

Annex 4 - ANONYMOUS EMAILS RECEIVED ALLEGING CONSTRUCTION VIOLATIONS

EMAIL 1 – RECEIVED Thursday, October 30, 2003 5:05 AM

Subject: BTC Pipeline Project - Turkey

The BTC Pipeline Project construction contractor for Spread B km 277 to 744 (Ezurum to Sivas) is not paying local workers, foreign workers, construction subcontractors, consultants, local hotel bills and gas stations. They have recently just walked in and fired at least 26 local employees. Of the employees that are being paid, they are paid up to a month late and now there is rumor that the payments will go to 50% of the contracted rates.

This construction company is a joint venture formed by two German companies, Streicher and Timmermann and Haustadt and two Turkish companies Gunsayil and Alarko.

The problem now is that this JV is almost broke and there is much concern that the quality of all aspects of the work will suffer severely and that many corners will be cut, especially in the environmental restoration activities as well.

EMAIL 2 – RECEIVED 3 NOVEMBER 2003

STA (Streicher Haastadt Timmermann Gunsayil Alarko) constructing BTC spread B Turkish KP 277-744 are not paying personnel and subcontractors. This is affecting the adequacy and quality of the work. They have 50 km of pipeline that is not buried and waiting for winter and more importantly, the spring snowmelt and the inevitable erosion of the open trench that will accompany it. More trench opening and land clearing still continues. BTC is permitting it despite the requirements of the contract and their specifications to limit ditching and backfill distances. Subcontractors will not attend meetings until they are paid, consequently very little construction design is taking place.

Construction engineers are not assigned vehicles and consequently are prevented from visiting critical areas of the route. Work stoppages are constantly threatening. Doctors were walking off 2 weeks ago due to lack of payment. Ambulances are broken. Catering companies have not been paid. Food quality and quantity is poor. Health standards are not maintained. 26 Turkish workers were fired with minimal cause. Construction As-built drawings are not being done to specification. Earthquake designs crossing the North Anotolian Fault are not being completed. Blasting surveys for blasting along areas near the gas pipeline, are not being completed by Nitroma. Saddle bags and rock shield are in short supply and have not meet specifications to date. Turkish officials have asked the environmental engineer to fake waste water treatment compliance reports. Cathodic protection contractor Matcor has not been paid..... Erzincan Oteli has not been paid....

