

TOTAL

**TOTAL EUROPEAN WORKS COUNCIL (EWC)
CONSTITUTIVE AGREEMENT
DATED 20 MARCH 2001, MODIFIED ON 29 JUNE 2005**

Between:

TOTAL S.A., represented by the Senior Vice President Human Resources and Corporate Communications

party of the first part,

And the European union organisations:

ETUC – EMCEF

CEC – FECCIA

And the French union organisations:

CFDT

C.F.E-CGC

CFTC

CGT

CGT / FO

said "Trade union organisations", party of the second part,

Hereby agree as follows:

PREAMBLE

With an eye on guaranteeing employees' rights at European level, community Directive 94/45/EC of 22 September 1994 and the French law of 12 November 1996 transposing it established a European Works Council (EWC) in every Community-scale undertaking and group of undertakings.

The Management of TOTAL Group and the French and European unions have decided, pursuant to article 13 of the Directive, to create, by the present agreement, because of TOTAL Group's involvement in Europe and in order to allow constructive labour dialogue based on information and consultation in the meaning of the Directive (article 2-1 f) at European level, a "TOTAL EWC".

This agreement is the line with the earlier agreements concluded in the Elf Aquitaine Group (Agreement of 19 July 1991 and amendment agreements of 7 July 1994, and 2 February 1999) and in the TotalFina Group (Agreement of 6 September 1999).

The procedures regarding the installation, operation and means of TOTAL EWC were the object of a constitutive agreement on the 20 march 2001.

With this agreement, the parties have renewed the TOTAL EWC in accordance with article 11, improved the operation means of the above mentioned Committee and have taken into account the provisions retained in the European agreement on the social Platform in the social dialogue domain, signed on the 22 November 2004.

ARTICLE 1 - SCOPE OF APPLICATION

The scope of application of the agreement is the one provided for in section 4 of article one of the European Directive of 22 September 1994. The Group companies concerned by the agreement (All Group companies located within the Member States EU and EEA) are listed in Appendix 1.

ARTICLE 2 - FUNCTIONS

THE TOTAL EWC has the purpose of making information and an exchange of views and consultation possible, in good time, between representatives of Management and the staff representatives, concerning, at European level,

- TOTAL Group's strategy and its competitive position,
- its labour, economic and financial situation, job changes, transfers of activities, possible changes of structures,
- questions concerning sustainable development, societal and environmental responsibility, and the environment and Community-policies in matters pertaining to safety.

and questions considered by agreement between the Secretary and the Management.

Its jurisdiction is limited to the questions relating either to TOTAL Group as a whole, in its community dimension, or to at least two companies in the Group located in different member States (cf. the appendix to the Directive concerning subsidiary requirements - clause 1a).

The Committee is a body for a social dialogue supplementing the work of the national institutions for staff representation already installed. It may not detract from their prerogatives, nor may it replace those institutions, nor overlap with their prerogatives.

TOTAL

This Committee shall not affect the prerogatives of the Management of the TOTAL Group companies.

The Management commits itself to reinforcing information and consultation within the TOTAL EWC on the European evolution projects of the Group, anticipating as far upstream as possible this consultation, while complying with national legislation.

Generally speaking, the TOTAL EWC will not concern itself with questions concerning the national level alone, and a fortiori one company or one establishment of the Group.

ARTICLE 3 - CONSTITUTION OF THE TOTAL EWC AND DISTRIBUTION OF THE SEATS AMONG THE VARIOUS COUNTRIES

The composition of the EWC shall be as follows:

- On the one hand, the representatives of Management, namely:

TOTAL's Chairman and CEO, and/or a member of the Executive Committee (Comex) on the basis of a proper delegation, assisted by the Group's Human Resources and Corporate Communications Senior Vice President, and, if necessary, by any manager in charge of a subject on the agenda.

The TOTAL EWC is chaired by TOTAL's Chairman, or by its representative.

- On the other hand, the personnel representatives within a limit of forty five members, in accordance with the rules regarding the breakdown among the countries set forth below.

The number of seats allocated to staff representatives from European companies outside France is twenty six. The allocation of the seats is based on the following double rule:

- 1 seat for each of the countries in which the Group employs at least 150 employees, and in which at least 100 employees are employed by one of the three Group activities.
- a further allocation in proportion of employees working in each country, pursuant to the table in Appendix 2.

The number of seats allocated to staff representatives from French companies is nineteen. The rule for the allocation of these seats is in Appendix 3.

In case of an enlargement of the European Union to take in other countries, as it happened in 2004 and which this agreement takes into account, or a change in the structure of the TOTAL Group, the consequences thereof will be considered at the time of the following term.

The number of seats fixed by this agreement takes into account the evolution of the numbers (management area) which has taken place since 2001.

The Management and the Trade Union Organisation agree at each renewal on a new allocation of seats, the number is reviewed to take into account the existing numbers.

However, it is agreed that this number cannot be less than forty seats, irrespective of the future evolution of staff.

TOTAL

If a country ceases to be represented during the current period, Trade union organisations shall be informed. The Liaison Office shall propose to the TOTAL EWC at the next ordinary meeting, the allocation of the seat (or seats) that has (or have) become vacant. If the said proposal is approved by 2/3 of the members present at the meeting, the staff representatives appointed like this attend the meeting. Failing this, the seats shall remain vacant.

ARTICLE 4 - APPOINTMENT OF THE PERSONNEL REPRESENTATIVES

4.1. General case

The general conditions for being a staff representative on TOTAL EWC are as follows: he must be a salaried employee of a TOTAL Group company, in principle, he must hold a mandate as elected staff representative or a trade union mandate in his (or her) company, and he must have at least one year's service with the Group.

The status of staff representative is incompatible with the role of chief executive or with the exercise by him of such role, by way of delegation, on behalf of employees.

The staff representatives on the TOTAL EWC are designated in accordance with the rules or customs in effect in each country.

Whithin any given country , managers of companies shall be represented by a "coordinator" who may be from amongst them or any executive appointed to represent them. The list of "coordinators" will be communicated, before naming the personnel representatives envisaged in paragraph 3 above, to the Trade union organisations who signed the agreement.

The "coordinator" shall meet, in accordance with local procedures, either the representatives of trade union organisations, or staff representatives from subsidiaries with more than 100 employees, with in view to inviting them to appoint staff representatives to the Committee. The names of candidates shall be communicated to the "coordinator".

If the number of candidates is greater than the number of seats available, the trade union organisations shall be informed, with in view to seek a concerted solution. In case of inability to agree, the "coordinator" are to organize a voting of all staff from subsidiaries concerned by the previous paragraph.

The "coordinators" are to inform the Group's Department of Human Resources and Communication of the names and addresses of the members of the TOTAL EWC two months, at the latest, before the date of the first plenary meeting during each term.

4.2. Deputy representatives

One deputy representatives for each full member holding a mandate on the TOTAL EWC is designated at the same time as the full member, so that there are forty five deputies.

The procedures for designation of the deputy representatives are the same as the ones existing for the full members.

The deputy representatives do not attend the plenary and preparatory meetings unless they are called upon to do so to replace the full member they represent, when the latter is prevented from attending or has definitively lost his mandate.

TOTAL

The deputy representatives will receive the same documents as the full members.

4.3. Duration of the mandate – Loss of a mandate

The duration of the mandate as member of the TOTAL EWC in principle is four years from the constitutive meeting provided for in article 6.1.

Loss of a mandate as staff representative or trade union representative within the group normally entails loss of the mandate as a member of the Committee and replacement of the person in question by a deputy as full member. In this case, a new deputy representative is designated for the remaining duration.

ARTICLE 5 - LIAISON OFFICE

The Liaison Office consists of 12 members, including 1 Secretary and 1 assistant Secretary.

Besides the Secretary, the Liaison Office in principle is composed of 6 members from the 6 most important countries – excepted France – by reference to the size of the workforce, and of the 5 french “coordinateurs syndicaux” or another Committee member appointed by them. The Secretary and the assistant Secretary should be of different nationalities.

The Secretary is elected by the titular members by a relative majority of the TOTAL EWC. The appointment of the other members shall be approved by the Committee.

In case a Liaison Office member leaves during his/her mandate, this member will be replaced on suggestion of the TOTAL EWC secretary. This nomination, will be approved, as for the other Office members, during the following Works Council meeting.

In case of *force majeure*, each Liaison Bureau member (other than the secretary) can exceptionally be represented by a previously designated member of his/her delegation.

The Liaison Office's task is to establish links between the TOTAL EWC members and necessary relationship with the Group Management, and thus to ensure the continuity of the Committee.

In particular, to that end:

- it prepares the agenda and makes sure the committee's field of competence is respected,
- it proposes if necessary extraordinary meetings of the TOTAL EWC,
- it checks the minutes and prepares the final report of the meetings,
- it prepares the negotiation for renewal of the body every four years.

To carry out its assignment, the Liaison Office meets at least once every quarter.

The Liaison Office may ask the Management, through the TOTAL EWC Secretary, to arrange additional meetings of the Liaison Office in connection with a specific agenda.

In particular, this is the case when the national legislation of the country in which a reorganisation takes place, provides for recourse to an expert opinion by a consultant, and the personnel representatives have transmitted to the Liaison Office members the report drafted by the consultant within the framework of the national procedure.

As this communication to the Liaison Bureau occurs during the course of the procedure before the national bodies of the country in question, it cannot serve to delay the

TOTAL

consultation in the sense of the community Directive of the TOTAL EWC or the procedure before these bodies.

In such a case, the Liaison Office may seek assistance from a European committee member not belonging to the said office, but who is part of the activity concerned.

ARTICLE 5 B – SUSTAINABLE DEVELOPMENT, SOCIETAL AND ENVIRONMENTAL RESPONSIBILITY, SAFETY COMMISSION

It is made up within the EUROPEAN WORKS COUNCIL of a Commission composed of 19 members of the TOTAL EWC:

- 12 member of the Liaison Office
- 1 member of each country present in the TOTAL EWC but not represented in the Liaison Office, with a maximum of 7 members.

The following are represented:

- Belgium
- Czech republic
- France
- Germany
- Hungary
- Italy
- Luxembourg
- Netherlands
- Norway
- Poland
- Portugal
- Spain
- Sweden
- United Kingdom

i.e. 14 countries.

The secretary of the TOTAL EWC is one of the 19 members.

This Commission will meet after the presentation of the Annual report on Societal and Environmental Responsibility.

This half-day meeting will be presided by a representative of the Human Resources and Communication Management, who can be assisted by the managers in charge of these questions.

The SER report will be presented and could result in a debate that will deal with the following subjects in particular:

- sustainable development
- societal and environmental responsibility
- safety.

The agenda of this meeting will be decided by agreement between the Human Resources and Communication Management representative and the Secretary of the TOTAL EWC.

The SER annual report will be sent to the members at least 15 days before the meeting. Other documents could also be sent depending on the items in the agenda.

In case of any dispute relating to the interpretation of the provisions, set forth herein, only the French version of the agreement shall be binding. 6

TOTAL

This meeting should allow an exchange between the Management representatives and the Commission members on the items on the agenda.

A reporter chosen among the members of the Commission will present the conclusion of the work of this Commission during the ordinary meeting of the TOTAL EWC.

The members of the Commission will have a preparatory half-day prior to the Commission meeting and a conclusion half-day afterwards.

ARTICLE 6 - MEETINGS OF THE TOTAL EWC

6.1. Ordinary meeting

The TOTAL EWC meets once a year in the form of an ordinary meeting, upon notice given by its Chairman.

Each ordinary meeting, lasting for one day, is preceded by a preparatory meeting the previous day, which also lasts for one day.

In the year of constitution or renewal of the body, a constitutive meeting, chaired by the Group's Human Resources and Corporate Communications Senior Vice President, will be added to the ordinary meeting. That meeting, marking the start of the term, will last for half a day.

6.2. Extraordinary meeting

In case of exceptional circumstances, in connection with the functions defined in article 2, significantly affecting the general operation or structure of the Group, a meeting of the liaison Office shall be convened within 8 days following the meeting of the Executive Management Committee. All relevant information relating to the situation shall be provided to the liaison Office by the Management of the Group.

After consideration of the situation with the Liaison Office, and as may be required in the light of the circumstances then prevailing, a further extraordinary meeting of the Committee may be convened during the same year, either at the Liaison Office's request, or at the request of a majority of the members, who address themselves directly to Management, or at the Management's request.

Such meeting may not take place prior to the commencement of consultations on a national level and may not have any bearing on such consultations. It may not constitute a precondition to the issuance of notices provided for under national procedures.

6.3. Meetings organization

The place and date of the meetings (ordinary, constitutive or extraordinary) are to be determined by the Chairman or his representative, in liaison with the Secretary.

The discussions in plenary and preparatory meetings and in Liaison Office meetings are in French and in English, and in all other languages required for the participants' proper understanding.

6.4. Agenda

TOTAL

The agenda for the meetings is prepared by the Liaison Office in accordance with the field of competence laid down in article 1, and it is finalised by the Secretary and the Chairman.

In case of disagreement between the Secretary and the Chairman, a provisional agenda listing the points on which agreement has been reached is sent on the Chairman's responsibility.

The agenda is translated into French and English, and is communicated one month before the meeting to the full members and the deputy members of the TOTAL EWC.

6.5. Minutes of the meetings

A draft report of the meetings is drawn up by the Secretary and/or the assistant Secretary, if necessary on the basis of the minutes prepared by an outside entity as far as possible within a month period.

The draft is considered by the Liaison Office. In order to facilitate its examination by the Liaison Office, the draft is translated into English, and in the languages of the Liaison Office members who do not master either French or English. The draft, in French, is then transmitted to the Chairman. The final report is co-signed by the Secretary and the Chairman. All the members are provided with the minutes in French.

Members from European subsidiaries for whom the document shall have been translated into another language will, in case indicated in the previous paragraph, also receive a copy in their language. In other case, an English version will be enclosed with the French document.

ARTICLE 7 - OPERATING MEANS

7.1. Operating expenses

The members of the TOTAL EWC continue to have of their salaries paid by the company to which they belong for the times of the meetings (preparatory, plenary). This time is considered as work-time. The same shall apply to the time spent in meetings by the Liaison Office members and by the members of the Commission.

Travel and per diem expenses are also to be paid by the Company to which the member belongs, in accordance with the practices and scales in effect in the Company in question.

TOTAL Group's Management pays the expenses relating to holding meetings of the TOTAL EWC, Liaison Office and of the Commission, particularly the simultaneous translation expenses.

For the TOTAL EWC's operating needs, the Secretary or the assistant Secretary will be able to use means of secretariat at the Group's Human Resources and Corporate Communication Department.

7.2. Time granted to members of the TOTAL EWC

The Secretary is granted a credit of 12 days a year, with the possibility of making 4 trips per year to the countries represented on the TOTAL EWC.

The other Liaison Office members are granted a credit of 4 days per year, with the possibility of making 2 trips per year to the countries represented on the TOTAL EWC.

The other full members of the TOTAL EWC are granted a credit of three days per year. This credit may be used in the form of entire days or by half-days.

TOTAL

Such one day period may be used to attend a meeting in Paris or Brussels organised by one of the trade union organisations which signed the agreement.

If necessary, in case of exceptional circumstances, a second meeting may be granted by the Management subject the same requirements.

This credit is to be understood as excluding the preparatory and plenary meetings and as excluding the meetings of the Liaison Office and of the Commission provided for in articles 5 and 5bis.

7.3. Expert assistance

Staff representative at the TOTAL EWC may be assisted at preparatory meetings by the (French) "Comité de groupe" accountant, or an expert of their choice, remunerated by the Management, in so far as that is necessary for carrying out their tasks.

If appropriate, the expert may attend the plenary meeting, with the Management's approval.

7.4. Training of full members

If they wish, the full members of the TOTAL EWC may benefit from legal, economic and social training, aimed in particular at giving them better knowledge of TOTAL Group and at supplying them with information concerning the different types of employee representation in the countries represented on the body.

The replacement members of the TOTAL EWC can benefit from this training if they so desire.

The said training will be organised by the TOTAL Group Management at the start of each term.

Titular members may also receive training in French or English if they wish to do so and are willing to make a personal effort.

Every four years, so that the titular member of the TOTAL EWC can have access, in particular, to a better knowledge of the functioning of the European Committee authority, the Management accepts to pay, within the limit of two days, the costs of the training provided by a organisation certified by the European confederations, such as the European Trade Union Academy, when they are open to all professional categories.

7.5. TOTAL EWC Intranet

The Intranet dedicated to the TOTAL EWC is a tool that should make the exchange of information between the different members of TOTAL EWC easier.

The parties to this agreement will initiate negotiations as soon as possible and at the latest by the 30 June 2006 on the implementation of the Intranet. This negotiation will deal both with the examination of the technical feasibility and the definition of the general use conditions for this tool by the TOTAL EWC.

ARTICLE 8 - CONFIDENTIALITY

The members of the TOTAL EWC are bound by an obligation not to disclose confidential information pursuant to article 8 of the directive of 22 September 1994. Therefore they are bound to observe discretion with any confidential information declared to be confidential by the management.

TOTAL

Experts are bound to keep strictly confidential any information made available to them.

TOTAL

ARTICLE 9 - PROTECTION

During exercise of their office, the members of the TOTAL EWC shall enjoy the same protections and guarantees provided for employee's representatives by the legislation or the rules in force in their company of employment.

ARTICLE 10 - DURATION OF THE BODY

The TOTAL EWC is constituted for a duration of 4 years, starting with the date of the constitutive meeting provided for in article 6.1.

ARTICLE 11 - DURATION AND RENEWAL OF THE AGREEMENT

This agreement has been entered into a duration of four years starting with the date of its signature by TOTAL Group Management and by the French and European trade union organisations. It shall then be renewed by successive periods of four years by tacit extension, in the absence of termination notice served by one of the signatory parties three months before the expiration of the current period.

The allocation of seats and the appointment of the members of the TOTAL EWC at the end of each four-year period is carried out in accordance with the provisions laid down by articles 3 and 5 above, on the basis of the last published workforce figures (management area). This four year period starts at the time of the constitutive meeting mentioned in article 6.1.

The said updating shall be the object of a rider drafted every four years (updating of appendices 1 and 2 of the present agreement) between the signatory parties.

ARTICLE 12 - COMPETENT JURISDICTIONS AND GOVERNING LAW

Any dispute concerning construction or performance of the present agreement shall be subject to the jurisdiction of the competent French and European courts.

The French version of the present agreement shall prevail over any version that might exist in another language.

The legislation applicable to the present agreement as well as to its appendices and riders, if any, is French law.

ARTICLE 13 – THIRD PARTY NOTICE

This agreement shall be registered at the "Direction Départementale du Travail et de l'Emploi" (Departmental Agency of Labour) under which the TOTAL SA Registered Office comes, as well as at the clerk's office of the "Conseil des Prud'hommes" of NANTERRE and at the European Commission in Brussels.

Courbevoie La Défense, June 29, 2005