from employee-employer relationship towards it and/or anyone on its behalf.
- Should the Agreement and or any actions performed in connection with the Agreement be given an interpretation creating any form of employer-employee relations between the Company and the Consultant and/or anyone on its behalf, at any time, including after the termination of the Agreement, for any reason (the "Setting Day"), it is hereby agreed that the Consultant shall reimburse the Company and/or the State of Israel, according to the highest amount, as follows: (a) any amount and/or expense that the Company and/or the State of Israel are obligated to pay in such event; or (b) the difference between the special compensation awarded

to the Consultant by the Company for the performance of its obligations according to the Agreement and the amount of wages to which the "employee", as mentioned above, is entitled (the "Difference"), and shall be calculated as follows:

- The wages that the "employee" would have been entitled to according to this agreement is the equivalent of 60% of the special compensation, with the addition of VAT and includes all the benefits and social payments and any other payment in this connection. The Difference is considered an index-linked loan and bares an interest according to the law. The loan payment date shall be the setting day described above.
- 20.8 None of the above shall affect or impair, or prevent any right imparted to the Company according to the Agreement and/or any law. The Consultant shall bare the sole responsibility for any right, damage and compensation to which its employees are entitled.

### 21. Assignment

- The Consultant shall not, without the prior written express consent of Company, assign its rights and/or obligations under this Agreement, or any part thereof, to another or others, nor shall it sub-let the performance of the Services hereunder to any sub-contractor or sub-consultant, without Company's prior express written consent such consent, to be not unreasonably withheld or delayed. However, for the avoidance of any doubt, such consent, if any, shall in no way relieve the Consultant of any of its obligations and liabilities hereunder towards Company and Company shall not be liable or accountable in any way in connection with such parties and their performance of the Services.
- The Company shall have no liability or obligation whatsoever to the Consultant's assignees or subcontractors and the Consultant shall indemnify Company, immediately upon its first demand, and hold Company free and harmless from and against any and all claims, demands, suits, actions, damages, losses and liabilities of any kind (including legal costs) of or related to any of its assignees or subcontractors.
- 21.3 Company shall have the absolute right to assign its rights and obligations under this Agreement, in whole or in part, to any party (including any Government Agency or any other entity) which Government may, at its sole discretion, appoint to oversee this Agreement.

# 22. Force Majeure

#### 22.1 Definition of Force Majeure

Force Majeure shall mean an occurrence which is beyond the reasonable control of either of the Parties to the Contract, constituting an exceptional and/or unforeseen circumstance and which, despite the exercise of diligent efforts by the affected Party to prevent, limit, or minimize the same, materially delays the scheduled time of completion of all or any material portion of the Works.

For the avoidance of doubt, the following events shall be specifically excluded from the definition of the term Force Majeure:

- 22.1.1 Shortage of materials or employees, except a national general shortage declared by order of the Government of Israel.
- 22.1.2 Strikes, labour disputes, lockouts, boycott, or other similar occurrence declared directly against the Consultant or any of its Sub-Contractors or caused because of an act or omission of the Consultant or any of its Sub-Contractors; and
- 22.1.3 Suspension, termination, interruption, denial, or failure to obtain or renew any permit, license, consent or approval which is required for the carrying out of the Consultant's obligations under this Contract.
- 22.1.4 War, invasion, insurrection, riot and/or any other violent conflict, including acts of terror, unless and to the extent the Israeli Defence Forces instructed to cease works in the areas relevant to the Works conducted at that time by the Consultant.
- 22.1.5 Covid 19, breakage or accident to machinery or equipment or any other cause or causes beyond such Party's reasonable control.

# 22.2 <u>Consequences of Force Majeure</u>

- 22.2.1 The party whose performance will be delayed by a Force Majeure shall use its best efforts to notify the other promptly after the occurrence of such an event and shall take all reasonable measures to mitigate against the effect of such delay.
- 22.2.2 In these circumstances if certain Services must be suspended, the time for their completion shall be extended until the circumstances no longer apply plus a reasonable period not exceeding 42 days for resumption of them. If the speed of performing certain Services has to be reduced, the time for their completion shall be extended as may be made necessary by the circumstances.

# 23. Law & Jurisdiction

- 23.1 This Agreement shall be governed by Israeli Law.
- The competent courts of the State of Israel, District of Tel-Aviv, shall have exclusive jurisdiction in all matters arising out of or in connection with this Agreement.
- 23.3 The Consultant hereby irrevocably submits to the exclusive jurisdiction of the Israeli courts, and irrevocably appoints the Consultant Chief Consultant as an agent for the purpose of receiving service of legal process in Israel, on behalf of the Consultant.

# 24. Addresses & Notices

The addresses of the parties hereto for the purposes of this Agreement (subject to any notice of a change of address which one party may give to the other) are:

of COMPANY: **ISRAEL NATURAL GAS LINES LTD.** Kiryat Atidim, Atidim Tower, 33<sup>rd</sup> floor Tel-Aviv, Israel 6158101

of the Consultant: _	

- All notices under this Agreement shall be in writing, properly addressed as above and duly stamped, and they shall be deemed to have been delivered—
  - 24.2.1 If delivered by hand or transmitted by Fax on the first working day following the day on which the notice was so delivered or transmitted; and
  - 24.2.2 If sent by mail five (5) days after it was posted by registered mail properly addressed, postage prepaid.

### 25. Miscellaneous Provisions

25.1 Consultant undertakes not to create or do any act, deed or thing which would result in the creation of any lien or charge on property of the Company and/or the any documents related to the Services or any part thereof.

### 25.2 **Headings**

The descriptive headings of the Clauses and paragraphs of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

# 25.3 **Entire Agreement**

This Agreement and all documents ancillary thereto include the entire agreement between the parties hereto with respect to the transactions contemplated thereby.

### 25.4 **Amendment**

This Agreement shall not be amended except by an instrument in writing duly signed by the parties hereto.

# 25.5 The Consultant's Obligations Under the Consultant's Proposal

The Consultant agrees, that all of the declarations, warranties, commitments, obligations and undertakings (herein collectively - "**Obligations**") contained in the Consultant's Proposal attached hereto as **Annex A6** are and shall be considered the Consultant's Obligations under and pursuant to this Agreement, as if they were expressly repeated herein **Except That**, in the event of any contradiction or inconsistency between the provisions of the Consultant's Proposal and the provisions of this Agreement, the provisions of these Agreement shall prevail.

**In Witness hereof**, the parties hereto have executed this Agreement as of the day and year first above written.

Israel Natural Gas Lines Company Ltd.	(The Consultant)
Signed on behalf of INGL by the following:	Signed on behalf the Consultant by the
Name: Shmuel Turgeman	following:
Title: CEO	Name:
Signature:	Title:
Name: Daniel Szobel	Signature:
Title: CFO	Name:
Signature:	Title:
Company's Seal:	Signature:
Date:	Company's Seal:
	Date:

# <u>Annex A1 – Scope of Works for Professional Advisory and Supervision Services</u>

# **Provided separately with the Tender -**

to be annexed to the Contract with the Consultant

# <u>ANNEX A2 - Declaration regarding Conflict of Interests, No Personal Affinity and Ethical Code</u> Compliance Declaration and Undertaking

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Israel Natural Gas Lines Ltd. (the "Company")

Atidim Tower, Kiryat Atidim,

Tel-Aviv 6158101, Israel

All following terms in this deceleration and undertaking shall have the meaning ascribed thereto below:

Name of the Agreement (hereinafter the	
"Contract")	
Name of the Supplier/Consultant/Advisor	
(hereinafter the "Supplier")	

# We the undersigned:

Full Name	ID/Passport No.	Title

hereby declare, warrant and undertake, in the name of the Supplier as follows:

1. We are authorized to make this declaration and undertaking on behalf of the Supplier.

# 2. No Conflict of Interests

- 2.1 This declaration and undertaking on behalf of the Supplier is given with respect to the Supplier's offer to provide the Company with services and/or works (hereinafter the "Works") within the scope of the Contract and without derogating any of the Supplier's undertakings towards the Company.
- 2.2 We hereby undertake to act loyally and professionally and to avoid any and all conflict of interest in the execution of our duties under the terms of the Contract, and shall undertake that all of our employees, sub-Consultants and representatives will refrain from any activity or association that might involve such a conflict of interest, directly or indirectly.
- 2.3 We hereby undertake to notify the Company before the Contract execution and during its performance all information with respect to us being shareholder/holder of convertible securities and/or officers and/or directors in any of corporation involved in the natural gas

- market and/or energy and/or infrastructure and/or any related entity which competes with the Company's business.
- 2.4 Our positions and/or other occupations do not create and are not liable to create any conflict of interest whatsoever, whether directly or indirectly, whether professional or business, with the execution of our duties under the terms of the Contract. In case such conflict of interest is created during the execution of the Works including during our participation in meeting. Upon our becoming aware of any possible conflict of interest with respect to our duties under the terms of the Contract we shall immediately report in writing of any such conflict of interest to all the following: the Contract/project manager, Internal Auditor and the Company's legal consul. We further undertake to take all necessary and reasonable measures under the circumstances to remove the conflict of interest and to act in regard to the Works in accordance with the instructions of the Company.
- 2.5 In addition to the obligations and prohibitions imposed on us pursuant to the law, we hereby undertake not to propose and/or give and/or receive, either directly and/or indirectly, at any time before the execution of the Contract, during its performance and after its termination any benefit and/or right and/or recommendation and/or money and/or anything of value, in an agreement, voluntary or in any other way, with the objective of influencing directly or indirectly the decision and/or act and/or omission of the Company or a position holder in the Company and/or an employee of the Company and/or a representative thereof and/or any other entity, with respect to the engagement procedure and/or any contract and/or purchase order derived from it.
- 2.6 We hereby declare that we have not lobby and/or cooperate, either directly or indirectly, with any functionary of the Company and/or employee of the Company and/or its representative and/or any other entity in order to receive confidential/secret information regarding the engagement procedure and/or the Contract and/any purchase order derived from it.
- 2.7 We hereby declare that we have not and will not lobby and/or cooperate, either directly or indirectly, with any functionary of the Company and/or employee of the Company and/or its representative and/or any other entity in order to artificially or in-competitively set prices.

# 3. No Personal or Family Affinity (please mark the relevant option)

I hereby declare that none of the Supplier's managers and/or employees have any personal
affiliation or any family affiliation with any of the following: to the shareholders, members
of the management, members of the board of directors, employees of the Company (Israe
Natural Gas Lines Ltd.), insofar as such exists to the knowledge of the Supplier only and
without the Supplier required to investigate this matter.

There is a personal affiliation or family affiliation to any of the following: to the shareholders, members of the management, members of the board of directors, employees of the company (Israel Natural Gas Lines Ltd.).

If relevant - Attached is a separate letter detailing the personal / family affiliation as aforesaid, signed by the owner or the CEO or the authorized signatories of the Consultant.

# 4. Ethical code

We hereby declare that we have read and understood the Company's Code of Ethics for Consultants and suppliers on the Company's website at: <a href="www.ingl.co.il">www.ingl.co.il</a>, and we confirm that anyone acting on the Supplier's behalf for the purpose of executing the Works, including our employees and sub-Consultants, will act in accordance to the Company's Code of Ethics.

#### 5. **General**

- 5.1 We hereby undertake to fulfil all the statements and undertaking as stated above on behalf of our employees, our sub-Consultants, our representatives, our agents and those on our behalf who will be involved in any way in the contracting process with the Company (of any kind) and / or in executing the Contract, including the Work and/ or Services and/ or any order arising therefrom, and undertake to bring the contents of this undertaking to the attention of all the above.
- 5.2 We hereby undertake to notify the Company immediately of any change in the individual and/ or in any matter contained in this declaration and undertaking.
- 5.3 This declaration and undertaking do not derogate from our obligations under the provisions of any law or the Contract applicable to us in our capacity as a service provider and /or performer of Works for the Company.
- 5.4 We hereby undertake to provide an updated declaration and undertaking at any time as required by the Company.

5.5	We hereby declare that we have reviewed this declaration and all parts thereof. We declare
	that we have understood its content and we undertake to abide by and fulfil all its
	instructions.

In witness whereof, the undersigned have hereunto set their hands:

Name of Supplier	Name of Supplier Consultant's authorized representative			
	By:			
	Position:			
	Date:			
	Ву:			
	Position:			
	Date:			

# **Signature Authentication**

I, the u	ndersigned	, Advoc	cate _				Licen	se N	umbei	·	
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				Mr. /	Mrs						who
identifie	d himself /	herself	throug	h ID no. No			/ k	nowi	n to m	e perso	nally,
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Signa	ature				 Da	te					

# Annex A3 - Terms of Payment

### 1. **General**

1.1. Unless otherwise defined herein, all capitalized terms shall have the same meaning set forth in the Agreement (the "Contract") signed between the Company and the Consultant, following the Tender for the provision of Advisory & Inspection Services of Quality Assurance (QA) for Pipeline, Pipeline's accessories & PRMSs manufacturing according to the NEN standard (INGL/TENDER/2024/54) (the "Tender").

### 1.2. Definition of the Fees

- 1.2.1. The Fee Means the payment which is payable by the Company to the Consultant for the execution of the Services, consistent with the stipulated consideration in the Consultant's Bid, as approved by the Company.
- 1.2.2. Unless otherwise expressly set forth hereunder, all Fee hereunder are (i) inclusive of all expenses and disbursements; (i) exclusive of Value Added Tax in Israel, if applicable, which shall be added at the prevailing rate.
- 1.2.3. For the performance of the Services, the Consultant shall receive a fee (all inclusive) per actual service day/hour for each Personnel, as provided in **Annex A4** (hereinafter: "**Fee**") and the following shall apply:
  - 1.2.3.1. <u>Services provided by Consultant's Personnel abroad (outside the Consultant country of origin)</u>

For Services provided by Consultant's Personnel abroad (outside the Consultant country of origin) the daily Fee includes per each Consultant's Personnel at least 10 working hours per day in accordance with working hours provided in the Annex A4. If a Consultant's Personnel shall not render the Services in accordance with the above, Fee with respect to such Consultant's Personnel shall be relatively reduced for each hour or any part thereof. Without derogating Consultant's obligations under the Agreement, the Fee shall not be increased, and no extra consideration will be paid even if the Services actual hours exceed the above ("overtime") according to Annex A4.

# 1.2.3.2. <u>Services in a nearby country not required accommodation</u>

Services which provided on one day basis in a nearby country to the Consultant's country of origin, which reasonably can be provided by car / train traveling and not require accommodation outside the Consultant's country of origin, the Company shall pay by hourly rate (and not in daily rate).

1.2.3.3. For Services provided by Consultant's Personnel from Consultant's country of origin, the Fee shall be calculated in accordance with the actual working hours of Consultant's Personnel and the applicable hourly rate.

- 1.2.4. The Fee constitutes the full and final consideration for the provision of the Services under the Contract, including all costs and expenses of any nature in respect to all the Services and works to be provided by the Consultant, but not limited to, site visits, supervision and inspection, manpower, approvals, licenses, coordination, travel expenses, travel time for all employed by the Consultant, down time waiver, idle fees, costs of attending meetings, insurance, expenses for the use of tools, transportation, depreciation, etc., administrative and general expenses, and all taxes (except Israeli VAT, if imposed), fees, levies and other mandatory payments imposed on the Consultant, the Services, etc., the profit of the Consultant and all expenses incurred by the Consultant in connection with fulfilling all its obligations under the Contract, directly or indirectly.
- 1.2.5. Flights, accommodation and transportation Without derogating Clause 0 above in Consultant's Personnel providing the Services abroad (outside Consultant country of origin) the Company shall reimburse the Consultant for its actual costs (against receipts or any other method provided by the Consultant and agreed between the Consultant and the Company) for the following expenses up-to maximum amounts provided below and subject to Company's Representative prior written approval for the visit plan:
  - 1.2.5.1. Accommodation 220 Euro per actual lodging night.
  - 1.2.5.2. Economy class standard Flights costs to and from destination.
  - 1.2.5.3. Out of pocket expenses 70 Euro per visit day.

It is hereby clarified that INGL shall participate only in these Consultant's expenses and within the limits of the specified amounts above. Should the Consultant choose to upgrade its Personnel flights / accommodation / transportation, or the above amounts doesn't cover the Consultant's actual costs, Consultant shall solely bear the increment.

### 1.3. Taxes, Penalties and Fines

The Consultant has taken into account, when establishing the unit rates, lump sum rates and other rates and fees set out in **Annex A6**, all taxes, including withholding taxes, if any, fees, levies, imposts, duties, customs, stamp duties, charges and the like (including all direct and indirect expenses to discharge same and any and all penalties and fines pertaining to the above), for which it is liable with no exception whatsoever, unless expressly otherwise specified in this document or its attachments.

### 1.4. Indemnification against Tax Claims

The Consultant shall indemnify and hold harmless the Company against any and all liabilities, claims, charges in relation to the foregoing whether assessed or levied on profits, corporate income, dividends, salaries, benefits, personal income of his employees or otherwise charged in relation to operations performed under the Agreement and which may be assessed or levied on the Consultant, sub-Consultants, vendors, it/their affiliates and all their employees, by any and all authorities whatsoever, including all fines and penalties pertaining to any of the above, arising from or as a result of any act or omission of any of the foregoing.

# 2. Prices and Rates

The prices given in the Commercial Proposal are expressed in Euro/Pound Sterling (unless otherwise explicitly allowed by the Company in writing).

# 3. **Payments**

# 3.1. Conditions Precedent to Effecting Payments

- 3.1.1. Notwithstanding anything to the contrary provided for herein or the Contract, the Company shall not make any payments to the Consultant prior to the receipt of a tax invoice (Heshbonit Mas) in respect of the amount of any such payment to be made.
- 3.1.2. The Company shall be entitled to deduct and withhold from the amount payable to Consultant pursuant to this Contract such amount as Company determines it is required to deduct and withhold from Consultant, with respect to the making of such payment, under the Israel Income Tax Ordinance [New Version] 1961 and or the Israeli Tax Authority (ITA) instructions, unless Consultant has supplied to Company, before the applicable payment date, a valid certificate of exemption from such withholding tax from the ITA or a tax determination from the ITA applying withholding tax at a reduced rate.
- 3.1.3. The Consultant shall furnish to the Company the documentation and abide by the provisions set forth in the Contract, including, without limitation, the provisions of Clause 9 of the Contract, as a condition precedent to receiving any payments hereunder.

# 3.2. Payment of the Fees

The Fees shall become payable in the following manner:

- 3.2.1. On the 5th of each calendar month, the Consultant shall submit to Company a performance report signed by the Consultant Representative, detailing the Services provided thereby in accordance herewith during the preceding month, and submit an invoice listing the consideration due thereto, together with all supporting documents, providing the following details, in the form and method agreed between the Consultant and the Company:
  - 3.2.1.1. The tasks completed by the Consultant during the preceding month.
  - 3.2.1.2. List detailing the dates and hours of the Services rendered by each Consultant's Personnel during the preceding month.
  - 3.2.1.3. The rates set forth in this Contract, regarding the Services provided by each of Consultant's personnel and any reduction required under Clause 2.6 above.
- 3.2.2. The Company Representative shall, within 14 days of its receipt of the above-mentioned report and the invoice either approve in writing such performance report and invoice or take exception thereto, giving his reasons in writing for such exception, in which event the Consultant shall take all action necessary to obtain the Company Representative's approval of such report.

- 3.2.3. All invoices for Fees hereunder shall be submitted in Euros/US Dollars (unless otherwise explicitly allowed by the Company in writing) and shall be paid (in the same currency) by bank transfer to the Consultant's designated bank account.
- 3.2.4. Israeli Value Added Tax ("VAT"), if imposed, payable with respect to any Fees payable hereunder shall be for the account of Company, and Company shall, at its election in each case, either add such VAT to the amount payable against a VAT Invoice/Receipt ("Cheshbonit Mas") as required by Law, or pay and discharge such VAT liability by direct payment to the VAT authority on a Self-Issued VAT Invoice ("Cheshbonit Atzmit").
- 3.2.5. The Consultant confirms that it has acquainted itself and is fully aware of the Israeli tax Laws and regulations applicable to it with respect to its operations pursuant to this Agreement. Company does not make any representations to the Consultant regarding the Israeli taxation and the Consultant alone shall be responsible to pay and discharge all the tax liabilities it may have in Israel.
- 3.2.6. In the event that Company disputes or takes exception to any item in any invoice submitted by the Consultant hereunder, the disputed item shall be set aside, and the Company shall proceed to pay the undisputed part of the invoice in accordance with the procedures provided herein.

The parties shall, in parallel and without undue delay, discuss and attempt to clarify and solve the disputed item. If following the resolution of a disputed item any amount becomes due to the Consultant or to the Company, it shall be paid together with or deducted from (as applicable) the first invoice payable after the resolution of the dispute.

#### 3.3. Payment currency and Linkage

- 3.3.1. The Contract Price shall be paid in Euro/US Dollars (unless the Company agreed in advance to pay in a different currency) and except as provided in Clause 3.3.2 below shall not be linked to any other currency or index.
- 3.3.2. After 12 months from the Commencement Date, as defined in the Agreement, the prices and rates set forth in the Tender shall be updated according to the Harmonized Index of Consumer Prices (HICP/CPI) as formally published in the state where the main place of business of the Consultant are taken place (Consultant organization is established). Such an update shall occur once a year, during all Agreement period, starting as of the date following 12 months from the Commencement Date.

### 4. <u>Invoicing Schedule</u>

All invoices shall:

- (a) State the Contract reference number.
- (b) Clearly indicate the Month and the Company's Project no. for which payment is requested.
- (c) Be supported by all necessary documents to enable the Company to check it.

- (d) Clearly state the bank details and account number to which the payment(s) are to be made, compatible with the Consultant's supplier card in the Company's system.
- (e) Be made out in the name of the Consultant.

The Consultant shall submit by e-mail including all necessary attachments to:

Israel Natural Gas Lines Company Ltd. Atidim Tower, Building no. 8, 32<sup>nd</sup> floor, Kiryat Atidim Tel Aviv, Israel 6158101

Att. Accounting

Another copy of each invoice and all attachments thereto shall be submitted simultaneously to the management Company designated by the Company, for its review.

# 5. **Disputed Invoices**

If the Company questions or disputed any invoice, it shall return the invoice in question to the Consultant, specifying in writing the items to which Company objects and the reasons for such objections.

### 6. **Lead times for Payments**

### 6.1. Payment of monthly invoices

The Company shall pay the invoices of the Consultant (undisputed parts) as follows:

- 6.1.1. Pro-forma Invoices 30 days from the pro-forma invoice was received (the earlier of both) to the bank account as the Consultant shall specify on invoices to Company.
- 6.1.2. The Consultant shall submit to the Company only one bank account to which the Company shall pay all payments during the Agreement period.
- 6.1.3. Tax Invoices 1 day before the due date of the tax payment to such bank account as the Consultant shall specify on invoices to Company, subject to applicable laws, the Company shall give payment instructions with value and date and furnish the Consultant with a copy of such instructions.
- 6.1.4. Any payment by the Company is subject and shall be made only after the Consultant provided the required documentation according to the above, including if requested the insurance certificate of the Consultant.

### 6.2. Sums due to the Consultant

At any time during the performance of the Contract, the Company shall have the right, after notifying the Consultant, to deduct from any sums due to the Consultant all and any sums due to Company by the Consultant for whatsoever reason, including:

- 6.2.1. Payments incorrectly made to the Consultant.
- 6.2.2. Additional Company costs resulting from the Consultant's failure to perform any part of the Services in accordance with the provisions of the Contract related to suspension, cancellation and termination due to the Consultant's default.

- 6.2.3. Claims and/or proceedings of third parties against the Company in relation to the Consultant's performance of the Contract and resulting in payment or commitment to pay by the Company pursuant to a court order or applicable laws (unless the Consultant's liability has been expressly excluded under the Agreement).
- 6.2.4. Any amounts deemed necessary to indemnify and/or hold harmless the Company against any lien created in connection with the Consultant's performance of the Services (unless the Consultant immediately shows appropriate evidence proving that such lien is not valid).

Should sums owed by the Consultant exceed the amount of sums owed by the Company, the Consultant shall immediately pay the difference to the Company.

# **Annex A4 - Commercial Proposal**

(Annex A14 to the Tender as submitted by Bidder and approved by Company and to be annexed to the Agreement)

# **Annex A5(1) - Security Conditions**

All terms under this document shall have the meaning attributed to them in the Contract, unless
otherwise expressly written herein. For the purpose of this document, this document shall be
read as "Security Conditions".

### 2. Services and information of sensitive nature and Security authorities directives

- 2.1. The Consultant hereby declares and confirms that the Services include components (including documentation or digital media) that are sensitive from a security standpoint and, as a result is required to abide to the requirements and directives of any of the following Authorized Security Authorities The Israel Police, the Company's Chief Security Officer, the Ministry of Defense, the Israeli Defense Force, the Israeli Security Agency, the Israel National Cyber Directorate, and any other Authority or authorized body as shall be instructed by the Company's Security Department Manager etc.
- 2.2. The Consultant shall abide, fully and without delay, to all directives of such Authorized Security Authority and, shall allow and cooperate with any inspection, if any, by such functionaries, to review the compliance with the provisions of this Security Conditions.

### 3. Reporting on Unusual activity/Guarding failures/Deviations from Security Conditions

The Consultant shall report to the Company's Security & Emergency Department, on any of the following:

- 3.1. Unusual activity which may have direct security implications on the Company.
- 3.2. Any guarding failures.
- 3.3. Any deviation from the provisions of this Security Conditions. No deviations from this Security Conditions are allowed unless the express written approval of the Company's Security & Emergency Department Manager.

# 4. Confidentiality obligation and handling Classified information

- 4.1. The Consultant undertakes that it, its personnel, labourers, sub-Consultants and any other party working on its behalf shall comply with all provisions as follows:
  - 4.1.1. Shall keep Confidential and shall prevent access, copying, distribution, publishing and cause to any of such, regarding to all and any information relates to the performance of the Services (including executing of Services for the Company), unless expressly allowed in writing by the Company's Security & Emergency Department Manager and to the extent allowed only. Notwithstanding the above, disclosure of information to the minimum extent as reasonably needed, is allowed for:
    - a) People that have been approved in advance to be engaged in the Services according to the provisions of this Security Conditions and,
    - b) For 3<sup>RD</sup> parties on behalf of the Consultant or the Company, performing Services or services which are directly related to the Services under the Contract;
  - 4.1.2. Shall keep confidential all information (including documentation and digital media) characterized as Classified or Security Sensitive, that may be in their possession concerning the Services (including the Contract and its appendices) and copies thereof, whether prepared by the Company or the Consultant or on their behalf or indirectly received by the Consultant or anyone on its behalf. The Consultant undertakes to take on its sole expense, the security measures appropriate for handling Classified or Security Sensitive information, during and at the end of each working day, as prescribed by the relevant Authorised Security Authority. Such measures shall be a locked cabinet or a safe as a minimum requirement, including applying any additional directives, if any, as may be issued by the Company's Security & Emergency Department Manager;
  - 4.1.3. Upon the completion of the Services or their termination of whatever reason, shall return to the Company (including destroying of all copies) of all classified or security sensitive documentation, digital media and drawings etc. received or produced during and in connection with the performance of the Services.

- 4.2. The obligations in Clause 4 above shall be brought by the Consultant to the attention of its personnel and anyone on its behalf who providing any Services or services relating to the Contract or the Services.
- 4.3. The Consultant shall be responsible to verify and to cause that such obligations are followed, including by having express obligations in such matters in agreements made with anyone on its behalf.
- 4.4. Nothing in the above obligations derogates from any obligation and liability of the Consultant regarding confidentiality according to the Contract.

# 5. <u>Personnel detailed and passing Security Checks before participating in the Services</u>

- 5.1. The Consultant shall perform the Services by using only people and sub-contractors who have received in advance a security approval by the Security & Emergency Department of the Company, after passing the Security Checks of the Company. The type and manner of the Security Checks shall be determined by the sole discretion of the Company and in accordance with directives of the Authorized Security Authorities. Personnel approval may be attained only by meeting all the following conditions by each member:
  - 5.1.1. Submission of duly completed forms containing their personal information;
  - 5.1.2. Submission of executed undertaking of confidentiality in a form and conditions acceptable to the Company

It is hereby clarified that only people who have successfully passed the security check may be approved.

- 5.2. In order to allow a full security check, the Consultant shall provide the Company's Chief Security Officer with a full and detailed list of all personnel, labourers and sub-Consultants or who will perform the Services, including a copy of the Israeli I.D. or for foreigners a copy of the Passport. Such people shall be required:
  - 5.2.1. To complete forms as may be requested by the Company's Security & Emergency Department, including the Israel National Cyber Directorate and any Authorized Authority, depending on the type of work and its security classification and,
  - 5.2.2. Signing on disclaimers on medical secrecy and obtaining information from the criminal record (See the following Annex A7(1) Criminal records' disclaimer and request for information to be provided by the Consultant for Israeli workers) and,
  - 5.2.3. Comply with other provisions is so directed by the Authorized Security Authority.

5.3. All expenses attributed the above security checks or further security checks as may be necessary, including but not limited to individual security questioning, shall be on the sole expense of the Consultant.

# 5.4. <u>Timetable and place for submission of details for Security Checks</u>

- 5.4.1. All abovementioned information regarding the personnel, labourers and sub-Consultants shall be submitted to the Company's Security & Emergency Department in the Company's headquarters - at least 14 days in advance before the intended starting date of the Services. It is recommended to precede such submission date, soon after signing on the Contract.
- 5.4.2. In exceptional circumstances of enlarging the staff who participate in the Services or replacement of such personnel, the submission of information shall take place of at least 14 days in advance to their starting working date.
- 5.4.3. In order to complete the security check forms, attendance in the Company's headquarters of each staff member may be required, as shall be decided by the Company's Security & Emergency Department.
- 5.5. The Company or the Company Security & Emergency Department Manager, shall have sole discretion from security reasons or requirements, to approve, withhold such approval or withdraw previously given approval for all staff members, personnel and labourers on behalf of the Consultant, without being required to explain such decision. The Consultant shall not have any claims or demands concerning the above matters and accordingly, it hereby waives any claims and demands concerning costs and expenses, if any, related to the above.

# 6. Supplying of Identity cards for workers

At the request of the Company Security & Emergency Department Manager, the Consultant shall supply, at its sole expense, identity cards (in the form and type coordinated in advance with the Company's Security Department Manager) for each of its personnel and anyone working on its behalf in the Services. All such identity cards shall be returned by the Consultant to the Company's Security Department Manager at the earliest of either: (i) immediately upon such person ceasing to provide services to the Consultant relating to the Services or, (ii) upon demand by the Company's Security Department Manager.

### 7. Passing of security guidance before participating in the Services

The Consultant, its personnel and anyone performing any Services or providing any service relate to the Contract, shall have to pass security guidance before participating in the Services and during the Services if so instructed. Such guidance shall be at the request of the Company's Security & Emergency Department Manager at any time and, if applicable, by any other officer in charge on a place where the Services has to be carried out. The Consultant shall forthwith comply with such request. The obligation in this Clause 7 does not derogate from any obligation liability of the Consultant regarding security according to the Contract.

### 8. Security plan

- 8.1. The Company's Security & Emergency Department Manager may request the Consultant to present him or to the Authorized Security Authorities with the Consultant's security plan of the Site and the Services (i.e. effective planning and implementation of protective methods of security) and the Consultant shall forthwith comply with such request. To remove doubts, the Consultant shall remain at all times fully responsible to the security as specified in the Contract. Presenting of the security plan shall not be deemed in any way as assuming any type of responsibility and extent on behalf of the Company and anyone on its behalf including any of the Authorized Security Authorities.
- 8.2. For the purpose of planning and implementing security and protective methods of security, the Consultant shall employ, as may be needed, at its sole expense, a security expert who shall have to be approved by the Company's Security Department Manager and pass the Security Checks, in advance.

### 9. Using the Site, Sleeping area and Security Oriented Facilities

- 9.1. Some of the components of the Services may take place in certain territories and facilities categorized as "Security Oriented Facilities". In such locations, anyone engaged in the Services on behalf of the Consultant shall be only in the location where the Services are being performed.
- 9.2. No one on behalf of the Consultant shall sleep at the location where the Services or any portion thereof, are taking place. Notwithstanding, security guards who have received the prior written approval of the Company Security & Emergency Department Manager, may sleep in the place designated by the Contactor for this purpose at the work place (except during guarding hours).

9.3. The Consultant's personnel and other labourers retained to perform the Services shall sleep at a specified dwelling area approved by the relevant Authorised Security Authority.

# 10. General

It is hereby clarified that the Consultant is solely responsible for the security, safekeeping and confidentiality according the provisions of the Contract. Nothing in this Security Conditions document shall derogate from any provisions of the Contract regarding security, safekeeping and confidentiality.

### In witness hereof:

Name of Consultant / Members (if Applicable)	Consultant's / Member's authorized representative	Signature & Stamp
	Ву:	
	Position:	
	Date:	
	Ву:	
	Position:	
	Date:	

# Annex A5(2) - Security Condition's Supplement 1

# Consent to the provision of information from the criminal registry in Israel According to the Criminal Registry Law and the Returnees Regulations, 1981

מוסף 1 - הסכמה למסירת מידע מהמרשם הפלילי עפ"י חוק המרשם הפלילי ותקנות השבים, תשמ"א 1981

		_ מס' תעודת זהות		אני החתום/ה מטה			
(להלן "נתג"ז" <u>)</u>	<u>הטבעי לישראל ב</u>	ם <u>לחברת נתיבי הגז</u>	מיועד/ת לתת שירותיו	מועמד/ת לעבודה /מועסק/ת, ו			
דיקה על ידי מחלקת	וקתי, עלי לעבור ו	וו לצורך המשך העס	רך קבלתי לעבודה ו/א	מצהיר/ה בזאת שידוע לי כי לצו			
				הביטחון.			
-	•		-	הואיל וכך, הנני נותן/ת בזאת א			
ום הפלילי כמשמעותו	מצוי אודותיי במרש	ך בנתג"ז כל מידע הנ		תשמ"א 1981, כי משטרת ישרא			
			:לו עפ"י חוק.	בחוק זה, בהיקף שהוא זכאי לקנ			
מידע ממשלוח הודעה	טרה ואת מקבל הו	יל, פוטרת את המשי	כי הסכמתי, כאמור לע	כמו כן, ולמען הסר ספק, ידוע לי			
				אלי בדבר מסירת המידע אודותיי			
ל עוד אהיה מועסק/ת	תקבל לעבודה, וכי	ה במסגרתכם ואם א	בדיקת התאמתי לעבוד	כתב זה יעמוד בתוקפו בתהליכי ו			
		חברה.	כל עוד אתן שירותים י	בתפקיד המחייב את הבדיקה או			
		חתימה		תארי			
			ביטחון:	נחתם בפני נציג מחלקת ר			
-	חתימה	תאריך	מס' זהות	—————————————————————————————————————			
למועמד/ת שהינו/ה קטין/ה (כלומר, מתחת לגיל 18 ביום החתימה) חתימת הורה/אפוטרופוס נדרשת בנוסף לחתימת הקטין/ה.							
	חתימה	  !וטרופוס	שם מלא של ההורה/אנ	 תאריך			

# **Annex A6- Privacy and Confidentiality Appendix**

[Doc. no.: 473119, to be incorporated]