

Supplementary Conditions of Purchase in respect of Projects for Vattenfall N.V.**Article 1 applicability**

These "Supplementary Conditions of Purchase" apply in correlation to Vattenfall N.V. (further "Vattenfall") General Conditions of Purchase.

Where they differ from each other, these Supplementary Conditions of Purchase will prevail.

Article 2 delivery time

1. Prior to a date to be determined by Vattenfall, the supplier must submit for approval a schedule for the work, manufacture, installation, commissioning and a progress report of important parts of the deliveries. Vattenfall has the right to check progress with the supplier, or to have it checked.

2. The supplier is obliged to deliver the supplies at the agreed time and/or in accordance with an agreed schedule. If there are indications that the delivery date might be exceeded, the supplier will report this immediately to Vattenfall, stating all the relevant circumstances.

3. If circumstances arise within the scope of risk of the supplier that result in the agreed delivery times not being achieved, or if in the opinion of Vattenfall, as a result of the supplier otherwise being unable to fulfill his obligations, provisional work or replacement supplies or other measures become necessary, Vattenfall is entitled to carry these out and the cost will be for the supplier's account.

4. If supplies are delayed for a reason outside the scope of risk of the supplier, the delivery time will be extended by the number of days of the delay. The supplier will not be entitled to claim any type of damages whatsoever from Vattenfall.

Article 3 transfer of title and risk

1. The supplier will bear the risk, including acts of war, of the deliveries and parts of them up to the date that the takeover protocol is signed.

2. If a payment has been made by Vattenfall, Vattenfall will thereby acquire title to the goods prepared for delivery by the supplier, whether or not they have been put together, and the supplier must mark them as being the property of Vattenfall. In this event the supplier must retain, secure, conserve and insure the goods to the satisfaction of Vattenfall.

3. The supplier will enable Vattenfall to have access to its premises and/or buildings so that Vattenfall may check that the supplier is fulfilling his obligations and may remove the goods if so desired.

Article 4 payment

For the application of payment terms, the dates on which the deadlines for payment expire will be linked to periods that can be clearly recognized by Vattenfall.

Article 5 guarantee

The agreed guarantee period will be extended by the duration of any business interruption caused by work for the improvement or replacement of parts. If it is necessary to work with reduced capacity as a consequence of complying with the guarantee, the guarantee period will be extended by a corresponding period.

Article 6 quality and testing

1. Any part of the supplies that is subject to control by or because of the government will only be accepted after the relevant approval has been submitted. Changes and improvements that are considered by the authorized bodies to be necessary will be carried out by the supplier at his own expense.

2. If supplies are part of a larger whole, the supplier is obliged to ensure, and to give his full cooperation in this, that his supplies dovetail with other parts and function correctly in correlation with supplies from third parties, without additional costs of whatever nature being incurred by Vattenfall.

3. Vattenfall has the right to be present at quality control inspections and tests or to be represented by third parties.

Vattenfall will receive a certified copy of the result of quality control inspections and tests. Vattenfall has the right to demand additional inspections and tests. The resultant costs, except for the risk of damage and loss of the parts concerned, will be for Vattenfall's account unless these additional inspections and tests show the supplier to be in the wrong.

4. Deliveries or parts thereof that do not meet the requirements laid down in the contract may be rejected by Vattenfall. Vattenfall will advise the supplier of this in writing, whereupon the supplier will be given the opportunity, within a reasonable time to be set by Vattenfall, of meeting these requirements by replacement, repair or improvement, to the satisfaction of and at the option of Vattenfall. If on retesting it proves that he has not succeeded in this, the parts in question will be rejected and he will be deemed

not to have fulfilled his obligations. Rejected parts must be removed at the supplier's expense and at a time to be determined by Vattenfall, with the proviso that – as long as this is required for the uninterrupted operations of Vattenfall – they may remain at the disposal of Vattenfall and may be installed at the supplier's expense until the new parts are delivered.

5. All costs of repair and improvement, for disassembly of the parts to be replaced, for new parts and freight, import and installation thereof, as well as for making the parts ready for use again, will be for the supplier's account.

6. In the case of tests, including those by third parties, only the costs of Vattenfall personnel responsible for the testing will be for the account of Vattenfall. All other costs will be for the supplier's account. All costs of retesting will be for the supplier's account.

7. If specific requirements are met that cannot, in the opinion of Vattenfall, be demonstrated by means of inspections or tests, the supplier must demonstrate by calculations or otherwise to the satisfaction of Vattenfall that these requirements have been met.

Article 7 provision of drawings and other information

1. At the agreed time the supplier will submit drawings relating to the supplies and important parts thereof for the approval of Vattenfall, in such a way that any changes that are considered necessary will not extend the time of delivery. Approval of the drawings, as well as the absence of any comment about them, will not affect the responsibility of the supplier to ensure that the parts work properly. The supplier must also provide all the drawings and other information that Vattenfall considers useful for itself or for third parties involved in the project, or that are necessary for technical assessment, for license applications or for the correlation with associated installations.

2. The supplier will provide, in the agreed form, in triplicate and in the Dutch language, the information and conditions for use and maintenance relating to the supplies that Vattenfall considers necessary for optimum operations and optimum maintenance of the supplies.

Article 8 sub-contracting and sequential liability

1. The supplier is not permitted to have the work carried out wholly or partially by third parties without the prior written consent of Vattenfall.

2. In his contract with subcontractors the supplier will include the condition that the subcontractors must subject themselves to all the terms applicable between the supplier and Vattenfall.

3. The supplier must take all the necessary measures, or cooperate in the measures that Vattenfall deems necessary, to limit as much as possible the liability of Vattenfall within the framework of the Sequential Liability Act and the regulations governing the transfer of VAT liability.

Article 9 collaboration with third parties

The supplier is obliged to permit work to be carried out by third parties appointed by Vattenfall at or in the vicinity of the place to which his supplies are made. If the supplier has to cooperate with third parties, the work will be coordinated by Vattenfall so that as little hindrance as possible is caused to all concerned. Work that could cause hindrance to third parties must be discussed with Vattenfall prior to being carried out. Coordination by Vattenfall in no way releases the supplier from his responsibility for ensuring that his supplies are in good working order.

Article 10 installation, commissioning and completion

1. Installation, commissioning and completion in working order will be arranged and laid down by mutual agreement.

2. The supplier must give the required operating and maintenance instruction to Vattenfall personnel

Article 11 takeover

1. After commissioning has taken place the phase leading to completion for use will follow, during which checks will be carried out in to whether and to what extent the supplies meet the requirements laid down in the agreement.

2. A protocol of the completion in working order will be drawn up.

3. The points on which the supplies do not meet the requirements laid down in the agreement will be recorded in the aforementioned protocol or in a separate document.

4. The supplier will ensure that the points referred to in the previous clause comply as soon as possible with the requirements laid down in the order.

5. If and as soon as the supplies comply with the requirements considered essential by Vattenfall and laid down in the agreement, Vattenfall will take over the supplies.

6. A protocol of the takeover will be drawn up.

Article 12 insurance

Without prejudice to the liability of either party under the law or the agreement, CAR insurance may be taken out by Vattenfall on behalf of the supplier. The deductible will at all times be for the supplier's account, as will damages not covered by the policy. The supplier undertakes that in the event of damage he will immediately inform Vattenfall and will fulfil all the obligations laid down in the policy.

Article 13 security

If security is given in the form of a bank guarantee, it must be issued by a banking institution approved by Vattenfall in accordance with a model to be provided by Vattenfall. The cost of the bank guarantee will be for the supplier's account.