

	6/2/2023	Final	
	Date	Description	
	<b>Document Title</b> <b>Agreement for the Provision of  Professional Advisory and  Supervision Services  (INGL/TENDER/2023/9)</b>		
	Document No. 461078		Rev. 1

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## **List of Agreement Documents**

### **Document A Invitation to Submit Bids and its following annexes:**

- A1 Company's short term, development plan & projects (non-Binding)
- A2 Contact Details and Undertaking of Confidentiality
- A2(1) Non-Disclosure Agreement
- A3 Declaration, Warranty and Undertaking
- A4 Legal Opinions – Power of Attorney
- A5 Affidavit regarding Non-Payment of "Brokerage Fees" and Non-Employment of Company Consultants
- A6 Declaration regarding Non-Conflict of Interests, No Personal Affinity and Ethical Code Compliance Declaration and Undertaking
- A7 Forms regarding Professional Experience
- A8 Forms regarding Key-Personnel Experience
- A9 Forms regarding Key-Personnel Experience
- A10 Forms regarding Key-Personnel Experience
- A11 Bidder's financial strength
- A12 Parent company guarantee
- A13 Parent company legal opinion – power of attorney
- A14 Form of Commercial Proposal

### **Document B The Agreement and its following annexes:**

#### **Legal**

- B1 *Cancelled*
- B2 Consultant's obligations pursuant to the License
- B3 Declaration regarding Conflict of Interests, No Personal Affinity and Ethical Code Compliance Declaration and Undertaking

#### **Scope of Services/Works**

- B4 Scope of Works

#### **Financial**

- B5 Terms of Payment
- B6 Commercial Proposal (as submitted by Bidder and approved by Company)

#### **Insurance & Security**

B7 Security

B8 Provisions in Connection with Activities and Work in Security Areas and Firing Ranges

**Clarifications and Amendments issued as part of the Tender Process**

## Professional Advisory and Supervision 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

### A n d

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(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 (until 31.7.2034) and responsible for erecting and operating the national gas transmission System; and

**Whereas** Following the Invitation to Bid published by Company (the "**ITB**"), 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 ITB 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:

<b>Best Industry Practices</b>	The recognized professional good practice principles of workmanlike, due care and diligence, as identified in the field of the Services, subject to applicable binding standards, as set forth in the Agreement.
<b>Commencement Date</b>	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.
<b>Consultant's Proposal</b>	The Consultant's proposal as response to Company's ITB.
<b>Contract or Agreement</b>	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.
<b>Day</b>	A calendar day according to the Gregorian calendar.
<b>Fee or Fees</b>	The Consultant's remuneration for its Services also referred to as the "Contract Price", payable pursuant to this Agreement.
<b>Intellectual Property</b>	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.
<b>Key Personnel</b>	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.
<b>Law</b>	Means all applicable 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 and all rules, applicable standards and administrative orders in effect in the State of Israel, including, without limitation, the Natural Gas Law, the Gas Law (Safety and Licensing) – 1989, the Gas

Order (Safety and Licensing) (Facilities for Transporting Natural Gas) – 1997, the Building and Planning Regulations (Licensing Natural Gas Facilities) – 2003, the Hazardous Substances Law, 1993 and the License for the Construction and Operation of a Transmission System in the form granted to Company, and all as may be amended and updated from time to time, that are relevant to this Agreement.

<b>Parties</b>	The Company and the Consultant.
<b>Project</b>	Company's ongoing and future natural gas transmission network projects, as determined by the Company.
<b>Services</b>	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 B4</b> .
<b>Site</b>	Shall mean any place where the Services or any part thereof are to be performed.
<b>System</b>	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.
<b>Tender or ITB</b>	International Public Tender for the Provision of Professional Advisory and Supervision Services (INGL/TENDER/2023/9).

- 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.
- 2.4 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.
- 2.7 The Agreement shall be interpreted in such a manner pursuant to which the Contractor shall be bound by the more stringent provision, as determined by the Company, unless the Company determines otherwise.

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 Contract.

3.1.8 The Consultant acknowledges and confirms that it is aware of the special safety and security risks and requirements for handling natural gas and for performing works in an environment containing fuel-related and other infrastructures, equipment, and materials as are found at the Site. The Consultant represents and warrants that it possesses all the necessary information, experience, equipment, and expertise to perform the Services in such work environment.

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](http://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. Engagement & Implementation of the Services

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 manager of Company's operations and maintenance 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.

4.4 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 **Services and Scope**

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, DNV F101 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 parallelly provided 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 14 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 (including long-term and short-term/on-call positions).

### 5.3 Manner of Execution of the Services

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 the deficiency in the Services as required by the Company. All costs of such remedy shall be borne by the Consultant. 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 Duty to Cooperate

The Consultant shall, for the duration of the Agreement, cooperate with the Company, any representative or affiliate of the Company, and all contractors, sub-contractors and affiliates with whom the Company has contracted for the performance of all works connected with a task/ Project, including, without limitation, the Engineer and the Construction Contractor.

## 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 and with any lawful order and/or instruction given by any competent Israeli Authority.
- 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 Contractor's 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 security clearance requirements.
- 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) Chief Inspectors and Inspectors. 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 in Israel for the provision of the Services in the Projects and until the Company's approval is received for 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 all applicable law in the State of Israel including any law regarding work conditions, permits, entry of foreign labor, and reporting and permit obligations.

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 Foreign Labor

7.5.1 The Consultant has considered all restrictions as may be applicable on the supply of labor in the State of Israel and, especially restrictions and requirements regarding employment of foreign labor.

7.5.2 The Consultant shall be solely responsible for the payments of all taxes applicable to it as an independent contractor and with respect to its employees and independent contractors, including all payments required by the applicable law of any jurisdiction.

7.6 Subcontracting

7.6.1 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.

7.6.2 Where practicable, the Consultant shall give a fair, equal, and reasonable opportunity to Israeli contractors to be appointed as Subcontractors.

7.6.3 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.

7.7 The Services

7.7.1 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, in Israel, and Company will assist the Consultant, in acquiring any such permits, licenses and/or visas from the applicable authorities, but in no event shall be responsible or liable in any way in connection with the above.

7.7.2 On completion of the part or parts of the Services assigned to each member of the Consultant's personnel, the Consultant shall remove such person from the Site within seven (7) days, unless otherwise requested, in writing, by the Company. Without derogating from the above, upon request of the Company, for any reason other than completion, as detailed above, the Consultant shall remove a person from the site within 30 days of such request by the Company and shall provide an additional

person (subject to the written approval of such person by the Company) within 60 days of such request by the Company.

- 7.7.3 The Consultant undertakes to obey and comply with and to cause that its employees obey and comply with all the instructions of the Company or anyone on its behalf regarding work safety, as given from time to time.

8. **'Modus Operandi' (Consultations, Approvals & Reports)**

- 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.
- 8.3 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 **Annex B6** to this Agreement, and which shall be payable in accordance with the terms of payment contained in **Annex B5**.
- 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.



9.3 In given task/Project to be performed in Israel, the Services will be performed by the Consultant's Personnel consecutively and during all working hours of the Project's contractors (days and nights) and in accordance with the provisions and approvals in the Scope of Work. Such working hours and periods are subject to the Jewish rest days and holidays. It is hereby clarified that daily Fees is a Lump Sum, global rate and no extra payment will be paid for "overtime".

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.

10.2 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 termination of the Agreement term or the Option term. 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. **Intellectual Property**

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.

11.2 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**

- 12.1 All data, information, documentation and reports collected, delivered or brought to the knowledge of the Consultant pursuant to this Agreement, and all documentation, reports, data and information developed by the Consultant in the course of the Project hereunder (herein collectively - "**Data and Information**"), are and shall be treated at all times as secret and confidential, and the Consultant shall not, without the prior express written approval of Company, during the term of this Agreement and thereafter, disclose the said Data and Information or any part thereof to any person or entity, or utilize or make any use thereof, other than within and as part of the Project pursuant to this Agreement. Such prohibition does not apply to Data and Information which is required to be published as part of the Project.
- 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 11.1 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**

- 13.1 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.
- 13.2 In the event of termination under sub-clause above, the Company shall, unless otherwise agreed, pay the Consultant such proven amounts including the Fees and the Reasonable Costs as provided in Clause 14.2 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 Upon termination of the Agreement for any reason whatsoever, the Consultant shall immediately vacate the Site (where applicable) and any offices provided to it.
- 13.5 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 of the Company to 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 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**

##### 14.1 **Order to Suspend**

- 14.1.1 The Company may, by provision of not less than seven (7) days prior written notice, at any time, suspend all or any part of the Services and the Consultant shall immediately take all steps necessary to cease provision of the Services and minimize expenditure until receipt of notice by the Company of its intent to restart the provision of the Services or terminate the Agreement pursuant to below.
- 14.1.2 Suspension shall not limit or release the Contractor 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.

## 14.2 Reasonable Cost Pursuant to Suspension

14.2.1 If any part of the Services rendered in Israel is suspended, as contemplated in Clause 14.1 above, the Fees shall be adjusted to reflect only the Reasonable Costs incurred by the Consultant during the suspension period. Reasonable Costs, for the purpose hereof, are:

14.2.1.1 Payments committed to suppliers required in connection with the suspended Services, provided that the relevant orders were already placed before the day of the order to suspend was issued, and cannot be suspended or cancelled; and/or

14.2.1.2 Costs related to any Consultant's Personnel directly related to the suspended part of the Services

14.2.2 Notwithstanding the foregoing, the Consultant shall not be entitled to any Fees in cases where the suspension was required as a result of a Default or non-compliance with the provisions of the Contract by the Consultant or by anyone operating on his behalf or when required for the proper execution of the Services or for the safety of the works or any part thereof.

14.2.3 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 suspension of any part of Services or all remaining Services.

## 14.3 Prolonged Suspension and Cutoff

14.3.1 If a suspension order by the Company continues for a period of ninety (90) days, the Consultant may request, by written notice, permission to resume the Services.

14.3.2 If such request is not granted within forty-five (45) days thereof, the Consultant may terminate the Agreement and the Consultant shall be entitled to receive Payment for Services provided up to the date of such termination, as documented and approved pursuant to the terms hereof.

## 15. Cancellation of Services

15.1 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 and Reasonable Costs as provided in Clause 14.2 above.

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 cancellation.

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.

16.2 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 B3**.

17. **Liability and Indemnity**

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, including without limitation, the Israeli Ministry of Defense (the "**Indemnified Parties**"), for any damage (including legal and attorney's fees and costs), or any loss, whether direct or indirect 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 and/or for any damage or loss resulting from the Services supplied by the Consultant pursuant to 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 with respect to activities in military firing zones, or (ii) the indemnification obligations of the Company to the Ministry of Defence with respect to the activities of the Ministry of Defence in military firing zones, including without limitation amounts paid by the Ministry of Defence to the Consultant and anyone acting on its behalf.

- 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, and shall not affect the Consultant's liability for damage to any third party.

## 18. **Liquidated Damages**

- 18.1 Without derogating from any other rights or remedies to which the Company is entitled pursuant to this Agreement and the Law, where the Consultant:
- 18.1.1 Persists for a period of 7 days in failing to comply with any of his obligations under the Agreement after receipt of Company's written notice summoning him to perform such obligation(s);
  - 18.1.2 Provided the Services with personnel which was not preapproved by the Company.
  - 18.1.3 Any or part of Key Personnel designated for a Project was not present in Israel on the commencement date for performing the Services.

It is hereby agreed that as an agreed compensation for any such breach, the Consultant shall pay to the Company the amount equal to 500 Euros per event for every day in which any such breach last. The amount of the total agreed compensation shall be limited to the Contract Price.

- 18.2 The Company may set off the amount of such agreed compensation from any sums due or which will become due to the Consultant under the Agreement.
- 18.3 The Company and the Consultant declare that they have found the amount of the agreed compensation set forth above fit, appropriate and reasonable compensation in respect to the damages resulting from such breaches.
- 18.4 Nothing herein shall derogate from any other right or remedy which may be available to the Company under the Contract and/or under applicable Law.

## 19. **Insurance**

19.1 For the guarantee of the Consultant's liability as detailed in the Contract, and without derogating from the liability and the obligations of the Consultant pursuant to the Contract or Law, and without the Company assuming any liability towards the Consultant, prior to the commencement of the provision of the Services by the Consultant according to the Contract, the Consultant hereby undertakes to maintain, at its expense, the following insurance policies (hereinafter: "**Consultant's Insurances**"):

19.1.1 Commercial General Liability/Third Party Liability Insurance:

Limits of Liability: USD 1,000,000 per any one occurrence and in the aggregate.

Covering the Consultant's as well as anyone operating on its behalf, for their legal liability towards any third party in respect of any loss or damage caused during the period of the Contract.

19.1.2 Workers Compensation/Employer's Liability:

Workers' Compensation in such form and amounts as required by all applicable law and Employers Liability (or its equivalent) and/or any other statutory insurance required by law with respect to work-related injuries or disease of employees of Consultant applicable to Consultant's employees in such form(s) as required by all applicable law, with a limit of indemnity of not less than USD 5,000,000 cumulative total of underlying and excess coverages, with respect to Employers Liability for any one occurrence and for any one insurance period. With respect to Workers' Compensation, the relevant standard statutory scheme terms shall apply.

19.1.3 Professional Indemnity Insurance:

Issued in the name of the Consultant, with a limit of Liability: USD 10,000,000 per occurrence and in aggregate.

Covering the Consultant and those acting on its behalf due to any claim and/or demand which is first made during the period of Insurance in respect of any professional error and/or omission in any manner related to the Work, pursuant to the Contract.

The Policy applies retroactively commencing no later than the date on which the Consultant began performing the Works and/or services under the Contract.

The policy is not subject to any restriction in respect of postponement and/or a delay in works or delivery, loss of documents, dishonesty, and infringement of intellectual property, consequential and pure financial loss.

The policy includes a clause allowing for an extended reporting period of at least 12 months that shall be in force in case that this policy is not renewed for any reason, the policy will cover claims originating prior to the date of non-renewal of which the insurers are notified during the reporting period.

- 19.2 The Consultant shall provide an insurance certificate, in the format acceptable to its insurer that shall include all substantive requirements of this Clause. The certificate shall also include provisions according to which:
- 19.2.1 The Consultant's insurer waives the right of subrogation against the Company and the State of Israel as well as anyone operating on behalf of the above mentioned;
  - 19.2.2 all Insurances are primary and non-contributory to any insurance arranged by the company and include a waiver of all rights of recourse or claim for insurance participation against the Company;
  - 19.2.3 the insurer shall provide the Company with 60 days written notice prior to the cancellation, or material reduction of coverage during the insurance period;
- 19.3 With regards to professional indemnity the policy shall be periodically renewed and maintained for a minimum period of 7 years and for the duration that liability may attach under Law, following completion of this Contract.
- 19.4 In addition to the insurance policies referred to in the Consultant's Insurance Certificate and any other insurance as may be required by any applicable law, the Consultant undertakes to obtain, for anyone operating on its behalf on the Working Strip, automobile liability insurance in respect of any motor vehicle as follows:
- 19.4.1 Compulsory Motor Bodily Injury Insurance as legally required in respect of bodily injury due to the use of motor vehicles; as well as
  - 19.4.2 Third Party Property Damage Liability Insurance due to the use of vehicles up to the sum of USD 150,000 per occurrence.
- 19.5 If in the opinion of the Consultant there is a need to extend the scope of the Consultant's Insurances and/or to arrange additional insurance covers and/or supplement them, the Consultant must arrange the additional and/or supplementary insurance as aforementioned, at the Consultant's sole expense. In any additional and/or supplementary insurance cover which is arranged by the Consultant, an express clause must be included confirming that the insurer waives the rights of subrogation against the Company and the State of Israel and anyone operating on their behalf.
- 19.6 The Consultant represents and warrants that it shall not have any claims, demands or actions of any sort against the Company and/or the State of Israel and anyone acting on their behalf, with respect to damage to its property brought to the Working Strip.



19.7 Without derogating from the provisions of this Contract regarding assigning the Contract, if the Consultant engages any subcontractors in connection with the Services, the Consultant must ensure as a precondition to commencing their engagement that they hold the insurance covers detailed in this clause 19 mutatis mutandis to the nature and scope of their Contracts, and this for the entire Contract period with the Consultant or for a longer period as defined in clause 42.2.

19.8 For the sake of avoidance of doubt, it is hereby clarified that the Consultant is the party responsible for execution of the Services towards the Company in accordance with this Contract including works and services which are performed by Consultant's subcontractors.

## 20. **Warranty**

20.1 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 issuance of the Termination of the Agreement by the Company or 24 months after the Completion of the Consultant's Services to any given Project as certified 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.

## 21. **Company - Consultant Relations**

21.1 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.

21.2 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.

21.3 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.

- 21.4 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.
- 21.5 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.
- 21.6 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:
- 21.7 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.
- 21.8 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.

## 22. **Assignment**

- 22.1 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.
- 22.2 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.

- 22.3 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.

23. **Force Majeure**

23.1 **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:

- 23.1.1 Shortage of materials or employees, except a national general shortage declared by order of the Government of Israel.
- 23.1.2 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
- 23.1.3 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.
- 23.1.4 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.
- 23.1.5 Covid 19, breakage or accident to machinery or equipment or any other cause or causes beyond such Party's reasonable control.

23.2 **Consequences of Force Majeure**

- 23.2.1 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.

23.2.2 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.

24. **Law & Jurisdiction**

- 24.1 This Agreement shall be governed by Israeli Law.
- 24.2 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.
- 24.3 The Consultant hereby irrevocably submits to the exclusive jurisdiction of the Israeli courts, and irrevocably appoints the Consultant Chief Inspector as an agent for the purpose of receiving service of legal process in Israel, on behalf of the Consultant.

25. **Addresses & Notices**

25.1 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: \_\_\_\_\_  
\_\_\_\_\_.

25.2 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—

25.2.1 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

25.2.2 If sent by mail - five (5) days after it was posted by registered mail properly addressed, postage prepaid.

26. **Miscellaneous Provisions**

26.1.1 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.

26.1.2 Consultant protect, indemnify and hold the Company harmless from and

against any and all liabilities for the payment of the amount of any lien claimed in relation to the Contract against the property of the Company and/or any part thereof by any sub-vendor, or third party.

26.2 **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.

26.3 **Entire Agreement**

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

26.4 **Amendment**

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

26.5 **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 B6** 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 General Conditions shall prevail.

26.6 **Security**

Without derogating from the foregoing, the Consultant shall abide by all of the orders, regulations, instructions and directives, whether written or oral, of the Israel Police, the Israel Defense Forces, the Ministry of Defense and/or any division of the MOD and/or any entity acting on behalf of the MOD (the "**MOD**") and any other authority, ministry or government office, and further undertakes to sign any non-disclosure and confidentiality agreements, in connection with the Project, if it will be required to do so by the MOD or by any other authority, ministry or government office.

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

<p><b>Israel Natural Gas Lines Company Ltd.</b></p> <p>Signed on behalf of INGL by the following:</p>	<p>_____ <b>(The Consultant)</b></p>
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<p>Name: Shmuel Turgeman  Title: CEO  Signature: _____  Name: Daniel Szobel  Title: CFO  Signature: _____  Company's Seal: _____  Date: _____</p>	<p>Signed on behalf the Consultant by the following:  Name: _____  Title: _____  Signature: _____  Name: _____  Title: _____  Signature: _____  Company's Seal: _____  Date: _____</p>
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**ANNEX B1- CANCELLED**

## **ANNEX B2- CONSULTANT'S OBLIGATIONS PURSUANT TO INGL'S LICENSE**

### **AND ITS FINANCING AGREEMENT WITH THE STATE**

**WHEREAS** Pursuant to the License that was granted to Israel Natural Gas Lines Ltd. (INGL), as well as the financing agreements between INGL and the State, INGL is required to include certain provisions in its agreements with subcontractors engaged in performing Services on its behalf; and

**WHEREAS** INGL wishes to include such provisions in the Contract entered into with the Consultant for the Execution of Third-Party Inspection Services on the construction of the Gas Line Transmission System;

#### **Therefore, the Consultant warrants and agrees as follows:**

1. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Contract.
2. The Consultant confirms that it is highly skilled, has a vast experience and expertise in executing projects requiring Services similar to the Services, and that it, as well as the employees and subcontractors engaged for the purpose of the Services, have the appropriate training as well as the certifications required by the Law for the purpose of the Services.
3. In the performance of the Services, Consultant hereby undertakes:
4. The Consultant confirms that it was brought to his attention that the transmission system is fully and solely owned by the State and that INGL was only granted a right to use the system facilities.
5. The Consultant and its subcontractors shall adopt and maintain procedures for quality assurance and quality control and any other procedure under "good industry practice" used by Consultants performing Services of similar nature to the Services and in a manner a prudent and accountable Consultant would act in order to prevent accidents and damages to any person, property or the environment. INGL shall be entitled to take any reasonable actions to ensure the compliance of the Consultant with such procedures and to assure the performance of precise and reliable Services.
6. The Consultant shall enable the Director Natural Gas Authority under the Natural Gas Sector Law, 2002 and the Commissioner of Safety under the Gas Law (Safety and Licensing), 1989 (hereinafter, together "**Inspectors**"), or anyone duly empowered by any of them in advance and in writing, to supervise and review all the actions of the Consultant in connection with building and operating the transmission system or any part thereof. The Consultant shall enable the Inspectors access to the sites where the Services are being performed and to the employees engaged in performing the Services and shall cooperate with the Inspectors for this purpose. The Consultant shall include such provision in its agreements with subcontractors on its behalf.
7. The Consultant shall purchase all insurances necessary for its activities in accordance with the provisions of the Contract and as common for performing projects of similar nature. The Consultant shall demand such insurances from the subcontractors performing the Services on its behalf.



8. The Consultant acknowledges that it is aware that INGL and/or the State will be the owners of all copyrights with respect to the Services. In carrying out the Services, the Consultant shall not violate intellectual property rights, including copyright, of any entity.
9. The Consultant acknowledges that it is aware that upon the expiration of the License and subject to License and any applicable Law, INGL is obliged to transfer the transmission system to the State or to whom the State shall instruct, including assignment of the Contract.

Name of Consultant	Consultant's authorized representative	Signature & Stamp
	By: Title: Date:	
	By: Title: Date:	

**ANNEX B3- Declaration regarding Conflict of Interests, No Personal Affinity and Ethical Code  
Compliance Declaration and Undertaking**

To:  
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 “ <b>Contract</b> ”)	
Name of the Supplier/Consultant/Advisor (hereinafter the “ <b>Supplier</b> ”)	

We the undersigned:

Name	ID/Passport No.	Position

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, including the Penal Code-1977, 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/or 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 (Israel 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.).

**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: [www.ingl.co.il](http://www.ingl.co.il), 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	Consultant's authorized representative	Signature & Stamp	Date
	By: Position: Date:		
	By: Position: Date:		

**Signature Validation**

I'm the undersigned Advocate \_\_\_\_\_ License Number \_\_\_\_\_ hereby confirms that on \_\_\_\_\_ appeared before me at my office on \_\_\_\_\_ Mr. / Mrs. \_\_\_\_\_ who identified himself / herself through ID no. No. \_\_\_\_\_ / known to me personally, and after warning him/her that he/she must declare the truth and that he/she will be subject to the penalties provided by law if he/she does not do so, he/she confirmed the correctness of his/her above declaration and signed what about me.

**Annex B4 – Scope of Works for Professional Advisory and Supervision Services**

Provided separately with the Tender -  
to be annexed to the Contract with the Consultant

## Annex B5 - 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 Professional Advisory and Supervision Services (INGL/TENDER/2022/9) (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 B6** (hereinafter: "**Fee**") and the following shall apply:

1.2.3.1. For Services provided by Consultant's Personnel in Israel the daily Fee includes per each Consultant's Personnel at least 10 working hours per day in accordance to working hours provided in the **Annex B4**. 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 will not be increased, and no extra consideration will be paid even if the Services actual hours exceed the above according to **Annex B4**.

1.2.3.2. For Services provided by Consultant's Personnel outside Israel, 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, guarantees, insurance, expenses for the use of tools, transportation and storage expenses, 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 1.2.4 above in Consultant's Personnel visits to Israel for providing the Services the

Company shall reimburse the Consultant for its actual costs (against receipts provided by the Consultant to 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 Israel.

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 B6**, 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 (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, in the following manner:
  - 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 3 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 (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 (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 24 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) as formally published in the state where the main place of business of the Consultant are taken place (Consultant organization is established). Such update shall occur once a year, starting as of the date following 24 months from the Commencement Date.

## 4. **Invoicing Schedule**

All invoices shall:

- (a) State the Contract reference number.
- (b) Clearly indicate the Month and Project 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.
- (e) Be made out in the name of the Consultant.

The Consultant shall submit 1 original (clearly stamped ORIGINAL) and 1 copy, 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 – in the 1<sup>st</sup> or the 15<sup>th</sup>, current + 60 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 B6 - Commercial Proposal**

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

## **ANNEX B7- SECURITY CONDITIONS**

1. 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. Personnel detailed and passing Security Checks before participating in the Services**

- 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 B7(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. Timetable and place for submission of details for Security Checks
- 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:**

<b>Name of Consultant / Members (if Applicable)</b>	<b>Consultant's / Member's authorized representative</b>	<b>Signature &amp; Stamp</b>
	By: Position: Date:	
	By: Position: Date:	

**Annex B7(1)**

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

אני החתום/ה מטה \_\_\_\_\_ מס' תעודת זהות \_\_\_\_\_

מועמד/ת לעבודה / מועסק/ת, מיועד/ת לתת שירותים לחברת נתיבי הגז הטבעי לישראל בע"מ (להלן "נתג"ז") מצהיר/ה בזאת שידוע לי כי לצורך קבלתי לעבודה ו/או לצורך המשך העסקתי, עלי לעבור בדיקה על ידי מחלקת הביטחון.

הואיל וכך, הנני נותן/ת בזאת את הסכמתי מראש, על פי סעיף 12 ב (3) לחוק המרשם הפלילי ותקנות השבים תשמ"א 1981, כי משטרת ישראל תעביר לנציג המוסמך בנתג"ז כל מידע המצוי אודותיי במרשם הפלילי כמשמעותו בחוק זה, בהיקף שהוא זכאי לקבלו עפ"י חוק.

כמו כן, ולמען הסר ספק, ידוע לי כי הסכמתי, כאמור לעיל, פוטרת את המשטרה ואת מקבל המידע ממשלוח הודעה אלי בדבר מסירת המידע אודותיי.

כתב זה יעמוד בתוקפו בתהליכי בדיקת התאמתי לעבודה במסגרתכם ואם אתקבל לעבודה, וכל עוד אהיה מועסק/ת בתפקיד המחייב את הבדיקה או כל עוד אתן שירותים לחברה.

\_\_\_\_\_ חתימה

\_\_\_\_\_ תאריך

**נחתם בפני נציג מחלקת הביטחון:**

\_\_\_\_\_ חתימה

\_\_\_\_\_ תאריך

\_\_\_\_\_ מס' זהות

\_\_\_\_\_ שם פרטי ומשפחה

למועמד/ת שהינו/ה קטין/ה (כלומר, מתחת לגיל 18 ביום החתימה) חתימת הורה/אפוטרופוס נדרשת בנוסף לחתימת הקטין/ה.

\_\_\_\_\_ חתימה

\_\_\_\_\_ שם מלא של ההורה/אפוטרופוס

\_\_\_\_\_ תאריך

**ANNEX B8 - Provisions in Connection with Activities and Work in Security Areas and Firing Zones**

For the purpose of this annex:

- "The Company" means: Israel Natural Gas Lines Ltd.
- "The M.O.D." means: The Ministry of Defense / Israeli Defense Force
- "Firing Zone" means: firing ranges, security areas and training areas and areas in which limitations of the MOD applies
- "Arrangements" means: Deeds of Undertaking by the Company to the MOD and/or agreements with it.

**1. The Obligation to Vacate Firing Zones**

- 1.1. The Consultant covenants, pursuant to the requests of the MOD and in accordance with the instructions of the Company, to immediately remove from the site and at its expense, any object found in the possession of the Consultant and/or any person employed by it. Said above removal is included within the framework of the consideration in the Agreement.
- 1.2. If and to the extent the Consultant is required to vacate the work areas by a third party, including by the MOD, then the period of the Services will be extended pursuant to the directions that will be given by the Company in accordance with the need, and the Company will not make any claims against the Consultant for said extension of the period of the Services.
- 1.3. It has been brought to the knowledge of the Consultant that the Company has a procedure to coordinate Services in the Firing Zones approved by the MOD and the Consultant must act in accordance therewith and in accordance with the instructions of the Company's Chief Security officer. It is clarified that this procedure may be changed by the Company and/or the MOD in their sole discretion, and in the event of such a change, a notice thereof will be given to the Consultant, who undertakes to update itself of said change as an integral part of its obligations pursuant to the Agreement.

**2. Exemption from Responsibility for Damage and Loss due to Activities in the Firing Zone**

- 2.1. Without derogating from what is stated above and under any law, the Consultant hereby exempts the Company and the MOD for any liability for damage to body and/or property

and/or loss of any kind whatsoever, directly or indirectly, including economic consequential damages that is caused to any third party, including the Consultant, its employees, Consultants, and other Consultants of the Company and those acting on their behalf, but without derogating from the generality of what is stated above in connection with and/or during the course of the Consultant's Services, as a result of an act or omission of the MOD and/or someone acting on its behalf in connection with and/or as a result of its activities in the Firing Zones, as defined above.

So as to avoid doubt, it is hereby clarified that, with regard to this subsection, the MOD, its employees and soldiers shall not be deemed to be a third party. The undertaking of the Consultant in this subsection shall not apply to war activity damages as defined in the Civil Torts Law (State Liability), 5713-1952.

2.2. Without derogating from the generality of what is stated above, the Consultant covenants that the exemption in Section 2.1 above shall apply also with regard to any damages caused to any third party, including to the Consultant and/or to its employees and/or to its Consultants and/or to other Consultants of the Company and/or to anyone acting on their behalf as a result of the handling or explosion of ammunition drops of any kind and/or as a result of removals.

2.3. The Consultant hereby covenants that it will not have any contention and/or demand and/or claim against the State of Israel and/or the MOD and/or the I.D.F. and/or the Company and/or anyone acting on their behalf in connection with the activities of the MOD and/or the Consultant and/or anyone acting on their behalf in the Firing Zones for any one of the following:

2.3.1. Any damage and/or loss and/or monetary loss of any kind whatsoever as a result of what is stated in Sections 2.1 and 2.2 above;

2.3.2. Any damage, direct and/or indirect, and/or loss and/or expense caused to the Consultant and/or anyone acting on its behalf, and/or to a third party in connection with the Consultant's Services in the Firing Zone;

2.3.3. Any demand and/or claim that shall be filed against the MOD and/or the Company by any third party, without derogating from the generality of what is stated above, by someone acting on behalf of the Consultant;

2.3.4. The removal of the Consultant and/or someone acting on its behalf from the sites where the work is carried out.

**3. Indemnification and Compensation for Activities at the Firing Zone**

The Consultant shall compensate the MOD and/or the Company for the full costs that any of them bore for any one of the following:

- 3.1. Any damage to the MOD and/or the Company for which the Consultant is liable pursuant to the provisions of the law;
- 3.2. Any costs caused to the MOD in the event that the Consultant did not carry out the removal as stated in Section 1.1 above. In such a case, the Consultant shall bear the cost of the removals that shall be performed by the MOD and/or the Company in its stead, and without imposing on any of them responsibility for said removal in lieu of the Consultant.
- 3.3. Any damage and/or cost caused to the MOD and/or the Company pursuant to a court decision and/or with the consent of the Consultant, by filing of a lawsuit, including by the Consultant and/or someone acting on its behalf, toward the MOD and/or the Company in connection with the cessation of the Services of the Consultant and/or someone acting on its behalf due to security needs, and provided that the MOD or the company notified the Consultant upon the receipt of the lawsuit and/or demand that are served against them in connection with what is stated in this subsection for which the Consultant is responsible and permit the Consultant to defend against the lawsuit as stated above.
- 3.4. Indemnification for any demand and/or claim and/or contention of the Consultant, including by someone acting on its behalf (including therein its employees and Consultants) for damages as stated in Section 2.1 above.
- 3.5. Any damage, cost, payment or loss that the MOD shall bear as a result of its activities and/or their removal to another area as a result of the performance of the Consultant's Services that are not in accordance with the directions and/or instructions of the Company and/or the MOD. It is agreed that what is stated in this subsection with regard to the cessation and/or removal of the activities of the MOD shall not apply with regard to the period in which a permit was granted by the MOD to perform the Services but other than if during the course thereof immediate vacation is required.

#### **4. Insurance Provisions**

The Consultant shall make the following supplements to its insurance policies concerning the Services:

- 4.1. In Professional Liability Insurance and Liability toward Third Party – the MOD and the Company shall be included, including their employees, shareholders and the members of the Boards of Directors as additional insureds, and likewise, the insurance shall be broadened to include the liability of the foregoing for an act and/or omission of the Consultant and all who come in its stead subject to the cross liability section according to which the insurance shall be deemed as if it was written separately for each one of the insured units as if it were issued solely in its name. Liability insurance toward third parties expanded to include the MOD shall not cover the liability of the MOD for liability that shall be imposed upon it that is not in connection with and/or as a result of the Arrangements.
- 4.2. In Employer's Liability Insurance – The policy shall include the MOD and the Company, including their employees, shareholders and the members of the Boards of Directors as additional insureds, if there is imposed upon them liability as employers or as employers of the injured party.
- 4.3. In Property Insurance and in Insurance in Sections 4.1 and 4.2 above – The insured will waive the right of subrogation (including the right to sue) the MOD, the Company, including their employees, shareholders and the members of the Boards of Directors and/or anyone acting on their behalf, as well as any person or entity from which a reasonable insured would not claim compensation, as well as against any person and/or entity to which the insureds have an affinity or that the insureds undertook in writing to indemnify or to waive the right of subrogation toward him prior to the occurrence of the insured event.
- 4.4. All the above insurances -
  - 4.4.1. shall include an express provision according to which they take precedence to any insurance prepared by the MOD and/or the Company and that the insured waives any contention and/or demand and/or claim to participate in the insurances of the MOD and/or the Company and any section in a policy (if there is such) that expropriates or narrows or limits in any way the liability of the insureds, where

another insurance exists, shall not be operated against the MOD and/or the Company.

4.4.2. shall include a term according to which the insurer covenants that the insurances of the Consultant shall not be narrowed or cancelled unless a written notice is given thereof by registered mail to the MOD and/or the Company at least 60 days in advance.

4.4.3. shall include a term that in any case of an event as a result of which insurance proceeds shall be paid by the insurers of the Consultant for damage to the property of the Company, the Company and/or the MOD shall first be compensated for any damage and/or loss caused to any of them, and/or that any of them may be obligated for pursuant to a court, arbitration or other decision. In the event that the matter will be required in order to ensure the rights of the Company and/or the MOD or with regard to the indemnification of any of them with regard to any damage with regard to which such insurance was issued, the Consultant covenants immediately upon the first demand of the Company and/or the MOD, to provide the insurance company with a notice to the satisfaction of the Company in order to ensure the rights of the Company pursuant to this section.

4.5. Should the Company request it, and/or in the event of a lawsuit at the request of the MOD, the Consultant shall be obligated to present, at their first request, the insurance policy specified in the " Insurance Certificates ".

4.6. The Consultant is aware that the taking out of its insurances and/or the Company's insurances or those of anyone on its behalf, in the presentation of certificates of insurance and/or the presentation of copies of its policies and/or of the Company shall not impose any liability on the MOD and/or constitute an approval of their being appropriate to what is stated in the Arrangements in order to exempt the Company and/or the Consultant from liability pursuant to these Arrangements and/or pursuant to any law.

4.7. The Consultant covenants to cooperate with the MOD and the Company in any legal proceeding, claim and/or demand that is taken against the MOD and/or the Company in connection with the undertakings of the Company pursuant to the Arrangements, and provided that the MOD or the company shall notify the Consultant upon the receipt of the

lawsuit and/or demand that are served against the MOD and/ or the Company and for which the Consultant is responsible and permit the Consultant to defend against the lawsuit as stated.

4.8. The MOD covenanted to present, in the case of damage, and pursuant to the request of the Company, data, documents, reports and the like regarding the damaging event and all, subject to the approval of the Head of Information Security Department in the IDF and the approval of the Security Officer at the MOD and pursuant to the law. Likewise, the MOD covenanted to cooperate with the Company in any legal proceedings, claim and/or demand taken against the MOD and/or the Company.

## **5. Secrecy and Information Security**

5.1. The Consultant covenants that it and anyone acting on its behalf have an appropriate security clearance to work in the Firing Zones and according to the Contract and that they will maintain the secrecy of all information, details, data, documents and the like that relate to the Company and/or the MOD, that they and/or anyone acting on its behalf shall obtain, directly and/or indirectly, during the course of the fulfilment of their function in connection with the performance of its obligations pursuant to this Contract, including in the Firing Zones, as well as in connection with the undertakings of the Company to the MOD in connection with activities in the Firing Zones as shall be brought to the attention of the Consultant by the Company from time to time. The provisions of this subsection shall remain in effect also after the conclusion of the performance of the Services and the Contract.

5.2. Upon the execution of the Contract between the Company and the Consultant, the Consultant – and anyone on behalf of the Consultant employed by it and/or on its behalf in the performance of the Services and/or the undertakings of the Consultant pursuant to the Contract – shall execute an Undertaking to preserve secrecy and non-use annexed to this Contract and shall and shall transmit it to the Company at the latest five working days after the execution of this Contract or after the commencement of his employment in any matter relating to the Company, whichever is later. Likewise, the Consultant covenants that should there be a need therefor, it will sign, including those employed by it as stated above in Services pursuant to the Contract, an addendum to maintain confidentiality in a format



required by the MOD from the Company and shall be transmitted to the Company as stated above.

5.3. The Consultant is responsible for bringing the contents of the obligations in Section 5 above to the attention of all its employees and/or those acting on its behalf, including the damage that may be caused to the Company and/or to the MOD and/or to the State of Israel due to a failure to comply with the undertakings as stated in this Section 5.

In witness hereof:

<b>Name of Consultant / Members (if Applicable)</b>	<b>Consultant's / Member's authorized representative</b>	<b>Signature &amp; Stamp</b>
	By: Position: Date:	
	By: Position: Date:	