

PE MULTI-PURPOSE TERMINAL

Document Title:

SCOPE OF WORK

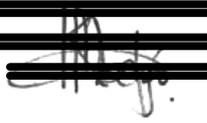
SOW Title:

Provision for the supply, delivery, installation and commissioning of motor variable driven cable reel systems for A-Charger and B-Charger for Transnet Port Terminals, Port Elizabeth Multi-Purpose Terminal as a once-off purchase.

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DOCUMENT PREPARATION

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1. PURPOSE

The purpose of this SOW is for the supply, delivery, and installation of motor variable driven electric cable-reel systems for A and B chargers at Port Elizabeth Multipurpose Terminal (PEMPT).

2. PEMPT BACKGROUND

The Port Elizabeth Multi-Purpose Terminals (PEMPT's) core business is to export dry bulk manganese ore. This is achieved by utilizing various terminal infrastructure such as rail wagon tippers, chargers, feeders, conveyor belts, storage facilities, ship-loaders, Reclaimers, and a network of mobile equipment.

PEMPT has approximately 10 kilometers of conveyor belt which conveys the ore from the Tippers to the ship loaders. The PEMPT side arm charger (wagon positioner) is used for the placing of manganese wagons on the tippler table for offloading onto the conveyors through the bins.

3. OBJECTIVE

The main objective of this scope is for the supply, delivery, installation and commissioning of the cable reel systems for the side arm chargers at Port Elizabeth Multi-Purpose Terminal PEMPT. This is to ensure that the cable reel systems is meeting compliance and improve performance, reliability, and operability of the equipment at the plant.

4. SCOPE OF WORK

The service provider must supply, deliver and install two (2) cable reel systems for the arm charger shall have meet following requirements:

- 4.1. Service Provider must ensure that supplied cable reel systems are 100% compatible: all mountings and interfaces are interchangeable with the existing installation on the chargers. This is related to the PLC program, electrical panel size, AC variable drives, reel drums, gearboxes, and motors ratings. The service provider will also be required to provide the technical data sheets as supporting evidence.

- 4.2. The quantity to be supplied is two (2) cable reel systems, one for each machine.
- 4.3. The service provider shall be required to supply the following components (Gearbox, motor and brake) required on the charger cable system having the with the following specification:
 - Motor ratings: 3 phase, 380 volts, 1.5kW, 50Hz, ~1400RPM,
 - Holding brake: braking system to be compatible with new installation and operational requirements of machine,
 - Gearbox ratio: 45.07 helical bevel type,
 - Maximum reeling speed: 58 m/min (0.97 m/s),
- 4.4. The service provider must supply, deliver, and install four (x4) stainless steel 316 electrical panels for the chargers having the following requirements:
- 4.5. The new panels shall have the following size:
 - 700 mm x 600 mm x 270 mm (height, length, width) for housing the power slip-ring assembly (service provider will supply the slip-ring and associated components) and required are two (2) panels
 - 860 mm x 2410 mm x 560 mm (height, length, width) for housing the Variable Frequency Variable drive and other existing components, split into 3 compartments and required are two (2) panels:
 - 1st compartment 1200 mm long
 - 2nd compartment 610 mm long
 - 3rd compartment 600 mm long
- 4.6. Heaters
- 4.7. All existing components (PLC modules, wireless antenna, fuses, circuit breakers, relay etc.) must be removed and installed on the new panels,
- 4.8. Service provider must rewire the panels with new cables and ensure all wiring comply to LV standards, TPT shall free issue the new cables required for the rewiring of the panels.
- 4.9. The old panel shall be decommissioned and installation of the new panels inclusive of all required to retro fit,
- 4.10. The two panels must be fitted with rubber mountings for the purpose of shock absorption to minimize vibration of the electrical components installed inside the panel,
- 4.11. Replace all cable trucking, TPT shall free issue the new the trunking.
- 4.12. The service provider must supply, deliver, and install the following structural components:
 - 4.12.1. All corroded support structures for mounting the cable reel must be removed

and replaced on the chargers and painted for corrosion protection refer to *Annexure I EEAM-Q-008 Corrosion Protection*.

4.12.2. Chip and paint the charger structure where there is rust.

4.12.3. The reel drum must comply to the following specification:

- Type: Monospiral to include all cable sleeves, guides, and rollers required, retrieving type,
- Installation height: 2.3 meters,
- Drum inside diameter (d): 520 mm,
- Drum outside diameter (D): 1440 mm,
- Cable length: 40m to be free issued having the following spec: to VDE of total power core cross section, cable no. of cores and rated cross section is $4 \times 25 \text{ mm}^2$.
- Feed point: centre of runway,
- Cable diameter 36 mm @ 2000 kg/km,

4.12.4. Mechanical specification: outdoor corrosive marine conditions, duty cycle 960 cycles per day, cable tensile stress not to exceed 15 N/mm^2 .

4.12.5. Variable drive mounting platform is 340 mm by 370 mm, however service provider can modify to suit the new variable drive bolt pattern and base size.

4.13. TPT shall free issue all the electrical power supply cables during the onsite activities. The service provider must remove the existing supply cable, terminate the new cable and install.

4.14. The supplied cable reel system must be controlled via a variable frequency AC variable drive and the upgrade must comply to the following requirements:

4.15. The existing system of the clutch must be removed and decommissioned. The new AC variable drive system shall be installed and commissioned.

4.16. The new AC variable drive must be specified to 1.5kW ratings and the PLC must be integrated via the IO control.

4.17. The service provider must program the new AC variable drive for the rolling and unrolling of the cable.

4.18. All safety settings must be programmed including but not limited to the cable guarding: over tension and under tension.

4.19. All installations must be done by competent artisans and service providers are required to provide certifications (red seal). This is relating to all electrical, structural, and mechanical works to be executed onsite. Therefore, service provider must provide a minimum of three (3) certifications and CVs having a minimum of three years in the field (electrical, structural, and mechanical).

- 4.20. The service provider must have experience in electrical and automation field and this must be proven by submitting a track record of all completed works in this field.
- 4.21. Non-compulsory briefing for the project.
- 4.22. All variable drive programming must be executed by a certified AC variable drive specialist and service provider to provide the AC variable drive specialist valid certification of the proposed OEM planned to be installed.
- 4.23. The service provider must provide a provisional quality control plan for the project.
- 4.24. TPT requires a lead time not exceeding twenty (20) weeks for the supply and delivery of all components and seven (7) days for the onsite installation for the two machines.
- 4.25. The service provider shall provide a provisional (high level) QC plan. The QC plan to include the following: activity/requirement, specifications, acceptance criteria, approval status & controlling documents.
- 4.26. The service provider must comply to the following installation and commission requirements:
 - 4.26.1. The service provider to decommission existing installation complying the electrical isolation procedure.
 - 4.26.2. All decommissioned components must be removed onsite and dispose to TPT waste management procedure. All corroded steel must be disposed to a steel bin, oil and old cable handle via reverse logistic. The general waste for this project must dispose by the Service Provider at their cost.
 - 4.26.3. The service provider must perform onsite installation and commissioning of the chargers' cable reel systems.
 - 4.26.4. The service provider must ensure all safety limits and the variable drive monitoring circuits are applied to the charger cable reel system application.
 - 4.26.5. The service provider must ensure the AC variable drive, PLC, and HMI interface are in order during the commissioning of the cable reel system.
 - 4.26.6. All electrical work installations must comply with SANS 10142-1.
 - 4.26.7. The service provider must perform cold and hot commissioning.
 - 4.26.8. The service provider must make provision to work overtime weekdays and weekend to complete the works.
 - 4.26.9. The service provider must have equipment outage not exceeding a week for the site installation and commissioning.
 - 4.26.10. Drawings and documentation are to be submitted where alterations to the existing installation have been done including old alternation done by the technical team.

- 4.26.11. The service provider must supply all test certificates for all supplied components upon delivery at the stores.
- 4.26.12. The service provider must ensure all documentation and drawings are submitted within two weeks after the site commissioning.
- 4.26.13. The data pack for the cable reel system project must contain following but not limited to the listed:
- Electrical variable drive specifications
 - Mechanical variable drive specifications
 - Reel type
 - Capacity
 - Core diameter
 - Inside traverse
 - Dimensions
 - Electrical panels
 - Test certificates
 - Drawings
 - Manuals
- 4.27. **NB!** Service provider to also supply PLC program to address PLC modifications done on the new proposed cable reel charger system.
- 4.28. All electrical work completed must comply with the Transnet specification:
- EEAM-Q-020 Test on electrical equipment
 - EEAM-Q-021 Electronic Equipment
 - EEAM-Q-012 General electrical equipment
 - EEAM-Q-009 Quality Management
 - EEAM-Q-006 Structural Steel Works
 - EEAM-Q-019 Cable Reel Systems
- 4.29. **NB!** Service provider must take full accountability for the commissioning of all works and handover to TPT with a handover certificate which TPT will provide.

5. TPT REQUIREMENTS

- 5.1. The service provider must provide a valid certification for the drive specialist responsible for the drive upgrade including the required programming. The provided specialist certification must be issued by the OEM of the proposed AC variable drives planned to be installed. Service provider should complete T1 and attach a valid certificate to eligibility returnable schedule.

- 5.2. The service provider must have a traceable track record, list three (3) references of completed from previous clients relating to electrical and automation, the reference letters should be attached to returnable schedule T2.
- 5.3. The quality of the equipment should be according to **ISO 9001** standards well as applicable internal Transnet Standards, service provider should complete and attach applicable documents to returnable schedule T3.
- 5.4. The service provider must submit a project schedule that shows the following: key milestones and the overall project completion times from initial stage to project close out. Program to adhere to the execution schedule as per the scope of work section. The activities should be from the date of LOA (Letter of Award) to delivery not exceeding 20 weeks and onsite the installation of cable reel systems not exceeding 7 days. Complete T4 and attach project schedule to returnable schedule.
- 5.5. The service provider shall provide a provisional (high level) QC plan. The QC plan shall include the following: activity/requirement, specifications, acceptance criteria, approval status & controlling documents. Complete returnable schedule T5 and attach high level QC plan.
- 5.6. The service provider must provide the qualifications and CV for all persons involved in the onsite installation and their roles clearly defined. These must be attached to returnable T6 consisting of the following but not limited to:
 - Electrical field CV having a minimum experience of three years and electrical red seal or N Diploma
 - Mechanical field CV having a minimum experience of three years and fitter red seal.
 - Welder CV having a minimum experience of three years and red seal.
- 5.7. The service provider must submit a signed confirmation letter on a company letterhead indicating the guaranty and warranty of the supplied cable reel systems supplied in accordance with the requirements of the scope and for a warranty period not less than 12 months. Complete essential returnable schedule T7 and to attach a letter confirming guaranty and warranty on a company letterhead.
- 5.8. The Service provider must comply to the scope of work requirements and must submit a signed confirmation letter on a company letterhead, confirmation letter will confirm that the service provider will comply to the scope of work requirements. Service provider to complete essential returnable document T8 and attach confirmation letter of confirmation.

6. TPT TO SUPPLY

- 6.1. Gate access for service provider to attend site meeting(s) and deliver cable reel systems.
- 6.2. TPT to free issue all the electrical cables during the installation.
- 6.3. TPT to free issue all the trunking required for the inside of the panels during installation.
- 6.4. TPT shall provide PLC & HMI program.

7. SECURITY REQUIREMENTS

The service provider will need to comply with the following security requirements once the SHE file has been approved:

- Copy of Identification Document (SAPS Certified)
- Duration of permit required
- Name list of persons and list of vehicles
- Copy of Safety Induction Register
- Copy of Medical fitness certificates
- Variable driver's licenses for all vehicles variable drivers (SAPS Certified)
- Valid roadworthy certificate for all vehicles / copy of latest license renewal
- Hired vehicle – Proof of Lease agreement

8. SHERQ TPT- PE FILE SITE REQUIREMENTS

- 8.1. The following documents must be submitted with the SHE file by the successful service provider for approval at the TPT SHEQ department before any work commences:
 - Annexure C: TIMMS Contractor Compliance File Assessment Checklist
 - Annexure D: Contractor Questionnaire
 - Annexure E: Section 37 Mandatary Agreement

9. ANNEXURE

- Annexure A: EEAM-Q-006 (Structural Steel Works)

- Annexure B: EEAM-Q-009 (Quality Management Specification)
- Annexure C: TIMMS Contractor Compliance File Assessment Checklist
- Annexure D: Contractor Questionnaire
- Annexure E: Section 37 Mandatary Agreement
- Annexure F: EEAM-Q-014 (Specification for electrical motors and generator)
- Annexure G: EEAM-Q-013 (Commissioning and handover)
- Annexure H: EEAM-Q-019 (Cable Reel Systems)
- Annexure I EEAM-Q-008 Corrosion Protection



Figure 1: Charger positioning the wagon



Figure 2: Motor plate

Annexure A: EEAM-Q-006 (Structural Steel Works)

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|---|---|---|---------------------------|
| REVISION VER 10 | REFERENCE EEAM-Q-006 |  | |
| DOCUMENT TYPE SPECIFICATION | | AUTHORISATION DATE: Date signed by CEO | |
| TITLE: SPECIFICATION FOR STRUCTURAL STEEL WORK | | PAGE 1 of 11 | |
| COMPILED BY: EQUIPMENT ENGINEERING AND ASSET MANAGEMENT (GENERAL MANAGER) | REVIEWED BY: SENIOR MANAGER (PROJECT MANAGER) | REVIEWED BY: SENIOR MANAGER (ASSET MANAGER) | |
| ACCEPTED BY: CHIEF FINANCIAL OFFICER | | AUTHORIZED BY: CEO | |
| FUTURE REVISION RECORD NUMBER | DESCRIPTION OF REVISION | APPROVAL | DATE 21/02/2005 |
| -2- | 5.0 FASTNERS | | |
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| KEYWORDS SPECIFICATION | | DATE OF LAST REVIEW: N/A | |
| | | DATE OF NEXT REVIEW: 18/06/2008 | |

STRUCTURAL STEELWORK

**SPECIFICATION HE9/2/6
[Version 10] June 2008**

1. SCOPE

- 1.1. This specification covers Transnet Port Terminals requirements for the design, manufacture and erection of structural steelwork for dynamic structures like cranes, including associated components.

2. GOVERNING CODES AND STANDARDS

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|--------------------|--|
| ANSI/AWS D1.1 : | Structural Welding Code - Steel |
| BS-EN 287 Part 1 : | Approval testing of welders/fusion welding |
| BS-EN 288 Part 3 : | Specification and approval of welding procedures for metallic materials |
| BS 5135 : | Metal arc welding of carbon and carbon manganese steels |
| BS 4360/SABS 1431: | Weldable structural steel |
| BS 2573 : Part 1 : | Classification, stress calculations and design of structures |
| BS 3923 : | Methods for ultrasonic examination of welds |
| BS 2600 : | Radiographic examination of fusion welded butt joints in steel |
| DIN 1026 | Metric channels |
| ISO R657 | Angles |
| SABS 094 | The use of high strength friction grip bolts and nuts |
| SABS 135 | ISO metric bolts, screws and nuts (hexagon and square) (coarse thread free fit series) |
| SABS 136 | ISO metric precision hexagon-head bolts and screws, and hexagon nuts (coarse thread medium fit series) |
| SABS 435 | Mild steel rivets |

3. STRUCTURAL STEELWORK

- 3.1. The design of all structural steelwork shall be such as to provide a robust and rigid structure requiring the minimum of maintenance and providing a long service life.
- 3.2. In the design of steel structures, due cognisance shall be taken of environmental and wind load conditions as specified in the main specification.
- 3.3. Due to the highly corrosive conditions experienced in South African Ports, the permissible stresses shall not exceed those set out in British Standard No. 2573. The minimum thickness of steel for load bearing members shall be 15mm for gussets, 10mm for angles, tees, plates and flats and 9mm for webs of channels and joists. Punching of holes over and above that permitted in BS 2573, shall not be permitted. Other structural steel shall be of not less than 6 mm thickness.
- 3.4. The design of mobile structures shall be such that the induced von Mises stress (effective stress in triaxial loading) will not exceed 90% of the elastic limit strength of the steel when the equipment is travelling at maximum speed and colliding with either other stationary equipment or fixed stop blocks. In calculating von Mises stresses, due cognisance must be taken of stress concentrations. If the elastic limit strength of the steel is not known, it will be determined by using a 0,5% strain offset on the stress-strain curve of the material.
- 3.5. Where applicable, the design may be in bolted, riveted or welded box construction except that no site welding will be permitted in the final erection at the port except with the approval of TPT.
 - 3.5.1. Alternatively, a welded hollow section lattice type structure will be acceptable, subject to the following requirements:
 - 3.5.1.1. The members must be structural sections manufactured from grade 43C/grade 300W weldable structural steel complying with BS4360/SABS1431. The hollow sections can either be seamless for all sizes (BS6323HFS) or welded for sizes above 114.3mm outside diameter (BS 6323HFW).
 - 3.5.1.2. Tube wall thickness must not be less than 6mm.
 - 3.5.1.3. All joints must be completely seal welded in accordance with BS 5135. Special care must be taken to prevent the ingress of moisture into hollow section members by ensuring that each member is airtight.
 - 3.5.1.4. Bolted or screwed attachments which require drilled holes through a hollow section will not be permitted.
 - 3.5.1.5. Non-hollow structural sections and plate used on the structure, in conjunction with the hollow section framework, must comply with the relevant requirements of this specification.

- 3.6. All steel sections shall be manufactured in accordance with the following standards: -

| | |
|---|-------------------|
| Weldable structural steel : | BS 4360/SABS 1431 |
| I and H sections : | BS 4 Part 1 |
| Metric channels : | DIN 1026 |
| Structural steel, hot rolled sections : | BS 4 Part 1 |
| Angles : | ISO - R657 |
| Hot finished hollow sections : | BS 4848 Part 2 |
| Cold formed sections : | BS 6363 |
| Forgings : | BS 29 |
| Steel castings : | BS 3100 |
| Cast iron : | BS 1452 |

- 3.7. All steel plates and rolled steel sections used in the construction of the structures shall be of steel made by the open hearth process (acid or basic) and shall comply in every respect with BS 4360, "A" quality Structural Steel for Bridges and General Building Construction, Grade 43A or Grade 50B. That is, the percentage of phosphorous and sulphur shall not exceed 0,06.

3.7.1. The above is laid down as a standard, but tenders will also be considered for rolled steel not conforming strictly to the above standard. Full particulars of the guaranteed properties of the steel tendered for should in this case be furnished, i.e. chemical composition, tensile strength, yield point, reduction in area, bend tests, etc.

- 3.8. Forgings and drop forgings shall be free from flaws and surface defects of any kind and be accurately finished to the prescribed dimensions.

- 3.9. Steel castings shall be sound, clean and free from all defects and distortion of any kind and should, except where otherwise specified, conform with the conditions and tests specified in B.S. No. 3100/Latest Edition, for grades A, B and C according to requirements. They shall be thoroughly annealed and all working parts and bearing surfaces shall be machined and turned accurately with correct finish.

- 3.10. Cast iron used throughout must be close grained, tough and free from all defects, and shall conform with the conditions and tests specified in B.S. 1452/Latest Edition, for grades 12 to 14 according to requirements.

This applies to functional components only. A lower grade is acceptable for portal and machinery house ballast. Tenderers to state grade of cast iron proposed.

- 3.11. The dimensional and out-of-square tolerance as specified in the above Standards shall also apply to built-up components. Edge preparations, welding techniques, straight beds and material fit-up shall be considered when welded joints are designed.
- 3.12. The shape of all members and connections must allow easy accessibility for maintenance painting of all surfaces. No members shall comprise a double member which cannot be painted and maintained.
- 3.13. Structural details must be so designed as to eliminate or seal off any cavities or pockets where water or condensation could collect and promote corrosion. Horizontal members with upstanding flanges require special drainage.
- 3.14. All hollow sections shall be completely closed and airtight, and all welding is to be of such size and quality as to ensure complete airtightness. No tapping or drilling of holes into sealed sections will be permitted.

4. WELDING

- 4.1. All the provisions of BS 5135 shall be complied with as far as applicable.
- 4.2. Design of weld joints shall be such that crevices, overlaps, pockets, arc strikes and dead ends do not exist.
- 4.3. All joints shall be completely seal welded in accordance with BS 5135. Special care must be taken to prevent the ingress of moisture into the tubular members by ensuring that each such tubular member is airtight. "Stitch" welding will not be permitted. Only continuous welding will be accepted.
- 4.4. Weld cracks, undercut, or pock marks will not be accepted.
- 4.5. All welds on the load bearing frame structure, containers, piping, pipe line flanges, etc., shall be continuous and shall be visually inspected for cracks and other discontinuities.
- 4.6. Welds on the main chords must be tested ultrasonically in accordance with BS 3923 or X-rayed in accordance with BS 2600 and those on minor joints by the dye-penetrant method. The equipment required for these tests must be supplied by the Contractor and the testing done at his cost.
- 4.7. Steel, except in minor details, which has been partially heated, shall be properly annealed. (Electrically welded structural members excepted.)
- 4.8. All brackets, clamps, lugs, straps, suspenders, etc. required for attaching mechanical and electrical equipment must be welded on prior to erection and special precautions must be taken not to damage welds or puncture tubes during erection.
- 4.9. The welding of all rails shall be done by an approved method.

- 4.10. Welding shall only be carried out by a coded welder according to SABS 044, BS-EN 287 Part 1 and BS-EN 288 Part 3 or ANSI/AWS D1.1.
- 4.11. All parts to be welded shall be thoroughly cleaned and dried before welding. The welding will only be done in dry surroundings and all steps taken to prevent hydrogen embrittlement.
- 4.12. Where materials of different compositions are joined by welding, especially carbon steel to chrome steel, the filler welding method and post welding treatment shall be such that embrittlement and other degradation of both steel and filler are prevented.
- 4.13. It must be ensured that welded joints are ductile.

5. FASTENERS

- 5.1. All bolts, nuts and rivets shall be manufactured in accordance with the following standards: -

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|---|----------|
| Commercial bolts and nuts Grade 4,6: | SABS 135 |
| Precision bolts and nuts Grade 8,8: | SABS 136 |
| Friction Grip Bolts and nuts Grade General: | SABS 094 |
| Rivets: | SABS 435 |
- 5.2. All fasteners (excluding friction grip) shall be hot dipped galvanised (and their nuts and washers).
 - 5.2.1. All holding down bolts and nuts and brackets, as well as all bolts, fixing studs and nuts and washers shall be of stainless steel M12 and under.
- 5.3. Bolts and setscrews shall be locked in an approved manner and shall not be stressed in tightening to beyond the recommended loads.
- 5.4. The quality of friction grip bolts, nuts and washers, bolt lengths, sizes of holes, tightening standards, surface condition of clamped components, shop and site assembling and acceptance inspection of friction grip joints shall comply with the latest edition of SABS 094. Certificates shall be supplied for all bolts of grade 8.8 and 10.9.
- 5.5. All bolt and rivet holes must be accurate to size and location, the centres of holes shall not be placed nearer the edge of a plate than 1,5 diameters with an extra allowance of 3mm for sheared edges. All holes in the structural work shall be drilled or otherwise punched to a diameter not exceeding 1,5mm less than the diameter of the finished hole on the die side, and afterward reamed out to the exact size

Where possible the adjoining parts forming a connection shall be drilled or reamed together, with holes not exceeding 1,5 mm diameter the rivet or bolt for which it is made. No rough or broken edge shall be left around any of the holes.

- 5.6. For turned and fitted bolts, the holes shall be accurately drilled or reamed, the diameter of the hole shall not exceed the finished diameter of the bolt by more than 0,25mm.
- 5.7. The holes, after assembly of the parts, shall be true throughout the thickness of all the parts and perpendicular to the axis of the member.
- 5.8. Rivets shall be cup-headed or countersunk as required, unless otherwise specified. No rivet head shall contain less metal than does a length of the rivet equal to 1,25 times its diameter. All loose and defective rivets shall be cut and replaced by sound ones; also others when required for the purpose of examining the work. Rivets shall be driven with pressure tools whenever possible and pneumatic hammers shall be used in preference to hand driving.
- 5.9. All field rivets must be supplied with shanks of suitable length for pneumatic riveting.
- 5.10. Bolts shall be of such length as to accommodate a full nut and washer when tightening up, and protrude a maximum of 3 thread pitches beyond the nut. Excessive projection of threads beyond the nut must be avoided. Bolts that are flush or under top of nut are not acceptable.
- 5.11. All bolts having countersunk heads shall have strong feathers forged on the neck and head to prevent turning and the bolt holes shall be cut to receive same. All nuts and bolts (excluding countersunk bolts) shall be furnished with circular washers of sufficient thickness, the outside diameter being at least twice the nominal diameter of the bolt, and washers fitted correctly.
- 5.12. Where bolt heads or nuts are seated on bevelled surfaces of beams or channel flanges, bevelled washers must be inserted.

6. JOINTS AND MATING SURFACES OF MEMBERS

- 6.1. Mating surfaces of members to be joined by high tensile steel bolts in friction grip shall be cleaned and primed as specified for the rest of the steelwork. Mating surfaces shall lay flat against each other to eliminate gaps which may allow ingress of water. After joining, the edges shall be sealed with an approved brand of Butyl/ Rubber sealing compound by means of a suitable caulking gun, or shall be seal welded.
- 6.2. Other joints shall be formed by one of the following methods:
 - 6.2.1. The mating surfaces of members shall be blast cleaned, primed and protected prior to sub-assembly by the liberal application of caulking compound. While the compound is still wet, the members shall be bolted together and caulking compound which is squeezed out shall be completely removed.
 - 6.2.2. The mating surfaces shall be protected with the full corrosion protection system as specified, the surfaces joined together and the joint so formed shall be sealed with butyl rubber sealer.

6.2.3. After being cleaned and primed the surface shall be joined together and the joint so formed shall be seal welded.

6.3. The primer coating on mating surfaces must be applied not more than 4 hours after cleaning and the edges must be sealed within 3 weeks of assembly of the part.

7. FABRICATED PARTS

7.1. All fabricated parts shall be properly fitted during assembly to result in properly aligned equipment having a neat appearance. Fabrications of load bearing members shall have no abrupt changes in cross section and regions of severe stress concentration. All sharp corners accessible by personnel during erection or operation shall be ground, rounded, or removed by other methods. Burrs, welding spatter and stubs of welding wire shall be removed.

8. BALLAST OR COUNTER MASS

8.1. Tenderers must include for the supply of all necessary ballast or counter mass.

8.2. These must preferably be of cast iron and be removable for maintenance of structural steelwork.

8.3. Concrete ballast is not recommended but will be accepted provided the Tenderer satisfies Portnet that it will not cause corrosion of any steel parts.

8.4. Fastenings used for removable pieces must be of non-corrosive material.

8.5. Ballast must be in suitable shapes to be secured in position against movement but in sizes easily removable for maintenance.

8.6. Lifting hooks or eyes of non-corrosive material and of adequate strength must be provided in the removable ballast pieces.

8.7. Concrete ballast must be reinforced so as to prevent cracking or breaking, and must be coated with an approved corrosion protection system for concrete.

9. STAIRS, LADDERS, PLATFORMS AND WALKWAYS

9.1. Platforms, stairways, walkways, hatches and ladders, shall be provided where necessary to give easy access to all parts of the equipment for inspection, maintenance and lubrication purposes (including the insides of all box sections if inspection covers are provided).

9.2. The hand rails and ladders shall be complete with stanchions, knee rails, back hoops, mounting brackets etc. and shall be manufactured in

sections which are hot-dipped galvanized and painted and bolted onto the structure.

9.2.1. The handrail shall have a minimum diameter of 25mm and shall not be less than 1 050mm above the platform level. Toe boards shall not be less than 150mm high.

9.3. Stairs shall be inclined at 45° to the horizontal and shall be broken at suitable intervals by platforms.

9.4. Stairs and walkways shall not be less than 700 mm wide (unless approved by TPT) and working areas around drives etc. shall be of sufficient size to allow for ease of maintenance.

9.5. Vertical ladders must be provided with back hoops.

9.6. Trap doors and hatches must be of light, but robust, construction, suitably hinged with stainless steel hinges and provided with a catch to keep them in the open position, if necessary. Trap door openings are to be protected by means of toe boards and removable handrails.

9.7. All external platforms, stair treads and walkways shall be hot dipped galvanized open grating construction, similar to Andrew Mentis "Rectagrid" type RS40 to allow for free drainage and avoid the accumulation of water and dust. Bearer bar thickness shall not be less than 4,5 mm. The top surface shall provide for adequate grip to avoid underfoot slipping.

9.8. TPT's prior approval is required for all external platforms and walkways where open grating cannot be used. This will only be permitted where the primary purpose of the walkway/platform is for maintenance purposes. All such surfaces are to be provided with a non slip surface coating.

9.9. No obstructions or sudden changes in levels will be permitted on walkways.

10. **MACHINERY AND ELECTRICAL HOUSES AND OPERATOR'S CABINS**

10.1. Where required, separate, self contained fully weather proof machinery and electrical houses as well as operators cabins shall be provided. The houses shall be of the steel framed metal clad type, and shall allow ample space and strength for all equipment and control panels housed therein, permitting unrestricted access to all equipment for routine service and maintenance. Headroom shall not be less than 2,13 metres. A minimum of 700mm working space must be provided around all machinery and in front of all panels.

10.2. The major items of machinery, electrical equipment and panels shall be so arranged that it can be removed for repairs or replacement without disturbing the walls, roof, floor or structural framework and furthermore shall be so arranged that full access to all holding down bolts is provided from inside the house.

- 10.3. For electrical houses both the inner and outer cladding must be stainless steel, unless otherwise approved. Side cladding plates are to be joined with butting joints with butt cover straps where required (no lap joints), and the plates must be in as large sizes as practicable to reduce the number of vertical joints, and to eliminate horizontal joints. Alternatively cladding may be welded to the frame and all joints completely seal welded. All angles around windows are to be suitably joggled to obtain a waterproof and flat surface butting on the side sheets. The whole of the framing shall be well stayed and fixed on its base. Air-conditioned electrical houses shall be provided with thermal insulation material of an approved type between the cladding.
- 10.4. Machinery houses must be cladded with prepainted Aluminium sheeting, minimum thickness 0.8 mm, colour coated with the appropriate colour. The profile and fastenings must be suitable for the spans and wind uplift forces corresponding to the windspeeds stated in the main specification. Flashing, corner trim, closure pieces ridge cappings etc. shall consist of prepainted Aluminium of minimum thickness 1.2mm
- 10.4.1. Sheeting fasteners shall be 6.3 mm grade 304 stainless steel self-tapping screws with hexagonal washer heads.
- 10.4.2. Galvanic isolation rubber strips shall be used between the metal frame and Aluminium cladding.
- 10.5. Both machinery and electrical houses shall be provided with two access doors, sealed to suit pressurisation and/or air-conditioning, one on each side of the house, arranged for external locking, but allowing exit from the inside without a key. Rain guards must be provided above external doors.
- 10.6. Operator's cabins shall be fully constructed from 3CR12 or similar type stainless steel. Cladding shall be welded to the frame and shall be smoothed over to provide an aesthetic appearance. The cabin shall be insulated from the heat of the sun with an approved material. A stainless steel or similar material door with a robust industrial type door lock shall be provided. The door must be lockable from the outside, but must allow exit without a key from the inside.
- 10.7 All windows shall be of solar heat reducing shatterproof safety glass.

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|--|--|---|-------------|
| REVISION 0 | REFERENCE EEAM-Q-009 |  | |
| DOCUMENT TYPE: SPECIFICATION | | AUTHORISATION DATE: 2019-01-29 | |
| TITLE: QUALITY MANAGEMENT SPECIFICATION FOR SUPPLIER/CONSTRUCTION | | PAGE 1 of 14 | |
| COMPILED BY: QUALITY MANAGER (COE) KRIS NAIDOO Date: _____ | REVIEWED BY: ENGINEERING MANAGER (COE) JESSENDRAN PILLAY Date: _____ | REVIEWED BY: PRINCIPAL ENGINEER (COE) ROFHIWA TAKALANI Date: _____ | |
| REVIEWED BY: CHIEF ENGINEER (COE) SABELO MZIMELA Date: _____ | | AUTHORIZED BY: GENERAL MANAGER ENGINEERING JOSIAH MPOFU Date: _____ | |
| FUTURE REVISION RECORD NUMBER | DESCRIPTION OF REVISION | APPROVAL | DATE |
| Revision -1- | | | |
| CONTENTS | | | |
| 1.0 QUALITY MANAGEMENT SPECIFICATION FOR SUPPLIER/CONSTRUCTION | | | |

| | |
|----------------------------------|---|
| KEYWORDS SPECIFICATION | DATE OF LAST REVIEW: N/A DATE OF NEXT REVIEW: 2019-02-01 |
|----------------------------------|---|

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1. Introduction

This Specification outlines the minimum requirements to ensure that products and services supplied to Transnet Port Terminals are manufactured, provided, constructed or installed in accordance with all specified requirements as defined in the Contract, all associated specifications, drawings, codes and standards.

2. Definitions

| Term, Abbreviation | Meaning |
|---------------------------------------|---|
| Data | All drawings/documents/data/information and DP's required to be supplied under the Contract |
| Data Pack (DP) | A compilation of manufacturing data, certification, inspection and testing records prepared by the Supplier/Contractor to verify compliance with the Contractual requirements. |
| Employer | For the purposes of this document, the term Employer has the same meaning as applied to the term Client. |
| Field Inspection Checklist (FIC) | A document that details the checks, requirements and test parameters for each type of equipment to permit field installation and pre- commissioning of the equipment. |
| TPT | Transnet Port Terminals is the Employer's Nominated Agent in terms of the Conditions of Contract. |
| Inspection Release Report (IRR) | A document issued to the Supplier/Contractor by TPT advising release of the Materials for shipment. This does not relieve the Supplier/Contractor of its obligations in accordance with the Terms and Conditions of the Contract. |
| Inspection Waiver Report (IWR) | <p>A document issued to the Supplier/Contractor by TPT advising that TPT has waived final inspection for the materials listed in this document. The issue of this Report does not preclude further inspection by TPT, is issued without prejudice and does not relieve the Supplier/ Contractor from the guarantees and obligations included in the Contract/ Contract.</p> <p>A document prepared by the Supplier/Contractor providing relevant information applicable to the installation and maintenance of the specific equipment, including consumables (eg. oils etc)</p> |
| Project Quality Plan (PQP) | A document that outlines the Supplier/Contractor's strategy, methodology, resources allocation, Quality Assurance and Quality Control coordination activities to ensure that Goods and Services supplied meet or exceed the requirements defined in the Contract, drawings, codes and standards. |
| Quality Control Plan (QCP)* | <p>A document outlining specific manufacturing / construction inspection and testing requirements, including responsibilities, test acceptance criteria, nomination of witness and hold points.</p> <p>For the purposes of this document, the term Supplier/Contractor has the same meaning as applied to the term Sub-Supplier/Sub-Contractor</p> |
| Supplier/Contractor | This refers to the documentation required to be submitted by the relevant Supplier / Contractor in terms of the Contract. |
| Supplier/Contractor Data Requirements | These requirements are generally tailored to suit the particular Scope of Work, although it also addresses the manner in which the documentation is required to be submitted, eg Hard copy, Electronic copy etc |
| Technical Query Note (TQN) | This refers to a document used by the Supplier/Contractor to formally clarify a Technical Query related to the scope of supply. This should not be used where a non-conformance has already been initiated. |

3. Applicable Documents

3.1 General

All work performed shall comply with the requirements of this Specification, the documentation referenced in the Contract and the latest revision/edition of the relevant Codes and Standards referenced herein.

3.2 Statutory Regulations

Occupational Health & Safety Act, Act No 85, of 1993 and Regulations as amended.

3.3 Codes and Standards

| Document No. | Title |
|---------------------|---|
| ISO 9001 | International Standard Series Quality Systems |

WCS have been supplied with 3 documents EEAM-Q-013 Commissioning and Handover, Standard and Technical Data Sheets. There is some renumbering needed

4. Quality System

4.1 General

The Supplier/Contractor shall be responsible for all quality activities necessary to ensure the Work meets the requirements specified in the Contract, and shall manage and coordinate all Quality aspects of Work in accordance with the requirements of this Specification, and the Supplier/Contractor's PQP and QCP's once reviewed and approved by TPT.

The Supplier/Contractor shall ensure that all Sub-Suppliers/Sub-Contractors also conform to the requirements of this Specification.

4.2 Supplier/Contractor Quality System Requirements

The Supplier/Contractor shall have, maintain and demonstrate its use to TPT, its documented Quality Management System. The Supplier/Contractors Quality Management System should be in accordance with the International Standard ISO 9001.

The Supplier/Contractor shall submit its Quality System documentation to TPT at the time of tender and at Contract Phases as detailed below:

- Project Quality Plan
- Quality Policy
- Index of Procedures to be used
- Programme of internal and external audits

4.3 Supplier/Contractor Documentation Requirements

The Supplier/Contractor shall develop and maintain a comprehensive register of documents that will be generated throughout the project, and shall include all quality related documents. The register shall be submitted to TPT for review.

TPT shall indicate those documents required to be submitted for information/review and/or acceptance and this shall be indicated in the Supplier/Contractors' Document Register. The register shall indicate the dates of issue of the documents taking into account sufficient time to allow TPT review/acceptance cycle prior to the document being required for use.

5. Quality Assurance

5.1 Project Quality Plan

Where specified, the Supplier/Contractor shall submit a PQP to TPT within 28 days after the Contract start date. The PQP shall detail how the Supplier/Contractor's Quality System will be applied to the Scope of Work specified in the Contract, and shall address the following:

- Satisfying the technical and quality requirements of the Supplier/Contractor's Scope of Work, and relevant elements of the applicable ISO 9001 standard
- include all quality activities relevant to the Scope of Work, identifying all procedures, reviews, audits, controls and records used to control and verify compliance with the specified Contractual requirements

Include a listing of all special processes (eg. welding and non-destructive testing, cube testing etc) envisaged for use, including confirmation of personnel certification as required

- Include all proposed method statements (for site based work activities)
- Include a description of the Supplier/Contractor's project organisation, with key positions and responsibilities identified and individuals named. The organisation structure shall also indicate the resources committed to the management / coordination of QA / QC activities
- Include a listing of all Quality Control Plans (QCP's), and associated Field Inspection Checklists (FIC's), as applicable
- Identify in the Project Quality Plan any Sub-Supplier/Sub-Contractor work. Sub-Supplier/Sub-Contractor plans shall be approved by the Supplier/Contractor, and a copy forwarded to the TPT
- Include the proposed Authorised Inspection Authority (where applicable – for example pressurized equipment and systems)
- Include a schedule of proposed quality records

The PQP shall be controlled and re-submitted for approval when required to incorporate any change necessary during the Contract duration to ensure that the document is maintained as an effective control, change management and records. The change management will be done to an agreed policy or procedure.

Note: Where the Supplier/Contractor is required to provide a PQP, no work shall commence until the PQP is approved by TPT.

5.2 Procedures

The Supplier/Contractor's PQP and procedures shall address the system elements and activities appropriate to the Scope of Work, in compliance with the specified Quality Standard.

Where specified, the Supplier/Contractor shall submit copies of Quality Procedures for review. In addition, the Supplier/Contractor shall ensure that copies of all Procedures relevant to the Scope of Work are available for reference by TPT at each work location.

These will include, as applicable, the following:

5.2.1 Document Control

The Supplier/Contractor's Project Quality Plan shall provide a description of how TPT provided, Supplier/Contractor and Sub-Supplier/Sub-Contractor documents are to be managed. The description shall address as a minimum:

- Management tools and databases
- Receipt, registration and maintenance
- Internal and external distribution to Employer, third parties and Sub-Contractors
- Management of Codes, Standards and Specifications

-
- Internal review and approval routines and authorities
 - How it is ensured that the correct revisions of documents are available at the point of use including retention periods for all documentation.

5.2.2 Design Control

Where the Supplier/Contractor is responsible for any aspect of design related to their Scope of Work, the Quality Plan shall describe the Supplier/Contractor's methods and procedures for the control of these design activities.

5.2.3 Procurement

Where the Supplier/Contractor is responsible for any aspect of procurement related to their Scope of Work, the Quality Plan shall describe the Supplier/Contractor's methods and procedures for the control of these activities.

5.3 Supplier/Contractor Audits

The Supplier/Contractor shall:

- Carry out audits in accordance with its Quality System at its own and Sub-Supplier/Sub-Contractor's facilities to ensure project quality requirements are being achieved
- Include a QA Audit Schedule in the Supplier/Contractor PQP submitted to TPT prior to commencement of the Scope of Work. The Audit Schedule shall include all audits to be implemented by the Supplier/Contractor and Sub-Supplier/Sub-Contractor during the execution of the Contract
- Where stipulated in the Contract, perform an audit within three months after the Contract start date and thereafter at a minimum frequency of three months. Audit reports shall be submitted to TPT at the completion of each Audit. Where unsatisfactory performance is evident, additional audits shall be performed by the Supplier/Contractor as directed by TPT.

5.4 Transnet Port Terminals Audit

TPT reserves the right to perform quality audits or participate as an observer in Supplier/Contractor audits to verify compliance with the Contractual requirements. The Supplier/Contractor shall within a time frame as agreed upon, correct any adverse audit finding advised by TPT.

6. Inspection and Testing

6.1 General

TPT may, at its discretion perform surveillance inspection at the Supplier/Contractor's premises, SubSupplier/Sub-Contractor's premises or at the location of the Scope of Work.

Dependent on the nature of the Scope of Work and the frequency of inspections TPT may elect to have inspection personnel resident at the place of manufacture, fabrication, or assembly.

The Supplier/Contractor shall ensure free entry and access is given to TPT, certifying authorities and statutory authorities to inspect the Scope of Work and review procedures and quality records at all parts of the Supplier/Contractor's and Sub-Supplier/Sub-Contractor's premises, or at the location of the Scope of Work while any work or test is in progress.

The Supplier/Contractor shall provide TPT with all necessary tools, calibrated measuring equipment, safety equipment and workspace to verify or witness tests in progress.

While TPT is at the Supplier/Contractor's premises, the Supplier/Contractor shall provide, free of charge, reasonable facilities including office facilities and reasonable access to a telephone, facsimile machine and computer connection point with internet access.

The Supplier/Contractor shall provide notice in writing in within a time frame time as agreed upon, to allow the attendance of TPT and other representatives at nominated witness and hold points.

6.2 Quality Control Plans

The Supplier/Contractor shall prepare and submit QCP's to TPT for review in accordance with the requirements of the Contract and PQP.

QCP's shall identify all inspection, test and verification requirements to meet the Contractual obligations, specifications, drawings and related details including destructive and non-destructive testing, witness and hold points.

The Supplier/Contractor shall not commence fabrication or manufacture prior to review and approval of the applicable QCP by the TPT.

QCP's shall include reference to all tests specified in the Contract Document.

A typical format for a QCP is shown in Appendix A. The Supplier/Contractor may use its own format providing all information shown in Appendix A is included.

6.3 Inspection Points

The QCP shall identify points in the fabrication, manufacturing and/or installation process that are selected for inspection and shall be denoted by the following inspection codes:

- Hold Point (H) Inspection point in the manufacturing cycle, beyond which work shall not proceed without the specified activity, work or function being witnessed. Holding points require written notification to TPT.
- Witness Point (W) An inspection point in the manufacturing cycle that will be witnessed or verified. If TPT confirms it is unable to attend after being provided with the written notification then manufacture may proceed. Witness points require written notification to TPT.
- Review Point (R) A point at which products and quality records are verified and endorsed. Review points are not notifiable points.
- Surveillance (S) An inspection point in the manufacturing cycle during which any activity, work or function is observed. No formal notification is required.

The Supplier/Contractor shall maintain the status of testing and inspection by progressively having the QCP's signed off.

6.4 Revision to Quality Control Plans

Revision of the QCP shall be subject to the same submission, review and acceptance routines as described for the original QCP issue

6.5 Kick off Meeting

After the Contract start date, and prior to manufacture, TPT will require a Kick off Meeting with the Supplier/Contractor to discuss fully the implications of meeting TPT quality requirements. This meeting may be held as part of the Contract kick-off meeting for each package or may be a separate meeting, subject to the critical or complex nature of the work. This requirement for a pre-inspection meeting may be repeated when sub-Supplier/Contractors of key equipment are engaged.

After mobilization of the Contractor, and prior to the commencement of any construction activities, TPT will arrange for a Quality kick-off meeting to discuss fully the implications of meeting the projects' quality requirements. This meeting may be held as part of the formal kick-off meeting for each contractor, or may be a separate meeting subject to the critical or complex nature of the work.

6.6 Schedule of Inspection

The Supplier/Contractor shall submit a Schedule showing the proposed dates for inspections and tests nominated in the QCP where witness and hold points are required. The Schedule shall be regularly updated with progress and issued to TPT to show the current inspection and test status.

6.7 Field Inspection Checklists

For site installation and construction activities, the Supplier/Contractor shall prepare Field Inspection Checklists (FIC's) to permit inspection and testing of installed equipment and constructed facilities in accordance with the respective QCP's.

FIC's shall be provided to TPT for initial review, and shall be used to record the results of inspection and testing (where applicable), and on completion be submitted to TPT to confirm satisfactory completion of the tests and inspections at nominated QCP witness and hold points.

6.8 Inspection Notification

The Supplier/Contractor shall notify TPT in writing at least two calendar weeks prior to the advent of inspections or tests that require witnessing.

For inspections or tests within the country, arrangements shall be confirmed at least two working days before the event. For inspection and tests outside of the country, arrangements shall be confirmed at least seven working days before the event.

Inspection notifications shall include the following essential information:

- Contract Number
- Location of Inspection or Test
- Nature of Inspection or Test
- Date and Time of Inspection or Test
- Name and telephone number of the Supplier/Contractor's Representative.

6.9 Inspection and Testing

The Supplier/Contractor is responsible for the conduct of all Supplier/Contractor inspections and tests, and includes:

- Documenting inspection and tests result in the QCP's and relevant FIC's
- Progressively inspecting the quality of the Scope of Work performed, including that of all Sub-Supplier/Sub-Contractors
- Inspecting to meet all Contractual requirements, in number, type and form
- Inspecting day to day activities, material receipts, issue of material for installation, in-process inspections, and final inspections.

Completed original QCP's and FIC's shall be submitted to TPT in the DP

6.10 Inspection Release

At completion of the Scope of Work, either in total or in phases, TPT may issue an Inspection Release Report (IRR) or a waiver of inspection.

The issue of either an inspection release or waiver of inspection does not relieve the Supplier/Contractor of its obligations under the Contract. The Supplier/Contractor shall ensure a copy of the release note and final expediting release note for transport, where appropriate, is attached to the delivery docket and accompanies the Work to the designated destination indicated in the Contract. Items delivered to TPT without a copy of these documents may not be accepted.

A copy of the inspection release or waiver of inspection shall be included in the DP.

6.11 Special Processes

It is the Supplier/Contractor's responsibility to ensure that all processes which require prequalified procedures and/or work methods are tested and qualified before work begins. This typically covers such activities as welding, non-destructive testing, special fabrication techniques and painting. Unless specified such procedures are the Supplier/Contractor's responsibility and do not require submission to TPT before work begins. When such procedures are requested, no work shall commence until procedures are approved by TPT.

It is the Supplier/Contractor's responsibility to ensure all operators are qualified for the processes in accordance with the procedure and/or applicable standards. Records of qualification of operators shall be maintained by the Supplier/Contractor and made available to TPT when requested.

Records of qualification of procedures and processes shall be maintained by the Supplier/Contractor in accordance with the applicable procedure or code.

6.12 Welding Procedures

Where the Supplier/Contractor's Scope of Work includes fabricated weldments, Welding Procedure Specifications (WPS) defining the method, preparation and sequences to be adopted to achieve a satisfactory welded joint shall be provided for all weld types required in the execution of the Supplier/Contractor's Scope of Work. The procedure shall only be submitted to TPT when requested in the Contract.

WPS shall include all welding essential and non-essential variables for each process used, including appropriate test results and shall comply with the standard or code pertaining to welding required in the execution of the Supplier/Contractor's Scope of Work.

When requested in the Contract a suitably marked "weld map" shall be completed by the Supplier/Contractor for all items to be fabricated. A summary of WPS shall be prepared and when used, shall be identified on the weld map.

Where TPT approval is required, fabrication shall not commence until written approval of WPS and Welding Procedure Qualification Records (WPQR) is received by the Supplier/Contractor. No welding fabrication will be accepted that is not covered by a TPT approved WPS/WPQR.

Welding Procedure Qualification (WPQ) tests may be witnessed by TPT and/or an independent inspection authority. Testing of the specimens prepared during the WPQ Tests shall be carried out by an independent approved testing laboratory independent of the Supplier/Contractor. In certain instances, a certificate to EN 10204 3.1 B may be required which will be clarified at Tender review and clarification stage.

Where actual weld deposit analysis and weld metal physical properties are required for procedure qualification, the information shall be taken from the procedure qualification tests. Data listed in the catalogues of the manufacturer of welding consumables is not acceptable.

Welders/welding operators shall be qualified in accordance with the relevant welding code prior to commencing production fabrication. Specific Welder Qualifications (WQ's) records will be reviewed by TPT in the Supplier/Contractor's works and should NOT be submitted for review.

A register of welders qualified to work shall be maintained by the Supplier/Contractor.

6.13 Material Traceability

Where, and to the extent that material traceability is required, the Contractor shall provide its procedures for the maintenance of material identification throughout all phases of manufacture. Methods of identification, routines for re-stamping or stencilling as appropriate shall be defined and agreed with the Employer.

Adequate records shall be maintained throughout construction enabling traceability of key materials from final product back to original material certificates. The material traceability records shall form part of the DP

The Contractor shall prepare a schedule of materials and equipment that are subject to traceability requirements.

6.14 Material Certification

Where specified in the Contract the following certificates shall be provided to TPT and included in the DP.

- Type A: A Supplier/Contractor's certificate of compliance with the Contract. This certifies that the goods or services are supplied in compliance with the Contract without mention of any test results (EN10204 certificate 2.1).
- Type B: A certificate issued by a laboratory or test facility independent of the Supplier/Contractor's works. It shall quote test results carried out on the product supplied and state whether compliance with the relevant technical standard, code etc has been complied with. (EN 10204 certificate 3.1 B).
- Type C: The same as Type B, the tests are to be witnessed by a third party (EN 10204 certificate 3.1C).

6.15 Non Destructive Testing

The Supplier shall provide all Non Destructive Testing (NDT) procedures for TPT review and approval where specified. The submissions shall detail the procedures for each technique employed and the acceptance criteria.

The Supplier shall maintain records of NDT procedures and Personnel training records and certification and make these available to TPT or their nominated inspector.

The Supplier shall provide repair methods where NDT inspections are failed for TPT to review and retain.

7. Non Conforming Products

7.1 General

The Supplier/Contractor shall establish and maintain procedures to control material or products that do not meet the specified requirements.

All Supplier/Contractor product and/or materials identified as not conforming to requirements shall be dealt with promptly as follows:

- If the Supplier/Contractor discovers material or product which is not in accordance with the requirements of the Contract, i.e. a non conformance (NCR), the Supplier/Contractor shall promptly initiate the non-conformance procedure in terms of the Supplier/Contractor's Quality Management System, advise TPT promptly, and provide a copy of the NCR to TPT
- If TPT or its agent identifies a non-conformance and TPT NCR may be raised.
- Originals of all closed out NCR's shall be included in the DP.

7.2 Corrective and Preventative Action

If the Supplier/Contractor proposes a disposition of any non conforming materials or product which varies from the requirements of the Specification or Contract, such a proposal shall be submitted in writing to TPT whose decision on the proposal shall be obtained in writing before the non conforming material or product is covered up or incorporated into the Works, or is the subject of any other disposition.

The disposition of non-conformances which do not vary the requirements of the Contract, specification or drawings may be approved by the Supplier/Contractor following discussion and agreement with TPT.

8. Concession Requests and Technical Queries

8.1 Concession Requests

Where a Supplier/Contractor requests a Concession to deviate from the requirements of the Contract or specified requirements, the Supplier/Contractor shall raise the request with TPT using the format as shown in Annexure B.

The Concession Requests shall clearly identify all elements of the proposed deviation together with

any resulting technical, commercial and/or schedule impacts.

Completed original Concession Requests shall be included in the DP.

8.2 Technical Queries

For clarification of technical issues (only), Supplier/Contractor may submit a Technical Query Note (TQN) to TPT in accordance with the Contract.

The TQN shall clearly identify all elements of the query, and all supporting documentation and/or drawings shall be attached where appropriate.

Completed original TQN's shall be included in the DP.

9. Inspection, Measuring and Test Equipment

9.1 Calibration

The Supplier/Contractor, including its Sub-Supplier/Sub-Contractors shall ensure the calibration of test and measuring equipment is performed and maintained in accordance with the relevant Supplier/Contractor procedures and/or the equipment manufacturer's specifications.

Where calibration is required by an external laboratory, the Supplier/Contractor shall ensure that the facility selected for calibration possesses current certification. Calibration certificates shall contain a statement that the test equipment is accurate to within specified tolerances.

The Supplier/Contractor should establish the frequency of calibration for each item of equipment (including jigs, fixtures or templates) and record the details in a 'Measuring and Test Equipment Register' (or similar).

9.2 Use of Inspection, Measuring and Test Equipment

The Supplier/Contractor shall ensure that authorised equipment users:

- Use the equipment in accordance with manufacturers instructions, and accepted industry practices
- Ensure the equipment is covered by a current calibration certificate
- Conduct the measurements or tests in accordance with the equipment manufacturer's specifications or other relevant specification
- Prior to commencement of each inspection or test activities:
 - Identify the measurements to be made
 - Determine the accuracy required
 - Select the appropriate inspection, measuring or test equipment for the scope of work.

The supplier shall ensure that personnel using equipment are adequately competent, and where necessary, completed the required training.

9.3 Verification of Previous Test Results

Where the calibration status of the equipment is unknown, expired or has doubtful accuracy, the equipment shall immediately be quarantined, and tagged according to Supplier/Contractor's Quality System procedures. The Supplier/Contractor shall then arrange for either in-house or external calibration, and:

- review all previous test results associated with the suspect equipment
- identify the inspections, measurements or tests required to re-validate the results
- ensure that suitable re-testing is performed with calibrated equipment
- document the results of the re-testing on the respective inspection and test documentation.

10. Quality Records

Supplier/Contractors shall maintain Quality Records necessary to provide objective evidence that demonstrates and verifies achievement of the QA / QC requirements associated with the Scope of Work. All Quality Records, including original source material test certificates and non destructive

test reports, shall be retained by the Supplier/Contractor during the project, and be provided to TPT at the times, and in the quantities specified in the Contract.

The Supplier/Contractor shall collate all quality records in the DP and submit the DP to TPT in accordance with the Contract and all referenced standards and specifications. This DP shall be compiled progressively, and shall be available for review at all phases of manufacture or construction activities.

The Scope of Work shall not be complete until the Supplier/Contractor's DP including the quality records from Sub-Supplier/Sub-Contractors have been reviewed and accepted by TPT.

The DP shall be compiled progressively during the execution of the Scope of Work and shall be made available for review by TPT as required.

Annexure B - Request for Concession

| Request for Concession | | No: _____ <small>of 2</small> | |
|--|--|--------------------------------------|----|
| A.SUPPLIER/CONTRACTOR SUPPLIED INFORMATION | | | |
| SUPPLIER/CONTRACTOR NAME: | | CONTRACT NO.: | |
| SUPPLIER/CONTRACTOR CONCESSION NO.: | | DATE: | |
| Required concession applicable to: (Item/Material/Equipment/Area) | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Description of Concession — Revised Requirements: (Attach Photos if beneficial to TPT understanding) | | | |
| | | | |
| | | | |
| | | | |
| Justification: _____ | | | |
| | | | |
| | | | |
| (NOTE: This concession will be rejected if the following information is not provided): | | | |
| (i) VALUE OF BENEFIT TO CLIENT | (ii) AGREE TO AN EXTENSION OF THE WARRANTY | YES | NO |
| S/R | IF "YES" WHAT PERIOD? | | |
| | | | |
| | | | |
| References: | | | |
| Original Requirements | reference: | | |
| Drawing No.: | Rev.: | Specification | N |
| Drawing No.: | Rev.: | Specification | O. |
| Attached applicable | documentation: | | N |
| Requested by: | | | |
| (Supplier/Contractor) Name: | | Signature | D |
| Note: Sections B to F on Page 2 | | | |

| Request for Concession No: | | | |
|---|--|--------------------------|--------------|
| B. SITE ADMINISTERED CONTRACT? | Yes | | Nn Go to "D" |
| Possible QC implications: | | | |
| | Recommendations Recommended with the following Conditions: | | Rejected |
| Site Construction Manager: _____ Signature: _____ Date: _____ | | | |
| Site Engineer: _____ Signature: _____ Date: _____ | | | |
| C. RECOMMENDATION BY CONTRACT ADMINISTRATOR: Name: _____ | | | |
| Signature _____ Date: _____ | | | |
| D. RECOMMENDATION BY ENGINEERING: | | | |
| <input type="checkbox"/> | Recommended | <input type="checkbox"/> | Rejected |
| <input type="checkbox"/> | Conditional, with the following | | |
| recommendations: | | | |
| Package Engineer: _____ Signature: _____ Date: _____ | | | |
| Lead Discipline Engineer: _____ Signature: _____ Date: _____ | | | |
| Engineering Manager: _____ Signature: _____ Date: _____ | | | |
| Comments: | | | |
| | | | |
| | | | |
| E. PROJECT MANAGER DISPOSITION: Accepted <input type="checkbox"/> Rejected <input type="checkbox"/> | | | |
| Name: _____ Signature _____ Date: _____ | | | |
| F. EMPLOYER DISPOSITION: Accepted <input type="checkbox"/> Rejected <input type="checkbox"/> | | | |



CONTRACTOR'S COMPLIANCE FILE ASSESSMENT CHECKLIST

| | |
|----------------------------|--|
| Project Manager: | |
| Project name: | |
| Client: | |
| Contractor Details: | |

| No. | items | Approved | Not Approved |
|-----|---|----------|--------------|
| 1 | Principal Contractors Organogram | | |
| 2 | Letter Of Good Standing With Compensation Fund | | |
| 3 | Notification Letter Of Construction Work ~ Department Of Labour (If Applicable) | | |
| 4 | Appointments | | |
| 5 | Induction: Employees And Visitors: Staff Medical Certificates | | |
| 6 | Principal Contractor's SHEQ Policy | | |
| 7 | Health & Safety Plan, Integrated Legal Register, Client Specification. | | |
| 8 | Fall Protection Plan (If Applicable) | | |
| 9 | Risk Assessments: Method Statements: Safe Operating Procedures | | |
| 10 | Incidents / Accidents Register And Investigation Reports | | |
| 11 | Emergency Contact Telephone Numbers | | |
| 12 | Business Continuity Plan Including Emergency Plan | | |
| 13 | Documented Proof Of Daily Toolbox Safety Talks/ DSTI | | |
| 14 | Inspections Checklist | | |
| 15 | All Registers | | |
| 16 | Welfare Facilities | | |
| 17 | Electrical Compliance | | |
| 18 | Mandatarly Agreement | | |
| 19 | Communication Plan | | |
| 20 | Training Records and Competency Certificates | | |
| 21 | General | | |
| 22 | Insurance Covering Letter | | |



| CONTRACTOR'S COMPLIANCE FILE REVIEW | | | |
|-------------------------------------|-----------------|-------------|-----------|
| Date | Print Full Name | Designation | Signature |
| | | | |
| | | | |
| Status | | | |
| Approved | | | |
| Not Approved | | | |
| Reasons for not approving | | | |
| | | | |



Contractor Questionnaire

| CONTRACTOR QUESTIONNAIRE | | | | |
|---------------------------------|--|------------|-----------|-----------------|
| 1. | POLICY, ORGANISATION AND MANAGEMENT INVOLVEMENT | YES | NO | N/ A |
| 1.1 | Does your company have a SHEQ Policy? | | | |
| 1.2 | Has a copy signed by the Chief Executive Officer / Managing Director been supplied? | | | |
| | Provide company organogram. | | | |
| 1.3 | Company Certified? i.e. ISO 14001, ISO 9001, OHSAS 18001 etc. | | | |
| | If yes, provide proof of periodical work area inspections and Regular Health and Safety meetings with personnel | | | |
| 1.4 | Does the company have OHSAct 16.2 Appointee? | | | |
| 1.5 | Is your company registered with the Compensation Commissioner (COID Act) or licenses compensation insurer? If so, please provide registration number. | | | |
| 1.6 | Do you have a copy of good standing certificate, confirming that your registration is paid up? If so, please provide copy thereof | | | |
| 1.7 | Does the company comply with the relevant legal appointees for this project i.e. Representatives, Environmental Control Officer, First Aiders, Risk Assessors, etc.? | | | |
| 2. | ACCREDITATION | YES | NO | |
| 2.1 | Does the company have the auditable Management Systems in place? | | | |
| | If so, please provide proof of certificate issued by a credible external Assurance Auditor. | | | |
| 3. | TRAINING | YES | NO | |
| 3.1 | Has the training based on risks/hazards that has been identified been done? | | | |
| 3.2 | Is training provided to employees at the following stages? | | | |
| | <ul style="list-style-type: none"> ▪ When joining the company ▪ When changing jobs within the company ▪ When new plant or equipment needs to be operated ▪ As a result of experience of and feedback from an accident/incident reports | | | |
| 3.3 | Provide proof of specialist training provided such as training analysis, Certificates, Job Specific Training or Induction Training program? | | | |
| 3.4 | What legal or compliance training is provided specifically to | | | |
| | <ul style="list-style-type: none"> ▪ First line supervisors? ▪ Middle and top management? | | | |
| 3.5 | Are all employees (including sub-contractors) instructed as to the application of rules and regulations within your organization? | | | |
| 3.6 | Does this training include the selection, use and care of personal protective equipment? | | | |
| 3.7 | What refresher training is provided and at what intervals? | | | |
| | Please list examples | | | |
| 4. | PURCHASE OF GOODS, MATERIALS AND SERVICES | YES | NO | |



Contractor Questionnaire

| | | | | |
|------------|--|------------|-----------|--|
| 4.1 | Do you have a system which ensures that all statutory inspections of plant and equipment are carried out? | | | |
| | Give examples of plant/equipment covered: | | | |
| 4.2 | Is there a record of inspections conducted above? | | | |
| 4.3 | Do you carry out plant and equipment inspections prior to work commencing to ensure the hazards are identified? | | | |
| | Please provide copies of these inspection reports. | | | |
| 4.4 | Do you evaluate the competence of all sub-contractors? | | | |
| | Please describe how this is achieved and how the results are monitored. | | | |
| 5. | INSPECTIONS | YES | NO | |
| 5.1 | Are periodic work inspections carried out by first line supervisors? | | | |
| 5.2 | Are unsafe acts and conditions reported and remedial actions formally monitored? | | | |
| 6. | RULES AND REGULATIONS | YES | NO | |
| 6.1 | Do organisational rules and regulations exist for personnel and subcontractors? | | | |
| | Do these cover | | | |
| | ▪ General rules | | | |
| | ▪ Project rules | | | |
| | ▪ Specific task rules | | | |
| 6.2 | Do these rules include a permit to work system (as applicable)? | | | |
| 6.3 | Do you have experience of contractor execution plans? | | | |
| | Give examples of where these have been used | | | |
| 6.4 | Do you have a formal company guideline for holding pre-contract progress meetings with the client? | | | |
| 7. | RISK MANAGEMENT | YES | NO | |
| 7.1 | Have you performed assessment of the risks involved in the execution of contract work? | | | |
| 7.2 | Do you have safe work procedure for all high risk/hazards identified? | | | |
| 7.3 | Are employees trained on Safe Work Procedures? | | | |
| 7.4 | Do you have a copy of the PPE needs analysis done and issue records kept? | | | |
| 8. | BUSINESS CONTINUITY AND EMERGENCY ARRANGEMENTS | YES | NO | |
| 8.1 | Do you have an emergency plan AND business continuity plan in place? | | | |
| 8.2 | Are provision made for Trained First Aiders? | | | |
| 8.3 | Are employees trained on the emergency plan/procedure and business continuity plan? | | | |
| 9. | FALL PROTECTION | YES | NO | |
| 9.1 | Are you able to demonstrate that work at heights undertaken under competent supervision, carried out by employees who are trained and medically fit? | | | |
| 9.2 | Does your fall protection plan include rescue plan, risk assessment, inspection, testing and maintenance of fall protection equipment? | | | |
| 10. | PROJECT SECURITY | YES | NO | |
| 10.1 | Has the security assessment for the site been done? | | | |
| 10.2 | Are measures put in place to ensure security of the project personnel and equipment? | | | |
| 11. | RECRUITMENT OF PERSONNEL | YES | NO | |
| 11.2 | Are medical examinations carried prior to employment, in all cases? | | | |



Contractor Questionnaire

| | | | | | | |
|---|--|---------------|---------------|---------------|---------------|---------------|
| 11.3 | Are exit medicals conducted on staff once they have resigned? e.g. via trade testing, reference checks, etc. | | | | | |
| 11.4 | How do you assess the competence of staff before an appointment is made? | | | | | |
| 11.5 | Is the substance abuse policy and testing procedure in place? | | | | | |
| 12. | REPORTING AND INVESTIGATION OF ACCIDENTS, INCIDENTS AND DANGEROUS CONDITIONS | YES | NO | | | |
| 12.1 | Do you have a procedure for reporting, investigating and recording accidents and incidents? | | | | | |
| | Supply copy of this procedure and incident register including first aid and medical cases. | | | | | |
| 12.2 | Is there a standard report/investigation form used? If yes, supply copy. | | | | | |
| 12.3 | Do you have a formal system for reporting situations/near misses etc.? If yes, provide copy. | | | | | |
| | | YEAR-1 | YEAR-2 | YEAR-3 | YEAR-4 | YEAR-5 |
| | Lost time accidents per 100 employees | | | | | |
| | Major/Reportable injuries per 100 employees | | | | | |
| | Number of dangerous occurrences | | | | | |
| | Lost man days due to accidents | | | | | |
| 13. | COMMUNICATION AND CONSULTATION | YES | NO | | | |
| 13.1 | Are progress and other legal meetings held? | | | | | |
| 13.2 | Are minutes of the meetings recorded and results of these meetings communicated to all employees? If yes, please describe method | | | | | |
| 13.3 | Are daily talks meetings conducted to discuss hazards on site, incident recall, performance? | | | | | |
| 14. | COSTS | YES | NO | | | |
| 14.1 | Has the Contractor made provision for the cost for IMS requirements for the project? Refer to Pricing Schedule Requirements (Annexure 8.4, TRN-IMS-GRP-PROC-014-8.4) | | | | | |
| Name of Transnet Contract Manager/Designated Transnet Person: | | | | | | |
| Signature of Transnet Contract Manager/Designated Transnet Person: | | | | | | |
| Date of Receipt of Documentation: | | | | | | |
| Comments: | | | | | | |
| Date of Endorsement of Documentation: | | | | | | |



Mandatory Agreement

OCCUPATIONAL HEALTH AND SAFETY ACT 85 of 1993 (AS AMENDED)

AGREEMENT WITH MANDATORY
In terms of Section 37(1) & (2)

WRITTEN AGREEMENT ENTERED INTO AND BETWEEN

Transnet SOC Ltd
(Hereinafter referred to as the Employer)

AND

(Hereinafter referred to as Mandatory (Principal Contractor))

Compensation Fund Number :

Project Name :

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28. HEADING

PREAMBLE

WHEREAS section 37(1) & (2) of the Occupational Health and Safety Act No 85 of 1993 ("the Act") requires that parties have an agreement in writing to ensure compliance by a mandatory in line with the provisions of the Act.

AND WHEREAS Transnet SOC Ltd requires the services of the Contractors to execute certain projects within its workshops.

AND WHEREAS TRANSNET SOC LTD can be better served by Contractors who have the infrastructure, specialist employees and expertise to execute such projects at the highest level of efficiency on short notice.

NOW THEREFORE the parties agree as follows;

1. DEFINITIONS

For the purpose of this agreement, unless the context indicates otherwise, the following definitions are set out for the terms indicated:

- 1.1 "Act" means the Occupational Health and Safety Act No 85 of 1993;
- 1.2 "Agreement" means this Mandatory agreement;
- 1.3 "Contractor " means the Mandatory;
- 1.4 "COID Act" means the Compensation for Occupational Injuries and Diseases Act No 130 of 1993.
- 1.5 "Effective Date" means the date of signature of this Agreement by the last party signing hereto;
- 1.6 "Employer" refers to TRANSNET SOC LTD;
- 1.7 "Mandatory" means an agent, Contractor or sub-contractor for work, but without derogating from the status in his own right as an employer or user;
- 1.8 "Parties" means TRANSNET SOC LTD and the Contractor, and "Party" shall mean either one of them, as the context indicates;
- 1.9 "Principal Contract" means the appointed contractor whereby such contractor has to provide goods and or services to TRANSNET SOC LTD.
- 1.10 "Regulations" means regulations promulgated in terms of the relevant legislation.
- 1.11 "Section" means the relevant section of the Occupational Health and Safety Act No 85 of 1993
- 1.12 "Services" means the services to be provided by the Contractor to TRANSNET SOC LTD.
- 1.13 "TRANSNET SOC LTD" means Transnet Group and all its operating divisions and Specialist units with (Registration No. **1990/000900/06**), a public company incorporated in accordance with the company laws of the Republic of South Africa;

2. INTERPRETATION

- 2.1 Clause headings in this Agreement are included for ease of reference only and do not form part of this Agreement for the purposes of interpretation or for any other purpose. No provision shall be construed against or interpreted to the disadvantage of either Party hereto by reason of such Party having or being deemed to have structured or drafted such provision.
- 2.2 Any term, word or phrase used in this Agreement, other than those defined under the clause heading "Definitions" shall be given its plain English meaning, and those terms, words, acronyms, and phrases used in this Agreement will be interpreted in accordance with the generally accepted meanings accorded thereto.
- 2.3 A reference to the singular incorporates a reference to the plural and vice versa.
- 2.4 A reference to natural persons incorporates a reference to legal persons and vice versa.
- 2.5 A reference to a particular gender incorporates a reference to the other gender.

3. REPORTING

- 3.1 The Mandatary and/or his designated person appointed in terms of Section 16(2) of the Occupational Health and Safety Act 85 of 1993 ("the OHS Act") shall report to the Risk Manager and/or a Project Manager and/or a representative designated by the Employer prior to commencing the work at the premises of the Employer.

4. WARRANTY OF COMPLIANCE

- 4.1 In terms of this Agreement the Mandatary warrants that he agrees to any of the arrangements and procedures as prescribed by the Employer and as provided for in terms of Section 37(2) of the OHS Act for the purposes of compliance with the OHS Act.
- 4.2 The Mandatary further warrants that he and/or his employees undertake to maintain such compliance with the OHS Act. Without derogating from the generality of the above, nor from the provisions of the said Agreement, the Mandatary shall ensure that the clauses as hereunder described are at all times adhered to by himself and his employees.
- 4.3 The Mandatary hereby undertakes to ensure that the health and safety of any other person on the premises is not endangered by the conduct of his activities and that of his employees.

5. APPOINTMENTS AND TRAINING

- 5.1 The Mandatary shall appoint competent persons as per Section 16(2) of the OHS Act. Any such appointed person shall be trained on any occupational health and safety matter and the OHS Act provisions pertinent to the work is to be performed under his responsibility. Copies of any appointments made by the Mandatary shall immediately be provided to the Employer.
- 5.2 The Mandatary shall further ensure that all his employees are trained on the health and safety aspects relating to the work to be done on the premises of the Employer and that they understand the hazards associated with such work being carried out on the premises. Without derogating from the foregoing, the Mandatary shall, in particular, ensure that all his users or operators of any materials, machinery or equipment are properly trained in the use of such materials, machinery or equipment.
- 5.3 Notwithstanding the provisions of the above, the Mandatary shall ensure that he, his appointed responsible persons and his employees are at all times familiar with the provisions of the OHS Act, and that they comply with the provisions of the Act.

6. SUPERVISION, DISCIPLINE AND REPORTING

- 6.1 The Mandatary shall ensure that all work performed on the Employer's a premise is done under strict supervision and that no unsafe or unhealthy work practices are permitted. Discipline regarding health and safety matters shall be strictly enforced against any of his employees regarding non-compliance by such employee with any health and safety matters.
- 6.2 The Mandatary shall further ensure that his employees report to him all unsafe or unhealthy work situations immediately after they become aware of such conditions and that he in turn immediately reports these to the Employer and/or his representative.

7. ACCESS TO THE OHS ACT

- 7.1 The Mandatary shall ensure that he has an updated copy of the OHS Act on site at all times and that this is accessible to his appointed responsible persons and employees, save that the parties may make arrangements for the Mandatary and his appointed responsible persons and employees to have access to the Employer's updated copy/copies of the Act.

8. COOPERATION

- 8.1 The Mandatary and/or his responsible persons and employees shall provide full co-operation and information if and when the Employer or his representative inquires into any occupational health and safety issues concerning the Mandatary. It is hereby recorded that the Employer and his representative shall at all times be entitled to make such inquiry.
- 8.2 Without derogating from the generality of the above, the Mandatary and his responsible persons shall make available to the Employer and his representative, on request, all and/or any checklists and inspection registers required to be kept by him in respect of any of his materials, machinery or equipment.

9. WORK PROCEDURES

- 9.1 The Mandatary shall, after having established the dangers associated with the work performed, develop and implement mitigation measures to minimize or eliminate such dangers for the purpose of ensuring a healthy and safe working environment. The Mandatary shall then ensure that his responsible persons and employees are familiar with such mitigation measures.
- 9.2 The Mandatary shall implement any other safe work practices as prescribed by the Employer and shall ensure that his responsible persons and employees are made conversant with such other safe work practices as prescribed by the Employer and that his responsible persons and employees adhere to such safe work practices.
- 9.3 The Mandatary shall ensure that work for which any permit is required by the Employer is not performed by his employees prior to the Employer obtaining such permit from the Mandatary.

10. HEALTH AND SAFETY MEETINGS

- 10.1 If required in terms of the OHS Act, the Mandatary shall establish his own health and safety committee(s) and ensure that his employees, being the committee members, provide health and safety representatives to attend the Employer's health and safety committee meetings.

11. COMPENSATION REGISTRATION

- 11.1 The Mandatary shall ensure that he has a valid proof of registration with the Compensation Commissioner, as required in terms of **COID Act**, and that all payments owing to the Commissioner are discharged. The Mandatary shall further ensure that the cover remain in force while any such employee is present on the premises.

12. MEDICAL EXAMINATIONS

- 12.1 The Mandatary shall ensure that all his employees undergo routine medical examinations and that they are medically fit for the purposes of the work they are to perform.

13. INCIDENT REPORTING AND INVESTIGATION

- 13.1 All incidents referred to in Section 24 of the OHS Act shall be reported by the Mandatary to the Department of Labour and to the Employer. The Employer shall further be provided with copies of any written documentation relating to any incident.
- 13.2 The Employer retains an interest in the reporting of any incident as described above as well as in any formal investigation and/or inquiry conducted in terms of section 32 of the OHS-Act into such incident.

14. SUBCONTRACTORS

- 14.1 The Mandatary shall notify the Employer of any subcontractor he may wish to perform work on his behalf on the Employer's premises. It is hereby recorded that all the terms and provisions contained in this clause shall be equally binding upon the subcontractor prior to the subcontractor commencing with the work. Without derogating from the generality of this paragraph:
- 14.1.1 The Mandatary shall ensure that training as discussed under appointments and training, is provided prior to the subcontractor commencing work on the Employer's premises.
- 14.1.2 The Mandatary shall ensure that work performed by the subcontractor is done under his strict supervision, discipline and reporting.
- 14.1.3 The Mandatary shall inform the Employer of any health and safety hazards and/or issue that the subcontractor may have brought to his attention.
- 14.1.4 The Mandatary shall inform the Employer of any difficulty encountered regarding compliance by the subcontractor with any health and safety instruction, procedure and/or legal provision applicable to the work the subcontractor performs on the Employer's premises.

15. SECURITY AND ACCESS

- 15.1 The Mandatary and his employees shall enter and leave the premises only through the main gate(s) and/or checkpoint(s) designated by the Employer. The Mandatary shall ensure that employees observe the security rules of the Employer at all times and shall not permit any person who is not directly associated with the work from entering the premises.
- 15.2 The Mandatary and his employees shall not enter any area of the premises that is not directly associated with their work.
- 15.3 The Mandatary shall ensure that all materials, machinery or equipment brought by him onto the premises are recorded at the main gate(s) and/or checkpoint(s). Failure to do this may result in a refusal by the Employer to allow the materials, machinery or equipment to be removed from the Employer's premises.

16. FIRE PRECAUTIONS AND FACILITIES

- 16.1 The Mandatary shall ensure that an adequate supply of fire-protection and first-aid facilities are provided for the work to be performed on the Employer's premises, save that the Parties may mutually make arrangements for the provision of such facilities.

- 16.2 The Mandatary shall further ensure that all his employees are familiar with fire precautions at the premises, which includes fire-alarm signals and emergency exits, and that such precautions are adhered to.

17. ABLUTION FACILITIES

- 17.1 The Mandatary shall ensure that an adequate supply of ablution facilities are provided for his employees performing work on the Employer's premises, save that the parties may mutually make arrangements for the provision of such facilities.

18. HYGIENE AND CLEANLINESS

- 18.1 The Mandatary shall ensure that the work site and surround area is at all times maintained to the reasonably practicable level of hygiene and cleanliness. In this regard, no loose materials shall be left lying about unnecessarily and the work site shall be cleared of waste material regularly and on completion of the work.

19. NO NUISANCE

- 19.1 The Mandatary shall ensure that neither he nor his employees undertake any activity that may cause environmental impairment or constitute any form of nuisance to the Employer and/or his surroundings.
- 19.2 The Mandatary shall ensure that no hindrance, hazard, annoyance or inconvenience is inflicted on the Employer, another Mandatary or any tenants. Where such situations are unavoidable, the Mandatary shall give prior notice to the Employer.

20. INTOXICATION NOT ALLOWED

- 20.1 No intoxicating substance of any form shall be allowed on site. Any person suspected of being intoxicated shall not be allowed on the site. Any person required to take medication shall notify the relevant responsible person thereof, as well as the potential side effects of the medication.

21. PERSONAL PROTECTIVE EQUIPMENT

- 21.1 The Mandatary shall ensure that his responsible persons and employees are provided with adequate personal protective equipment (PPE) for the work they may perform and in accordance with the requirements of General Safety Regulation 2 (1) of the OHS Act. The Mandatary shall further ensure that his responsible persons and employees wear the PPE issued to them at all material times.

22. PLANT, MACHINERY AND EQUIPMENT

- 22.1 The Mandatary shall ensure that all the plant, machinery, equipment and/or vehicles he may wish to utilize on the Employer's premises is/are at all times of sound order and fit for the purpose for which it/they is/are attended to, and that it/they complies/comply with the requirements of Section 10 of the OHS Act.
- 22.2 In accordance with the provisions of Section 10(4) of the OHS Act, the Mandatary hereby assumes the liability for taking the necessary steps to ensure that any article or substance that it erects or installs at the premises, or manufactures, sells or supplies to or for the Employer, complies with all the prescribed requirements and will be safe and without risks in terms of health and safety when properly used.

23. NO USAGE OF THE EMPLOYER'S EQUIPMENT

- 23.1 The Mandatary hereby acknowledges that his employees are not permitted to use any materials, machinery or equipment of the Employer unless the prior written consent of the Employer has been obtained, in which case the Mandatary shall ensure that only those persons authorized to make use of such materials, machinery or equipment, have access thereto.

24. TRANSPORT

- 24.1 The Mandatary shall ensure that all road vehicles used on the premises are in a roadworthy condition and are licensed and insured. The Mandatary shall ensure that all drivers shall have relevant and valid driving licenses and the Mandatary shall ensure that no vehicle/s shall carry passengers unless it is specifically designed to do and that all drivers shall adhere to the speed limits and road signs on the premises at all times.
- 24.2 In the event that any hazardous substances are to be transported on the premises, the Mandatary shall ensure that the requirements of the Hazardous Substances Act 15 of 1973 are complied with fully all times.

25. CLARIFICATION

- 25.1 In the event that the Mandatary requires clarification of any of the terms or provisions of this Agreement, he should take the necessary steps to contact the Risk Manager of the Employer to obtain such clarification.

26. DURATION OF AGREEMENT

- 26.1 This Agreement shall remain in force for the duration of the work to be performed by the Mandatary and/or while any of the Mandatary's employees are present on the Employer's premises.

27. NON COMPLIANCE WITH THE AGREEMENT

- 27.1 If the Mandatary fails to comply with any provisions of this Agreement, the Employer shall be entitled to give the mandatory 7 (seven) days written notice to remedy such non-compliance and if the Mandatary fails to comply with such notice, then the Employer shall forthwith be entitled but not obliged, without prejudice to any other rights or remedies which the mandatory may have in law,
- 271.1 to suspend the main Agreement; or
- 27.1.2 To claim immediate performance and/or payment of such obligations.
- 27.2 Should mandatory continue to breach the contract on three occasions, then the Employer is authorised to suspend the main contract without complying with the condition stated in the clause above.

28. HEADINGS

The headings as contained in this Agreement are for reference purposes only and shall not be construed as having any interpretative value in them or as giving any indication as to the meaning of the contents of the paragraphs contained in this Agreement.



Thus done and signed

at _____ on the _____ day of _____ 201__

For and on behalf of the Employer

Witnesses:

1. _____

2. _____

at _____ on the _____ day of _____ 201__

for and on behalf of the Mandatary

Witnesses:

3. _____

4. _____

Annexure F: EEAM-Q-014 (Specification for electrical motors and generator)

EEAM-Q-014(SPECIFICATIONS FOR ELECTRICAL MOTORS AND GENERATORS HE8-2-3ver5).doc

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|--|---|---|------|
| REVISION 0 | REFERENCE EEAM-Q-014 (ORIGINAL SPECIFICATION –HE8.2.3 Ver5) |  | |
| DOCUMENT TYPE: SPECIFICATION | | | |
| TITLE: SPECIFICATION FOR ELECTRICAL MOTORS AND GENERATORS | | PAGE 0 of 06 | |
| COMPILED BY: PROJECT ENGINEER () | REVIEWED BY: CAPITAL PROJECTS MANAGER (DAN REDDY) | REVIEWED BY: ASSET MANAGER/SHEQR MANAGER () | |
| AUTHORISED BY: GENERAL MANAGER – EQUIPMENT ENGINEERING & ASSET MANAGEMENT (HAMILTON NXUMALO) | | | |
| FUTURE REVISION RECORD NUMBER | DESCRIPTION OF REVISION | APPROVAL | DATE |
| -1- | | | |
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| 1.0 SCOPE | | 02 | |
| KEYWORDS DESIGN, HYDRAULICS, SERVICE | | DATE OF LAST REVIEW: N/A DATE OF NEXT REVIEW: 09/2005 | |

1. SCOPE

- 1.1. This Specification and Appendix covers TPT's requirements for electrical motors and generators and must be read in conjunction with the main Specification.
- 1.2. All motors offered shall have performances and dimensions complying with SABS 948, VDE 0530, or BS 4999 and BS 5000 and other relevant standards.
- 1.3. Tenderers shall furnish detailed calculations including load cycle diagrams, max. torque/ RMS comparison, service conditions, derating factors, insulation, duty type and cyclic duration factors, etc. with their tenders, indicating how they arrive at the kW rating of all machines and to support their choice of each motor. All parameters and variables used in the calculations must be clearly defined.
- 1.4. The preferred nominal voltage for AC motors under 132kW shall be 400 V 3-phase, 50 Hz.
 - 1.4.1. Motors 132 kW and above must be supplied from 3.3 kV unless otherwise approved.
- 1.5. For variable frequency variable speed drives the motor shall be correctly rated for all speeds over which it is envisaged to run the motor, and power calculations shall show the torque and kilowatts required for each speed. The highest torque needed will be determined by the power of the motor selected. The torque/speed/power relationship must be observed. The variable frequency supply unit shall have at least twice motor full load current amperage capacity.
- 1.6. The full load efficiency of electrical motors and generators shall not be less than 80%, except for motors under 3 kW in which case not less than 60%.
- 1.7. All motors shall have a minimum degree of protection of IP 54 to IEC 144, except for motors which are installed in a clean and controlled environment for which the minimum protection is IP 23.
 - 1.7.1. Suitable drain holes shall be provided at the lowest points in the machines to allow condensed moisture to escape.
 - 1.7.2. Motor frames and endshields shall be cast iron unless otherwise approved.

- 1.8. All motors shall be equipped with parallel shafts to metric standards with keyways parallel to the axis and screwed ends.
- 1.9. All motors 18,5 kW and above and all motors which can become covered with product dust, shall be fitted with the following over temperature protection equipment:-
 - 1.9.1. Positive temperature coefficient thermister (PT100) type sensors fitted to the stator windings to trip the motor overloads when the temperature reaches the maximum stipulated for class B insulation at 45°C ambient temperature;
 - 1.9.2. Bearings are to be fitted with positive temperature coefficient RTD type sensors, embedded in the bearing housing of each bearing, set to trip according to the manufacturer's specification.
- 1.10. All DC Motors must be fitted with over speed trip devices on the motor shafts.
- 1.11. All motors shall be supplied with anti-condensation heaters (unless otherwise approved), terminated in a terminal box (No loose leads).
 - 1.11.1. Low voltage heating of the stator windings may be used on small motors.
- 1.12. The insulation of all motors shall be to at least class "F". Additional impregnation shall be used for the high relative humidity conditions. Temperature rise of motors on full load shall not exceed the temperature limits as laid down for class "B" insulation.
- 1.13. The material used in construction of sliprings and brush gear shall be corrosion resistant. The insulation shall be at least class "F" and non hygroscopic and specially designed to avoid tracking due to deposition of saline moisture.
 - 1.13.1. Sliprings shall be manufactured from electrical quality brass. Brush gear shall either be brass or stainless steel.
 - 1.13.2. Sliprings shall preferably be fitted with a brush lifting and short-circuiting device.
- 1.14. Provision shall be made for easy access to sliprings, brush gear and bearings.
- 1.15. Where an electrical motor needs to be braked a suitable method shall be used e.g. mechanical, reverse current, D.C. injection, thyristor controlled etc. (Preferably electrical to 10% of rated speed, then mechanical to hold load etc.)
- 1.16. In addition to the normal data, motor name plates shall show the

following information (where applicable):-

- 1.16.1. Bearing particulars;
- 1.16.2. Lubrication data;
- 1.16.3. Thermostat details;
- 1.16.4. Anti-condensation heater details;
- 1.16.5. Grade of brush for slip rings.

1.17. Suppliers must state the specifications to which all motors and generators are manufactured.

1.18. Motor Tests and Certificates:

- 1.18.1. Type test certificates in respect of the current design of each motor or generator shall be submitted in addition to routine test certificates. Motors or generators for which type test certificates are not available are not acceptable.
- 1.18.2. One motor of each size for all motors over 30 kW must be subjected to a type test as well as routine tests at the manufacturer's premises. Tenderers must include for these costs in their offer.

1.19. Motor Starters and Controllers:

- 1.19.1. Motor starters shall comply with BS 587 and/or BS 4941 Part 1 or other relevant standards.
- 1.19.2. All motor starters shall generally be provided with the following:
 - 1.19.2.1. Switch disconnecters;
 - 1.19.2.2. Fuses for short circuit protection;
 - 1.19.2.3. Contactors;
 - 1.19.2.4. Overload, phase imbalance and single phasing protection devices;
 - 1.19.2.5. Earth leakage protection;
 - 1.19.2.6. Control relays;
 - 1.19.2.7. Under voltage protection. (Contractors dropping out to disconnect the motor from the supply when the supply voltage falls below 65% of the nominal value are acceptable);

- 1.19.2.8. Emergency stop buttons;
 - 1.19.2.9. Overspeed trip devices where applicable;
 - 1.19.2.10. Voltmeter and ammeter connected to the incoming supply side of the main contactor;
 - 1.19.2.11. All motors 55 kW and above shall be fitted with capacitors to correct their power factor to at least 0,97 lagging.
- 1.19.3. All starters and controllers must be marked designating the type of starter, rating etc.
- 1.19.4. A diagram of connections of each motor and schematic diagram of the control circuits in booklet form, size A4 shall be housed in the main panel.
- 1.19.5. The operating voltage of the motor starter shall be 231 V AC which shall be supplied by means of a 400/231V transformer (which has an earthed screen between the primary and the secondary windings) for each motor starter panel.
- 1.19.6. All equipment associated with a motor starter shall be housed in the same cubicle/enclosure and control buttons and selector switches shall be fitted on the cubicle door.
- 1.19.7. Where low voltage motor starters are a considerable distance away or not visible from the motor, a remote start/stop station with a lockable switch disconnecter must be provided at the motor for maintenance purposes.
- 1.19.8. The type of starter shall be (based on an expected voltage drop of $\pm 5\%$ of nominal supply voltage during starting).
- 1.19.8.1. "Direct-on-line" for motors up to 30 kW.
 - 1.19.8.2. AC variable speed drives for motors of 30 to 132 kW.
 - 1.19.8.3. Motors over 132 kW will be supplied from 3.3 kV 3-phase AC and started direct-on-line unless otherwise specified.
- 1.19.9. Tenderers may alternatively tender for electronically controlled starters and solid state motor protection devices. Full details must be submitted.
- 1.19.10. All resistors used with rotor-resistance starters shall be adequately rated for normal operating duty of the machine and shall be of robust construction, suitably protected and

enclosed and not subject to fatigue or disintegration due heating or vibration.

1.19.11. Starters for medium voltage motors must comply with Specification HE8/2/11.

1.20. Over-load Protection:

1.20.1. Motor protection relays shall comply with BS 4941 Part 1, IEC 292-1, 1975, or other relevant standards.

1.20.2. Motor starters up to 30 kW shall have adjustable 3 phase electronic thermal overload relays with stalled overload protection, selectable tripping class, as well as ground fault protection.

1.20.2.1. Motor starters of 30 kW and larger shall be fitted with current-transformer operated solid state motor protection relays.

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END OF SPECIFICATION HE8/2/3 [VERSION 5]

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Annexure G: EEAM-Q-013 (Commissioning and handover)

| | | | |
|--|---|---|--------------------|
| REVISION 0 | REFERENCE <i>EEAM-Q-013</i> |  | |
| DOCUMENT TYPE SPECIFICATION | | AUTHORISATION DATE: Date signed by CEO | |
| TITLE: <i>COMMISSIONING AND HANDOVER SPECIFICATION FOR SUPPLIER/CONSTRUCTION</i> | | PAGE 1 of 14 | |
| COMPILED BY: SENIOR MANAGER (QUALITYMANAGER) | REVIEWED BY: SENIOR MANAGER (PROJECT MANAGER) | REVIEWED BY: SENIOR MANAGER (GENERAL MANAGER) | |
| ACCEPTED BY: CHIEF FINANCIAL OFFICER | | AUTHORIZED BY: CEO | |
| FUTURE REVISION RECORD NUMBER | DESCRIPTION OF REVISION | APPROVAL | DATE 01/03/2010 |
| -1- | | | |
| CONTENTS | | | |
| 1.0 COMMISSIONING AND HANDOVER SPECIFICATION FOR SUPPLIER/CONSTRUCTION | | | |

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|---------------------------|--|
| KEYWORDS SPECIFICATION | DATE OF LAST REVIEW: N/A DATE OF NEXT REVIEW: |
|---------------------------|--|

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1. Purpose

The purpose of this standard is to establish the requirements for verification and documentation of completed Construction work and to establish the methods for:

1. Preparing a list of open work items on units/modules/systems that have been handed over to Cold Commissioning,
2. Disseminating this information to responsible parties and closing out completed items on the list.

The intent is to have only one integrated Punch List Process for Construction Completion and Commissioning that interfaces with the Client, nominated EPCM Team and Contractor. This master punch list will be held in an electronic database so that punch lists can be generated for any module/system in the plant as required.

2. Scope

This standard is applicable to the process of construction completion leading to handover for Cold Commissioning and Hot Commissioning.

3. References

- NEC 3 Engineering and Construction Contract
- EEAM-Q- 009 - Quality Management
- Occupational Health and Safety Act, Act 85 of 1993 as amended

4. Definitions

4.1. Mechanical Completion

Mechanical Completion is that point where a system or sub-system has been installed, erected and tested in accordance with the job specification and drawings to the extent that Cold Commissioning activities on that particular system can productively and safely begin. This is the demarcation point where ownership of the sub-system/system changes hands from the construction staff to the commissioning team.

5. Punch Listing Process

Prior to Mechanical Completion the *Supervisors* assigned to the various Contracts will work with the Contractor to identify items of work that is deficient and/or incomplete to ensure that the formal Punch List Process is streamlined. The items identified in this manner will not form part of the Punch List but advised to Contractor during the normal Construction Management Processes. The nature of defects during this Punch List Items are likely to be of a physical nature e.g. incomplete work, incorrect work, etc.

During Cold Commissioning, punch items can be added to the Punch List by the Commissioning Team. The Punch List Items during this process is likely to be of a functional nature e.g. belts not running fast enough, pressure not correct, etc.

During Hot Commissioning, further Punch List items could be added. The Punch List Items at this stage should be of a performance nature e.g. not enough tonnage, quality of product not correct, etc.

Defects/Deficiencies identified during the Punch List Process shall be recorded.

5.1. Mechanical Completion Punch list

When in the opinion of the Contractor, the Works or part of the *works* is sufficiently complete to warrant the commencement of Cold Commissioning of such *works*, the Contractor will submit a request for a joint Mechanical Completion Punch list inspection, after having punched the works himself and cleared all Category 'A' Punch list Items. Any additional Category 'A' Punch list items identified by the Transnet Port Terminals team must be rectified before proceeding to the next stage.

Once all Category A Punch List Items have been rectified a Mechanical Completion Certificate will be issued to the Contractor.

For Civil and simple building contracts, the Project Manager will certify Completion at this point and issue a Completion Certificate. The works shall also be taken over by the Employer within 2 weeks of completion and the Project Manager shall certify Take Over.

Note: Mechanical Completion also means Electrical and instrumentation Completion where relevant

5.2. Certification by the Designer

In accordance with the requirements of the Construction Regulation 9.(2)(f), the Designer is required to carry out sufficient inspections at appropriate times to ensure that the works are constructed in accordance with the design. The Designer shall record such inspections. Designers Inspection Record. The Priority for Completion on the Designers Inspection Record must be tailored to suit the structure being inspected. Where the Resident Design Engineer (RDE), represents the design he shall use the same form.

Once the structure being constructed reached the stage of Mechanical Completion, the Designer shall carry out a final inspection and issue a Certificate of Compliance certifying that the structure is safe to commission, (Construction Regulation 9.(2)(h)).

5.3. Cold Commissioning Verification

For process type plants such as Bulk Materials Handling Plants, any functional effects/deficiencies identified during Cold Commissioning will be registered in the Deficiency Management Database for rectification and closeout. For simple projects such as Rail Tie-ins, a manual tracking system shall be implemented by the *Supervisor*.

When the Works has been Cold Commissioned, the *Contractor* will submit a request for a joint Cold Commissioning Punch list inspection to verify that all Category 'A' and 'B' punch items are completed and to ensure that damaged plant and equipment are repaired prior to the issue of a Cold Commissioning Certificate.

For all contracts, a Cold Commissioning Completion Certificate must be issued at this point.

5.4. Hot Commissioning Verification

Any functional defects/deficiencies observed during Hot Commissioning will be recorded in the Deficiency Management Database and added to the project punch list for rectification and close out.

As soon as the Contract Works have successfully passed all applicable performance tests in accordance with the conditions of the relevant contract and upon completion of Hot Commissioning, Transnet Port Terminals and the Client verify that all functional defects/deficiencies recorded in the Deficiency Management Database have been investigated, resolved, closed out and have been signed off.

For design, supply and install contracts a Hot Commissioning Completion Certificate will be prepared by Transnet Port Terminals for signature by the Client.

5.5. Punch list Categories

Punch list items will be categorised into Category 'A', 'B' or 'C' punch items using the following criteria:

Category 'A' Punch Items: Punch Items that affect the health of persons and safety of the Works that must be rectified before equipment can be Safety Cleared prior to the end of Stage 1.

Listed below are examples of items that should be classed as Category 'A' Punch list items.

- Absence of Red Lined As Built" Drawings
- Safety valves/Pressure relief valves not operational
- Open Trenches
- Uncovered / Open Slots
- Floor grating missing
- Grouting outstanding
- Hand railing and Kick Plates missing
- Structural items loose / missing
- Missing or incomplete equipment
- Machine guards missing/Not fitted correctly
- Safety covers missing on Electrical equipment
- Emergency stops/Trip systems not operational
- Safe working procedures not in place
- Safety Warning Signs missing
- Lighting
- Audible warning systems not operational
- Labelling outstanding
- Colour coding outstanding
- Pipe Supports, Gaskets, Bolts, etc. on piping missing or defective
- O&M Manuals

Category 'B' Punch Items: Punch Items that may be rectified during the Cold Commissioning phase but must be cleared before the issuing of a Cold Commissioning Certificate prior to the end of Stage 2.

Listed below are examples of items that should be classed as category B: Punch list items.

- Red Lined As Built' Drawings
- Permanent labeling not fitted
- Protection and interlocking systems not operational
- Missing/incomplete field instrumentation that supports protection and interlocking systems
- Colour coding not done
- Safe work procedures not in place

Category 'C' Punch Items: Minor Punch Items that may be rectified during the maintenance / warranty period.

Listed below are examples of items that should be classed as Category C Punch list items.

- Cosmetic items
- Painting (other than colour coding)
- Non-critical documentation

Any Health and Safety requirements identified during Punch listing must be rectified before the issue of a Safety Clearance Certificate.

5.6. Additional Employer Requirements

Additional Employer requirements must be listed and handed to the *Project Manager* for a decision to implement. These items could be logged in the Punch List as Category C items for follow-up and close-out

5.7. Punch List Register Attributes

The Punch list Register will, as a minimum, contain the following information:

- Transnet Port Terminals Management Area
- Description of Equipment
- Drawing Number
- Punch list ref. no.
- Punch list Originator
- Punch item number
- Punch list Date and revision

Plant number where applicable

- Description of defect
- Category 'A', 'B', 'C'
- Defect Type outstanding item, construction defect, design, wish list
- Scheduled date of completion
- Actual completion date
- Responsible Party e.g. Contractor/Transnet Port Terminals

5.8. Punch Listing Documentation

All Punch lists must be registered with the Transnet Port Terminals Quality Manager.

The Quality Manager will log the punch list items into Commissioning Database and issue the compiled list to the Contractor and relevant Transnet Port Terminals Construction Supervisors.

The following requirements are compulsory during commissioning and handover:

Cold Commissioning

1. Punch list (rev 1)
2. Initial Data pack
3. Operating manuals and procedures (rev 1)
4. Data pack
 - 4.1. Test certificates for ropes/twist locks/ spreader
 - 4.2. Operation and maintenance manuals
 - 4.3. Design/drawings
 - 4.4. Quality Control records.
5. Cold Commissioning certificate with punch list items category 1 and 2 complete (signed off by the project manager, maintenance manager, contractor)

Hot Commissioning

6. Certificate of electrical compliance
7. Functional data pack data pack (functional) speds/brakes
8. Load test certificates
9. Punch List (rev 2)
10. Signed off operational Handover (signed off by the Project manager,

maintenance manager, and contractor)

Endurance Testing

11. Endurance test report
12. Performance test report
13. Punch list (rev 3) to include planned completion date of all items at this point
14. Provisional Handover (signed off by the project manager, maintenance manager and contractor, operations manager).

Final Handover

(to occur within 30 days after provisional handover)

Final handover will occur 30 days after the provisional handover to operations. At this point, the project manager will ensure that the defects as recorded on the punch list have been completed by the contractor with the provision that operations can provide for the work to be completed. If the equipment has not been handed over to the project team within this period to close off all items then the equipment will be deemed fully handed over to the operations team.

5.9. Finalization of Punch List Items

The Contractor will be responsible to ensure that all Punch list Items are cleared by the agreed date.

Each day, an updated punch list report shall be generated by the Contractor and given to the Supervisors for distribution. Weekly punch list status reports and graphs shall be generated to facilitate the management and completion of the punch effort.

A completion punch report shall be inserted into the Data Pack. This report will indicate any outstanding punch items that shall remain to be completed after handover. No category "A" items will be allowed to carry-over to the commissioning phase of the project.

When items on the punch lists are cleared, the Contractor will ensure that the punch list register is updated to reflect the status of punch list completion. Functional and performance defects and deficiencies identified during the Commissioning and Maintenance phases will be recorded by the Supervisor and handed over to the responsible Contractor for clearance.

All Punch list items, functional defects and deficiencies must be cleared before the issue of a Defects Certificate.

6. Roles and Responsibilities

6.1. Construction

Construction is responsible for the following:

- Identification of Punch List items
- Manage punch list progress on a daily basis to support the construction completion activities
- Issue system walk down notice based on Contractor reported status
- Ensuring that Construction personnel complete assigned Punch List items in a timely manner
- Providing the Commissioning Group with input on any open work items identified by Construction on units/modules/systems turned over to Commissioning

6.2. Supervisors

Construction Supervisors are responsible for the following:

- Facilitate Contractor change and understanding of shift from work package to system completion
- Manage punch list progress on a daily basis to support the construction completion activities
- Issue System Walk-down Notices
- Work with Resident Design Engineers to complete checklist and test reports that support Commissioning activities
- Coordinate Contractor personnel for commissioning activities.

6.3. Resident Design Engineers

Resident Design Engineers represent the "Designer" on Site and with respect to Punch Listing are responsible for the following:

- Participate in construction walk-downs and punch list process
- Assist in establishing system package contents, including drawings, test results, check sheets, supplier information, and other Client required documentation
- Resolve design and material issues caused by punch lists and functional deficiencies
- Resolve non-conformance reports associated with the system
- Participate in the finalization of the Data Packs
- Assume the role of commissioning engineer where no specific commissioning engineer has been appointed.

6.4. Contractors

Contractors are responsible for the following:

- Completion of the works according to the drawings and job specifications and within the time constraints of the project schedules and milestones
- Handing over documentation according to the procedures.
- This includes but is not limited to quality verifying documents, marked up as-built drawings, punch list status, etc.
- Co-operating closely with Transnet Port Terminals to permit an orderly and timely completion of the entire facility
- Co-operating with the Others to facilitate the commissioning effort, especially when system / module boundaries overlap the scope of more than one Contractor

6.5. Equipment Vendor Representatives

Each Vendor Representative is responsible for providing the Commissioning Group with input on

- any open work items identified on Units/Modules/systems handed over to Commissioning.

6.6. QA/QC Team

QA/QC is responsible for the following:

- Ensure Commissioning QCP's are prepared
- Ensure Commissioning Files are prepared and complete and forms part of the Data Packs
- Participate in Punch Listing process
- Coordinate the collection of quality records with Contractor and ensure Data Books are compiled as construction and commissioning work progresses
- Manage the Punch List System
- At approximately the 60% point in construction, pro-actively facilitate the change of project focus from an area approach to a systems approach for completing and handing over the facility

6.7. Transnet Port Terminals Commissioning Manager

The Transnet Port Terminals Commissioning Manager/assigned Commissioning Engineer is responsible for the following:

- Preparing, reviewing, and issuing individual system Punch Lists and Functional Deficiency Lists to the appropriate parties for rectification/resolution
- Maintaining and updating the Deficiency Management Database for process type plants
- Distributing new and updated Module Punch Lists

6.8. Transnet Port Terminals Commissioning Engineers

Each Transnet Port Terminals Commissioning Engineer is responsible for the following on their assigned systems:

- Ensuring that deficiencies and defects identified during Cold and Hot Commissioning are recorded in the Deficiency Management Database
- Expediting completion of all open Punch List and Functional Deficiency Items
- Verifying item completion
- Where no specific Commissioning Engineer has been identified, the Resident Design Engineer assumes that responsibility

7. Records

All records generated are in accordance with the requirements of this procedure and retained in accordance with the requirements of the Procedure Archiving and Retention of Documents and signed over to the Client in accordance with the requirements of procedure. Document Handover to Client.

8. Annexure

Annexure 1 – EEAM - Q - 009 – Quality Management

Annexure H: EEAM-Q-019 (Cable Reel Systems)

| | | | |
|--|---|---|--------------------|
| REVISION 0 | REFERENCE EEAM-Q-019 |  | |
| DOCUMENT TYPE SPECIFICATION | | AUTHORISATION DATE: Date signed by CEO | |
| TITLE: SPECIFICATION FOR CABLE REEL SYSTEMS | | PAGE 0 of 4 | |
| COMPILED BY: EQUIPMENT ENGINEERING AND ASSET MANAGEMENT (GENERAL MANAGER) | REVIEWED BY: SENIOR MANAGER (PROJECT MANAGER) | REVIEWED BY: SENIOR MANAGER (ASSET MANAGER) | |
| ACCEPTED BY: CHIEF FINANCIAL OFFICER | | AUTHORIZED BY: CEO | |
| FUTURE REVISION RECORD NUMBER | DESCRIPTION OF REVISION | APPROVAL | DATE 01/04/2003 |
| -1- | | | |
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| 5.0 | GENERAL | 04 | |

CABLE REEL SYSTEMS

**SPECIFICATION HE8/2/7
[Version 6]**

March 1997

1. SCOPE

- 1.1. This specification covers TPT's requirements for medium and low voltage trailing cables and motorised cable reeling drums and must be read in conjunction with the main specification.

2. CABLE REELING DRUMS

- 2.1. Electromagnetic or permanent magnet type couplings are preferred, such that automatic torque compensation is provided for constant cable tension.
- 2.2. Mono-spiral drums must be of bolted sections. All drums shall be manufactured from 3CR12 steel or stainless steel and shall be painted according to Portnet Specification HE9/2/8.
- 2.3. The rotating speed of the cable reel must be co-ordinated with the motion related to it to ensure the correct cable tension at all times.
 - 2.3.1. Cable tension protection devices or systems shall be provided to trip out the associated motion should the recommended cable tension be exceeded. In addition a slack cable device must be incorporated to trip out the associated motion should there be excessive slack cable.
- 2.4. Limit switches shall be provided to automatically slow down and stop the associated motion before the last two turns are unwound from the drum.
- 2.5. The cable reeling drum installation shall be complete with all cables, sleeves, rollers, guides etc.
- 2.6. All brush gear shall be individually removable without having to remove other gear. Separate brush gear connection bolts shall be provided.
- 2.7. Sliprings housed in the drum body will not be acceptable.
- 2.8. The Sliprings shall be fully protected against weather, water and dust, with anti-condensation heating in the slipring compartment.

- 2.9. The sliprings shall be readily accessible for convenient maintenance and shall be provided with easily removable covers. They shall be of ample current carrying capacity and shall be constructed of corrosion resistant material throughout, all sliprings being of brass. The insulation shall be specifically designed to avoid "tracking" due to the deposition of saline moisture.

NOTE: When the covers are removed all sliprings and brushes must be exposed for visual examination and access from all sides. Covers of the split type will not be accepted.

- 2.10. Slipring enclosures shall be manufactured in 3CR12 or stainless steel and shall be painted according to Portnet specification HE9/2/8.
- 2.11. Provisions shall be made to relieve the slipring connecting studs of the weight of the cables.
- 2.12. An extra collector point and brass slipring of ample capacity shall be provided for efficient earthing.
- 2.13. The power collector gear shall be capable of withstanding a short circuit fault capacity as stated in the main Specification.

3. TRAILING CABLE

- 3.1. Adequate lengths of flexible trailing cable in compliance with the following Specifications or equivalent shall be supplied: VDE 0250 (Construction), VDE 0768 (Bending Radii), VDE 0100 (Current Carrying Capacity).
- 3.2. The cable shall be capable of withstanding a short circuit capacity as stated in the main Specification.
- 3.3. Power cables with integrated control cables will be preferred where control signals are required onto or off the equipment.
- 3.3.1. An alternative offer may be submitted for power cables with optical fibre cores for control purposes. Prove of use of these cables as well as for reliability must be supplied with the tender.

4. CENTRE FEED PITS

- 4.1. Centre feed pits shall be equipped with suitably designed cable horns and drums, manufactured in stainless steel. At least two turns of the trailing cable shall be wound on the drum portion of the cable horn.
- 4.2. Connection boxes in the centre feed pits shall be of robust construction, made of stainless steel, with IP65 enclosures, and suitably rated for the voltage concerned.

- 4.2.1. Connection boxes for power cables shall preferably be similar or equal to "Martco" and for control cables connection boxes similar or equal to "Controp Esaco" type, sized so as to accept at least the same amount of double terminals as the amount of cores.
- 4.2.2. Cable connections of medium and high voltage cables shall be encapsulated in a gel similar or equal to "Fasa Semisol". Hot cured resin encapsulation is not acceptable.
- 4.2.3. Alternatively cable joints shall be in line splice type joints if called for in the main Specification.

5. GENERAL

- 5.1. All equipment shall be suitably designed such that the minimum bending radius of the specific cable used, is not reduced below that recommended by the manufacturer.
- 5.2. All equipment are to be as maintenance free as possible.
- 5.3. All cables and equipment shall be sufficiently protected against mechanical damage where necessary.

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END OF SPECIFICATION HE8/2/7 [Version 6]

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Annexure I EEAM-Q-008 Corrosion Protection

| | | | | | |
|---|--|---|---|---|---------------------------|
| REVISION Ver. 17 | | REFERENCE EEAM-Q-008 | |  | |
| DOCUMENT TYPE: SPECIFICATION | | | AUTHORISATION DATE: Date signed by CEO | | |
| TITLE: SPECIFICATION FOR CORROSION PROTECTION | | | | PAGE 0 of 13 | |
| COMPILED BY: EQUIPMENT ENGINEERING AND ASSET MANAGEMENT (GENERAL MANAGER) | | REVIEWED BY: SENIOR MANAGER (PROJECT MANAGER) | | REVIEWED BY: SENIOR MANAGER (ASSET MANAGER) | |
| ACCEPTED BY: CHIEF FINANCIAL OFFICER | | | AUTHORIZED BY: CEO | | |
| FUTURE REVISION RECORD NUMBER | | DESCRIPTION OF REVISION | | APPROVAL | DATE 18/06/2008 |
| -1- | | | | | |
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1. SCOPE

- 1.1. This specification covers Transnet Port Terminals requirements for protective coating of iron and steel structures, electrical motors, gear boxes etc. against corrosion and must be read in conjunction with the main specification as well as the following (latest editions):-

| | |
|-----------|--|
| SABS 064 | "Preparation of steel surfaces for coating" |
| SABS 763 | "Hot-dip (galvanized) zinc coatings" |
| SABS 1091 | "National colour standards for paint" |
| BS 5493 | "Code of practice for protective coating of iron and steel structures against corrosion" |

2. TYPES OF CORROSION PROTECTION TO BE USED

- 2.1. The coatings specified in this specification are chosen according to BS 5439, Table 3, part 9, to ensure that the condition of the surface will be at least RE2 on the European scale of degree of rust, after 10 years in a environment of frequent salt spray, chemicals and polluted coastal atmosphere. During the 10 years, the normal maintenance painting will be done.
- 2.2. The paint manufacturer shall guarantee the paint for at least 10 years.
- 2.3. Should a tenderer wish to offer coating systems other than those specified, as an alternative, he shall submit full technical details and a list comparing all appropriate details of the alternatives proposed, with the original specified.
- 2.4. Tenderers must ensure that the different coats they offer in their tenders are compatible with each other.
- 2.5. The coating of proprietary items must be done according to Clause 3.
- 2.6. All galvanized components including bolts and nuts but excluding walkway gratings, must be painted with the specified system, unless otherwise approved.

The following coating systems must be used unless otherwise specified in the main specification:-

| Substrate | Coat No | Generic Description | Approved Brand Products | Dry Film Thickness (µm) |
|------------------|---------|---|---|-------------------------|
| 3CR12 steel | 1 | Surface tolerant epoxy primer | DULUX /SIGMA Sigmacover primer INTERNATIONAL (PLASCON) Intergard 269 STONCOR (CHEMRITE COATINGS) Carboline 193 Primer | 65-75 |
| | 2 | Two component recoatable, polyurethane finish (Gloss) | DULUX / SIGMA Sigmadur gloss INTERNATIONAL (PLASCON) Interthane 990 STONCOR (CHEMRITE COATINGS) Carboline 134 | 65-75 |
| Galvanized Steel | 1 | Surface tolerant epoxy primer | DULUX /SIGMA- Sigmacover primer INTERNATIONAL (PLASCON) Intergard 269 STONCOR (CHEMRITE COATINGS) Carboline 193 Primer | 65-75 |
| | 2 | Two component recoatable, polyurethane finish (Gloss) | DULUX /SIGMA- Sigmadur gloss INTERNATIONAL (PLASCON) Interthane 990 STONCOR (CHEMRITE COATINGS) Carboline 134 | 65-75 |

| Substrate | Coat No | Generic Description | Approved Brand Products | Dry Film Thickness (µm) |
|------------|---------|--|---|-------------------------|
| Mild steel | 1 | Two component self curing inorganic zinc ethyl silicate OR two component zinc rich polyamide cured | DULUX /SIGMA- Sigma MC60 OR Sigma-cover primer | 65-75 |

| | | | |
|---|--|--|---------|
| | epoxy primer | INTERNATIONAL (PLASCON) Interzinc 233 OR Interzinc 52 or 53 | |
| | | STONCOR (CHEMRITE COATINGS) Carbo Zinc 11 OR Carbo-line 658 Primer | |
| 2 | Flexible recoatable high build polyamide cured MIO epoxy | DULUX/SIGMA – Sigmacover CM MIO | 125-150 |
| | | INTERNATIONAL (PLASCON) Interseal 010 MIO | |
| | | STONCOR (CHEMRITE COATINGS) Carboline 190 HB M.I.O. or Carboline 193 M.I.O. | |
| 3 | Two component recoatable, polyurethane finish (Gloss) | DULUX/SIGMA Sigmadur gloss | 65-75 |
| | | INTERNATIONAL (PLASCON) Interthane 990 | |
| | | STONCOR (CHEMRITE COATINGS) Carboline 134 | |

- 2.7. The paint manufacturer's recommendations for the application of the different coating systems, curing time before handling or application of subsequent coats, health and safety recommendations etc. must be carefully adhered to.
- 2.8. Paint contractors must have a quality management system which must be submitted to the Engineer for approval before commencement of the work.
- 2.9. Galvanizing shall be done to SABS 763 heavy duty hot dip galvanizing to a thickness of at least 85µm. Electroplated components in zinc or cadmium are not acceptable.
- 2.10. All mounting bolts, nuts, washers and brackets as well as all fixing bolts, studs nuts and washers shall be of stainless steel. Fixing rivets shall be of either stainless steel or brass.
- 2.11. High tensile bolts for friction grip joints must not be galvanised and must be primed and painted after installation. High tensile bolts must be certified.
- 2.12. The full paint system shall be applied to all surfaces which are to be covered with wear pads, linings etc.
- 2.13. For steelwork which will be transported over long distances and erected on site the two pack epoxy primers is preferred.

3. PROPRIETARY ITEMS

- 3.1. Proprietary items such as gearboxes, motors, brakes etc. must either be painted according to this specification or where the coating system is equal to or exceeds this specification sufficient proof of the coating system applied must be provided. Items which are nearly equal to this specification shall be given a finishing coat according to this specification's thicknesses and final colours and to the following procedure:-
 - 3.1.1. A cross cut test must be done to SABS SM159 to determine if the original coating adheres correctly to the substrate;
 - 3.1.2. The original coating shall be rubbed down to remove any smooth finishing to form a suitable key for the finish coat and any damaged areas prepared and patch primed with a suitable primer;
 - 3.1.3. The item must then be detergent washed to remove any foreign matter, taking care that no dust, solvent etc. contaminates any working part of the item;
 - 3.1.4. A test shall be done on the existing coat to ensure that the finish coat will not react with and cause undue dissolving and lifting of the existing coat. This can be done by applying a small quantity of the finishing coat thinners.
 - 3.1.4.1. Should any undue dissolving or lifting occur, a suitable intermediate or barrier coat must be applied before the finishing coat is applied.
 - 3.1.5. Proprietary items which failed the cross cut test and which generally have inadequate protection shall be dismantled and the full corrosion protection specification applied.

4. SURFACE PREPARATION

- 4.1. All steel surfaces shall be detergent washed and fresh water rinsed to remove all oil, grease and surface contaminants before shot blasting.
- 4.2. Sharp edges shall be radiused and major roughness of welds shall be removed by grinding. Welding spatter and flux shall be removed.
- 4.3. Components manufactured from hot rolled steel sections and steel plate shall be blast cleaned to base metal in accordance with SABS 064 grade SA2½ - very thorough blast cleaning, to remove all mill scale, rust, weld spatter etc.
 - 4.3.1. "Sharp" chilled iron shot, chilled iron grit, or granular abrasive slag is to be used to produce a proper degree of surface roughness.
 - 4.3.2. Blast profile shall be determined by micrometer profile gauge, Keane-Tator surface profile comparator or Testex press-o-film.
 - 4.3.3. The profile height shall be between 40 and 50µm at any point.
- 4.4. Good quality blast cleaning and spray painting equipment shall be used. Air used for spraying and blast cleaning shall be free from all traces of oil, water and salinity. Water and oil traps must be fitted to all equipment.
- 4.5. Wheel abrading equipment shall not be used unless an angular profile the same as clause 4.3.3 is achieved.
- 4.6. When wet blasting is done the primer shall be applied before oxidization starts or surface contamination occurs.
- 4.7. Components manufactured from 3CR12 steel shall be lightly abraded. The components shall then be passivated by using a mixture of 10 - 15% nitric acid in water which is rinsed off after 10 - 15 minutes. The surface shall be neutralized to pH 7 before it is coated.
- 4.8. Hot-dip galvanized components, galvanized bolts and nuts etc. shall be lightly abraded with a galvanizing pre-cleaner. The components shall then be washed with detergent and water and washed down with clean water until a water break free surface is achieved. Allow to dry thoroughly.

5. JOINTS AND MATING SURFACES OF MEMBERS

- 5.1. Mating (faying) surfaces of members which have to be joined by high tensile steel bolts in friction grip shall be cleaned according to Clause 4 and painted with primer only.
 - 5.1.1. After being assembled joints so formed shall be seal welded and painted or after the intermediate coat was applied the edges shall be sealed with an approved brand of paintable flexible sealant or mastic (e.g. Butyl rubber, polyurethane sealer or two component epoxy), by means of a suitable caulking gun.
- 5.2. All rivets, bolts, welds, sharp edges etc. must be covered with a "stripe coat" of the primer or intermediate coat specified to ensure the correct dry film thickness on sharp edges, as well as sealing of bolt threads to head etc.
- 5.3. All other mating surfaces must be sealed with an approved brand of flexible Butyl rubber, paintable Silicone, polyurethane sealer or two component epoxy sealer, and joined while still wet. All excess compounds must be completely removed.

6. PAINTING PROCEDURES

- 6.1. Directly before the application of paint, the area to be painted shall be degreased with a suitable degreaser and left to dry.
- 6.2. Paint shall only be applied under the following conditions:-

- 6.2.1. There is adequate light.
- 6.2.2. The steel temperature is between 5 and 50°C and at least 3°C above the dew point of the air.
- 6.2.3. The relative humidity of the air is between the limits specified by the paint supplier.
- 6.2.4. Wind does not interfere with the method used and sand and dust cannot be blown onto wet paint.
- 6.3. Steelwork shall be supported on trestles, at least 900 mm off the ground for painting purposes.
- 6.4. An adequate number of test readings shall be taken per square meter in order to determine the dry film thickness.
 - 6.4.1. The paintwork shall be acceptable if the average of the test readings taken falls within or exceeds the ranges given.
 - 6.4.2. Paintwork shall not be acceptable if any single test reading is less than the specified minimum thickness.
- 6.5. An ultrasonic or electronic magnetic flux thickness measurement gauge shall be used, but in case of dispute, destructive testing shall be applied. The painted steelwork shall present a clean, neat appearance of uniform colour and gloss as applicable to the paint used. Each coat of paint shall be applied as a continuous, even film of uniform thickness. More than one application of paint may be required to achieve the dry film thicknesses specified or to obliterate the colour of the previous coating.
- 6.6. The use of thinners or solvents at any stage of the work is prohibited, unless specified by the paint manufacturer.
- 6.7. Precautions shall be taken to prevent coatings from being applied to equipment nameplates, instrument glasses, signs etc.

7. COLOUR CODES

Machinery and equipment shall be painted in the following final colours:-

| Area | Colour | Code No. [SABS 1091 and International No's] |
|-------|--|--|
| 7.1.1 | Mobile equipment (cranes, loaders etc.) | |
| | a) Structure, machinery and electrical houses, operator's cabins, chutes, hoppers etc. | Transnet Red RAL 3020 |
| | b) Undercarriage, travel bogies, rubber tyred rims | Transnet Red RAL 3020 |
| 7.1.2 | Industrial buildings, conveyor structures | |
| | a) Roofs and canopies | Pantone cool grey 10 RAL 7037 (Staubgrau) |
| | b) Painted walls | Pantone cool grey 3 RAL 7035 (Lightgrau) or SABS 1091 G62 (Pale grey) |
| | c) Steel columns, rafters, trusses | Pantone cool grey 5 RAL 7004 (Signalgrau) |
| 7.1.3 | General | |
| | a) Guards | Golden yellow SABS 1091-B49 RAL 1003 |
| | b) Sheaves | Orange RAL 2008 |
| | c) Cable reels (Stainless steel) | Orange RAL 2008 |
| | Machine buffers and parts of machine which could constitute a serious hazard | Golden Yellow (High Gloss) with Luminous green stripes in chevron pattern SABS B49 and Luminous green |

| Area | Colour | Code No. [SABS 1091 and International No's] |
|---|-------------------------------------|---|
| e) Any exposed rotating part of machinery, electrical Switch-gear (other than starting and stopping devices and emergency stop control), electrical services e.g. conduit and allied fittings | Light Orange (High Gloss) | SABS 1091 B26 BS 381C-557 |
| f) Low voltage switchgear panels where orange is not aesthetically acceptable | Light grey | SABS 1091-G29 BS 381C-631 |
| g) Medium voltage cable trays, switchgear and motors (3,3 kV and up) | Oxford Blue | SABS FO2 BS 381C-105 RAL5003 |
| h) Starting devices, low voltage cable trays and switchgear | Mid brunswick green (high gloss) | BS 381C-228 SABS1091-EO4 RAL6005 |
| i) Portnet Logo | Transnet White | RAL 3012 |
| j) Parts of stationary machinery (Electrical, motors, gearboxes, brakes, transformers, etc.) | Light Grey | SABS G29 BS 381C-631 |
| k) Hand levers, hand wheels, oiling points, handrails on walkways, ladders | Golden Yellow (High Gloss) | SABS 1091 B49 BS 381C-356 |
| l) Stopping devices, grease points, motor fan covers and danger signs (not symbolic safety signs for which see SABS 1186) | Signal red (High Gloss) | SABS 1091 A11 BS 381C-537 RAL3001 |
| m) Walkways (non slip surfaces) (galvanized gratings not to be painted) | Shop floor green | |
| n) Informatory signs and notices (not symbolic safety signs for which see SABS 1186) | White on Emerald Green (High Gloss) | White on SABS 1091 E14 BS 381C- 228 |

| Area | Colour | Code No. [SABS 1091 and International No's] |
|---------------------------|-----------------------------|---|
| 7.1.4 Pipe lines | | |
| a) Reclaim water piping | Aluminium | |
| b) Slurry pipe lines | Dark admiralty grey | SABS 1091-G12 |
| c) Fire protection piping | Signal red | SABS 1091-A11 |
| d) Washwater drain pipes | Light grey | SABS 1091-G29 |
| e) Instrument air | White with Strong blue band | White and SABS 1091-F11 |
| f) Plant air | White with Flag blue band | White and SABS 1091-FO4 |
| g) Potable water | Grass green | SABS 1091-D14 |

7.1.5 Colour bands for pipes shall be 75 mm wide for pipe sizes up to 150 mm diameter and 100 mm wide for 150 mm and above. The colour bands shall be applied to the pipe flanges, valves, junctions, walls or structures etc. in such a manner that the pipe may be easily identifiable. On straight sections the maximum spacing shall be 100 x the pipe diameter.

8. FIELD TOUCH-UP PAINTING

8.1. Damaged and unpainted areas, fasteners, welds, etc. shall be cleaned by wire brushing with hand tool or power tool in a manner which will minimize damage to sound paint. Grinding will not be allowed. Rust spots shall be cleaned to bright metal. Thick edges of old paint abutting on bare metal surfaces shall be feathered by scraping and sanding.

8.1.1. Where welding is required on areas already coated with the coating system, the coat should be stepped back for ± 30 mm around the weld area.

8.2. The paint shall be applied to match the original coats in accordance with the manufacturer's recommendations for the specific paint system.

Note: Inorganic zinc primers shall not be re-covered with an inorganic primer, but only with an organic zinc primer.

8.3. Areas of damaged galvanizing shall be repaired with an approved cold galvanizing product or metal sprayed by the wire spraying process with Zinc, and then touched up with the specific paint system.

9. GENERAL

9.1. All walkways, floors, maintenance platforms etc. must be painted with a durable, non skid coating of the appropriate colour.

9.2. Exposed machined surfaces must be coated with a strippable corrosion inhibitor (e.g. Tectyl).

9.3. Where different materials will be in contact with each other and galvanic corrosion can occur the contact areas of the materials must be isolated from each other or the joints made water proof to prevent ingress of moisture.

9.4. All components must be designed with corrosion prevention in mind and specifically the following:-

- 9.4.1. No entrapment of dirt, product, moisture etc.
 - 9.4.2. No areas must be inaccessible for maintenance such as too narrow gaps etc.
 - 9.4.3. Large flat areas rather than complicated shapes and profiles.
 - 9.4.4. No sharp corners and discontinuous welds.
- 9.5. Parts of equipment which are exposed to high temperatures must be coated with the following system:-

| Coat No | Generic Description | Approved Brand Products | Dry Film Thickness (µm) |
|---------|---|--|-------------------------|
| 1 | Two component self curing inorganic zinc ethyl silicate | DULUX /SIGMA-Sigma MC60 INTERNATIONAL (PLASCON) Interzinc 233 STONCOR (CHEMRITE COATINGS) Carbo Zinc 11 | 65-75 |
| 2 | Single component high temperature moisture curing silicone with aluminum flakes | DULUX/SIGMA – Sigmatherm Silicate INTERNATIONAL (PLASCON) Intertherm 50 STONCOR (CHEMRITE COATINGS) Carboline 1248 | 40 |

10. MAINTENANCE PAINTING OF STRUCTURES

- 10.1. Areas which are only lightly corroded must be cleaned by means of high pressure water blasting or wire brushing by power tool and the following system applied:-

| Coat No | Generic Description | Approved Brand Products | Dry Film Thickness (µm) |
|---------|---|---|-------------------------|
| 1 | Surface tolerant two pack epoxy primer with aluminum pigments | Dulux/SIGMA Aluprimer STONCOR (CHEMRITE COATINGS) Carbomastic 15 INTERNATIONAL (PLASCON) Intergard 468, | 125-150 |
| 2 | Same as first coat OR micaceous iron oxide (MIO) epoxy | DULUX/SIGMA – Sigmacover CM MIO | 125-150 |

| | | | |
|---|--|--|-------|
| | | INTERNATIONAL (PLASCON) Interseal 010 MIO | |
| | | STONCOR (CHEMRITE COATINGS) Carboline 190 HB M.I.O. or Carboline 193 M.I.O. | |
| 3 | Two component recoatable, polyurethane finish (Gloss) | DULUX/SIGMA Sigmadur gloss | 65-75 |
| | | INTERNATIONAL (PLASCON) Interthane 990 | |
| | | STONCOR (CHEMRITE COATINGS) Carboline 134 | |

10.1.1. Alternatively, the Noxyde paint system can be used, consisting of two to three coats of water based Noxyde paint to achieve a DFT of 350 to 400 microns. Where the Noxyde system is used on areas other than slightly corroded structural areas, the following additional requirements must be observed:

10.1.1.1. Very smooth surfaces (e.g. 3CR12, stainless steel or hot-dip galvanized components, bolts, nuts and fittings, and HT bolts): Parts must be thoroughly degreased using OptiDegreaser, washed down with potable water, and immediately when dry, a single coat of OptiPrimeAqua applied.

10.1.1.2. Paintable flexible sealant/mastic: Only sealant approved by the paint manufacturer may be used, and an initial coat of OptiPrimeAqua applied over it before the further coats of Noxyde are applied.

10.1.1.3. Bolted/rivited connections: After blasting or and/or cleaning as required, apply a coat of OptiPrimeAqua and an additional stripe coat of Noxyde, in contrasting colour, to all bolt/nut and plate edges and crevices.

10.2. The adhesion of old coatings must be verified by doing a cross cut adhesion test on selected areas.

10.3. The compatibility of the new paint system on the old coating must be tested and guaranteed in writing by the paint supplier.

10.4. The work and coating system must be guaranteed for a minimum of 12 months.

10.5. All heavily corroded areas must be shot blasted to minimum SA2 and the three coat system indicated in clause 2.6 applied.

10.6. Areas where the old coating is still sound need only be high pressure cleaned with a suitable solvent and coated with one of the primers suggested in clause 10.2 (as tie coat) and then with one of the top coats suggested in clause 2.6 to get the appropriate colour and finish. The minimum dry film thickness of this tie coat must be 75 microns and top coat must be 50 microns, but the previous coating colour shall be completely obliterated to present a uniform colour.

Note: Inorganic zinc primers shall not be re-covered with an inorganic primer, but only with an organic zinc primer.

- 10.7. Repairs to the insides of all the enclosed sections of the booms as well as the insides of the crane legs, sill beams, cross beams, pylon cross bracing members etc. shall be done as above but the top coat need not be applied.

***** END OF SPECIFICATION HE 9/2/8 [Version 17] *****



MASTER AGREEMENT

entered into by and between

TRANSNET SOC LTD

and

.....

THE PROVISION FOR THE SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF MOTOR VARIABLE DRIVEN CABLE REEL SYSTEMS FOR A-CHARGER AND B-CHARGER FOR TRANSNET PORT TERMINALS, PORT ELIZABETH MULTI-PURPOSE TERMINAL AS A ONCE-OFF PURCHASE

| | |
|--------------------------|------------------------|
| Agreement Number | iCLM PE 651/TPT |
| Commencement Date | |
| Expiry Date | |

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Agreement between Transnet and
For the supply, delivery, installation and commissioning of motor variable driven cable reel systems for A-charger and B-charger for Port Elizabeth multi-purpose terminal as a once-off purchase

| | | |
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SCHEDULE 1 – SCHEDULE OF REQUIREMENTS (Annexure BB)

DRAFT

1 INTRODUCTION

This Agreement is entered into by and between:

Transnet SOC Ltd [Registration Number 1990/000900/30] whose registered address is **202 Anton Lembede Street, Durban, 4000**, Republic of South Africa [**Transnet**]

and

..... [Registration Number] whose registered address is
..... [**the Supplier/Service Provider**].

NOW THEREFORE, IT IS AGREED:

- 1.1 Transnet hereby appoints the Supplier/Service Provider to provide, and Transnet undertakes to accept the supply of Goods / provision of Services provided for herein, as formally agreed between the Parties and in accordance with the Schedule of Requirements / Work Orders issued as a schedule to this Agreement; and
- 1.2 the Supplier/Service Provider hereby undertakes to provide the Goods/Services provided for herein, as formally agreed between the Parties and in accordance with the Schedule of Requirements issued as a schedule to this Agreement.

2 DEFINITIONS

Where the following words or phrases are used in this Agreement, such words or phrases shall have the meaning assigned thereto in this clause, except where the context clearly requires otherwise:

- 2.1 **AFSA** means the Arbitration Foundation of South Africa;
- 2.2 **Agreement** means this Agreement and its associated schedules and/or annexures and/or appendices, and/or schedules, including the Schedule of Requirements/Work Orders, the technical specifications for the Goods/Services and such special conditions as shall apply to this Agreement, together with the General Tender Conditions and any additional provisions in the associated bid documents tendered by the Supplier/Service Provider [as agreed, in writing, between the Parties], which collectively and exclusively govern the supply of Goods / provision of Services and provision of ancillary Services by the Supplier/Service Provider to Transnet;
- 2.3 **Assignment** refers to the transfer of rights and obligations in a contract from an assigner to an assignee.
- 2.4 **Background Intellectual Property** means all Intellectual Property introduced and required by either Party to give effect to their obligations under this Agreement owned in whole or in part by or licensed to either Party or their affiliates prior to the Commencement Date or developed after the Commencement Date otherwise pursuant to this Agreement;
- 2.5 **Business Day(s)** means Mondays to Fridays between 07:30 and 16:00, excluding public holidays as proclaimed in South Africa;
- 2.6 **Cession** refers to the transfer of only the rights a service provider has in terms of a contract from it to a third party.

- 2.7 **Commencement Date** means, notwithstanding the signature date of this Agreement;
- 2.8 **Confidential Information** means any information or other data, whether in written, oral, graphic or in any other form such as in documents, papers, memoranda, correspondence, notebooks, reports, drawings, diagrams, discs, articles, samples, test results, prototypes, designs, plans, formulae, patents, or inventor's certificates, which a Party discloses or provides to the other Party [intentionally or unintentionally, or as a result of one Party permitting the representative of the other Party to visit any of its premises], or which otherwise becomes known to a Party, and which is not in the public domain and includes, without limiting the generality of the term:
- a) information relating to methods of operation, data and plans of the disclosing Party;
 - b) the contents of this Agreement;
 - c) private and personal details of employees or clients of the disclosing Party or any other person where an onus rests on the disclosing Party to maintain the confidentiality of such information;
 - d) any information disclosed by either Party and which is clearly marked as being confidential or secret;
 - e) information relating to the strategic objectives and planning of the disclosing Party relating to its existing and planned future business activities;
 - f) information relating to the past, present and future research and development of the disclosing Party;
 - g) information relating to the business activities, business relationships, products, services, customers, clients and Subcontractors of the disclosing Party where an onus rests on the disclosing Party to maintain the confidentiality of such information;
 - h) information contained in the software and associated material and documentation belonging to the disclosing Party;
 - i) technical and scientific information, Know-How and trade secrets of a disclosing Party including inventions, applications and processes;
 - j) Copyright works;
 - k) commercial, financial and marketing information;
 - l) data concerning architecture, demonstrations, tools and techniques, processes, machinery and equipment of the disclosing Party;
 - m) plans, designs, concepts, drawings, functional and technical requirements and specifications of the disclosing Party;
 - n) information concerning faults or defects in Goods, equipment, hardware or software or the incidence of such faults or defects; and
 - o) information concerning the charges, fees and/or costs of the disclosing Party or its authorised Subcontractors, or their methods, practices or service performance levels actually achieved;
- 2.9 **Copyright** means the right in expressions, procedures, methods of operations or mathematical concepts, computer program codes, compilations of data or other material, literary works, musical works, artistic works, sound recordings, broadcasts, program carrying signals, published editions,

photographic works, or cinematographic works of the copyright owner to do or to authorise the doing of certain acts specified in respect of the different categories of works;

- 2.10 **Data** means all data, databases, documents, information, graphics, text or other material in an electronic or tangible medium which the Parties to this Agreement generate, collect, process, store or transmit in relation to their business;
- 2.11 **Designs** mean registered Designs and/or Design applications and will include the monopoly right granted for the protection of an independently created industrial design including designs dictated essentially by technical or functional considerations as well as topographies of integrated circuits and integrated circuits;
- 2.12 **Expiry Date** means ;
- 2.13 **Foreground Intellectual Property** means all Intellectual Property developed by either Party pursuant to this Agreement;
- 2.14 **Goods** means the supply of motor variable driven cable reel systems for A-charger and B-charger for Port Elizabeth multi-purpose terminal as a once-off purchase, the material / products specified in the Schedule of Requirements appended as Schedule 1 hereto;
- 2.15 **ICC Incoterms** means the the latest version of commercial trade terms as published by the International Chamber of Commerce, Paris [ICC], which are otherwise referred to as purchase terms and which define precisely the responsibilities, costs and risks of the buyer [**Transnet**] and the seller [**the Supplier**]. Incoterms are only applicable to contracts involving the import or export of Goods from one country to another and for the purpose of this Agreement, if applicable, shall mean the designated Incoterm as stipulated in Schedule 1 hereto. Further details of the Incoterm [purchase terms] for this Agreement, if applicable, can be viewed at the International Business Training website - <http://www.i-b-t.net/incoterms.html>;
- 2.16 **Intellectual Property** means Patents, Designs, Know-How, Copyright and Trade Marks and all rights having equivalent or similar effect which may exist anywhere in the world and includes all future additions and improvements to the Intellectual Property;
- 2.17 **Know-How** means all Confidential Information of whatever nature relating to the Intellectual Property and its exploitation as well as all other Confidential Information generally relating to Transnet's field of technology, including technical information, processing or manufacturing techniques, Designs, specifications, formulae, systems, processes, information concerning materials and marketing and business information in general;
- 2.18 **Parties** mean the Parties to this Agreement together with their subsidiaries, divisions, business units, successors-in-title and assigns;
- 2.19 **Party** means either one of these Parties;
- 2.20 **Patents** mean registered Patents and Patent applications, once the latter have proceeded to grant, and includes a right granted for any inventions, products or processes in all fields of technology;
- 2.21 **Permitted Purpose** means any activity or process to be undertaken or supervised by a Staff member of one Party during the term of this Agreement, for which purpose authorised disclosure of the other Party's Confidential Information or Intellectual Property is a prerequisite in order to enable such activity or process to be accomplished;

- 2.22 **Price(s)** means the agreed Price(s) for the Goods/Services to be purchased from the Supplier/Service Provider by Transnet, as detailed in the Schedule of Requirements, issued in accordance with this Agreement, as amended by mutual agreement between the Parties and in accordance with the terms and conditions in this Agreement from time to time;
- 2.23 **Purchase Order(s)** means official orders issued by an operating division of Transnet to the Supplier/Service Provider for the supply of Goods or Services;
- 2.24 **Service(s)** means the delivery, installation and commissioning of motor variable driven cable reel systems for A-charger and B-charger for Port Elizabeth multi-purpose terminal as a once-off purchase the Service(s) provided to Transnet by the Service Provider, pursuant to the Work Order(s) in terms of this Agreement;
- 2.25 **Service Provider Materials** means all works of authorship, products and materials [including, but not limited to, data, diagrams, charts, reports, specifications, studies, inventions, software, software development tools, methodologies, ideas, methods, processes, concepts and techniques] owned by, or licensed to, the Service Provider prior to the Commencement Date or independently developed by the Service Provider outside the scope of this Agreement at no expense to Transnet, and used by the Service Provider in the performance of the Services;
- 2.26 **Staff** means any partner, employee, agent, consultant, independent associate or contractor, Subcontractor and the staff of such Subcontractor, or other authorised representative of either Party;
- 2.27 **Schedule of Requirements** means Schedule 1 hereto;
- 2.28 **Subcontract** means any contract or agreement or proposed contract or agreement between the Supplier/Service Provider and any third party whereby that third party agrees to provide to the Supplier the Goods or related Services or any part thereof or material used in the manufacture of the Goods or any part thereof;
- 2.29 **Subcontractor** means the third party with whom the Supplier/Service Provider enters into a Subcontract;
- 2.30 **Tax Invoice** means the document as required by Section 20 of the VAT Act, as may be amended from time to time;
- 2.31 **Trade Marks** mean registered Trade Marks and Trade Mark applications and include any sign or logo, or combination of signs and/or logos capable of distinguishing the goods or services of one undertaking from those of another undertaking;
- 2.32 **VAT** means Value-Added Tax chargeable in terms of the VAT Act, 89 of 1991, as may be amended from time to time; and
- 2.33 **VAT Act** means the Value Added Tax Act, No 89 of 1991, as may be amended from time to time.

3 INTERPRETATION

- 3.1 Clause headings in this Agreement are included for ease of reference only and do not form part of this Agreement for the purposes of interpretation or for any other purpose. No provision shall be construed against or interpreted to the disadvantage of either Party hereto by reason of such Party having or being deemed to have structured or drafted such provision.

- 3.2 Any term, word or phrase used in this Agreement, other than those defined under the clause heading "*Definitions*" shall be given its plain English meaning, and those terms, words, acronyms, and phrases used in this Agreement will be interpreted in accordance with the generally accepted meanings accorded thereto.
- 3.3 A reference to the singular incorporates a reference to the plural and *vice versa*.
- 3.4 A reference to natural persons incorporates a reference to legal persons and *vice versa*.
- 3.5 A reference to a particular gender incorporates a reference to the other gender.

4 NATURE AND SCOPE

- 4.1 This Agreement is an agreement under the terms and conditions of which the Supplier/Service Provider will arrange for the supply/provision to Transnet of the Goods/Services which meet the requirements and specifications of Transnet, the delivery of which is controlled by means of Purchase Orders to be issued by Transnet and executed by the Supplier/Service Provider in accordance with this Agreement.
- 4.2 Such Purchase Orders and deliveries to Transnet shall be agreed between the Parties from time to time, subject to the terms of the Schedule of Requirements/Work Order.
- 4.3 Each properly executed Purchase Order forms an inseparable part of this Agreement as if it were fully incorporated into the body of this Agreement.
- 4.4 During the period of this Agreement, both Parties can make written suggestions for amendments to the Schedule of Requirements/Work Orders in accordance with procedures set out in clause 39 [*Amendment and Change Control*]. A Party will advise the other Party within 14 [fourteen] Business Days, or such other period as mutually agreed, whether the amendment is acceptable.
- 4.5 Insofar as any term, provision or condition in the Schedule of Requirements/Work Order conflicts with a like term, provision or condition in this Agreement and/or a Purchase Order, the term or provision or condition in this Master Agreement shall prevail, unless such term or provision or condition in this Master Agreement has been specifically revoked or amended by mutual written agreement between the Parties.
- 4.6 Time will be of the essence and the Supplier/Service Provider will perform its obligations under this Agreement in accordance with the timeframe(s) [if any] set out in the relevant schedule, save that the Supplier/Service Provider will not be liable under this clause if it is unable to meet such obligation within the time required as a direct result of any act or omission by Transnet and it has used its best endeavours to advise Transnet of such act or omission. In the event of such delay, any time deadlines detailed in the relevant schedule shall be extended by a period equal to the period of that delay.

5 AUTHORITY OF PARTIES

- 5.1 Nothing in this Agreement will constitute or be deemed to constitute a partnership between the Parties, or constitute or be deemed to constitute the Parties as agents or employees of one another for any purpose or in any form whatsoever.
- 5.2 Neither Party shall be entitled to, or have the power or authority to:
 - a) enter into an agreement in the name of the other; or

- b) give any warranty, representation or undertaking on the other's behalf; or
- c) create any liability against the other or bind the other's credit in any way or for any purpose whatsoever.

6 DURATION/TERM AND CANCELLATION

- 6.1 Notwithstanding the date of signature hereof, the Commencement Date if this Agreement is and the duration shall be for a [.....] year period, expiring on, unless:
- a) this Agreement is terminated by either Party in accordance with the provisions incorporated herein or in any schedules or annexures appended hereto, or otherwise in accordance with law or equity; or
 - b) this Agreement is extended at Transnet's option for a further period to be agreed by the Parties; or
 - c) the allocated maximum agreement value is depleted before the agreement expiry date.
- 6.2 Notwithstanding clause 26 [*Breach and Termination*], either Party may cancel this Agreement without cause by giving 30 [thirty] calendar days prior written notice thereof to the other Party, provided that in such instance, this Agreement will nevertheless be applicable in respect of all Purchase Orders which have been placed prior to the date of such cancellation.

7 RISK MANAGEMENT

- 7.1 Where Transnet determines appropriate, within 2 weeks from the date of contract signature, the Parties are to meet to prepare and maintain a contract Risk Register. The Risk Register shall include a description of the risks and a description of the actions which are to be taken to avoid or reduce these risks which both Parties shall jointly determine.
- 7.2 Contract progress meetings shall be held monthly, or unless otherwise agreed between the Parties in writing. The purposes of these progress meetings shall be to capture the number of late deliverables against agreed milestones, actual costs against payment plans, performance issues or concerns, contract requirements not achieved, the status of previous corrective actions and risk management. Minutes of meetings shall be maintained and signed off between the Parties throughout the contract period

8 TRANSNET'S OBLIGATIONS

- 8.1 Transnet undertakes to promptly comply with any reasonable request by the Supplier/Service Provider for information, including information concerning Transnet's operations and activities, that relates to the Goods/Services as may be necessary for the Supplier/Service Provider to provide the Goods/Services, but for no other purpose. However, Transnet's compliance with any request for information is subject to any internal security rules and requirements and subject to the observance by the Supplier/Service Provider of its confidentiality obligations under this Agreement.
- 8.2 The Supplier/Service Provider shall give Transnet reasonable notice of any information it requires.
- 8.3 Transnet agrees to provide the Supplier/Service Provider or its Personnel such access to and use of its facilities as is necessary to allow the Supplier/Service Provider to perform its obligations under this Agreement.

9 GENERAL OBLIGATIONS OF THE SUPPLIER/SERVICE PROVIDER

9.1 The Supplier/Service Provider shall:

- a) respond promptly to all complaints and enquiries from Transnet;
- b) inform Transnet immediately of any dispute or complaint arising in relation to the storage or delivery of the Goods;
- c) conduct its business in a professional manner which will reflect positively upon the Supplier/Service Provider and the Supplier's/Service Provider's products/services;
- d) keep full records clearly indicating all transactions concluded by the Supplier/Service Provider relating to the delivery of the Goods/Services and keep such records for at least 5 [five] years from the date of each such transaction;
- e) obtain, and at all times maintain in full force and effect, any and all licences, permits and the like required under applicable laws for the provision of the Goods/Services and ancillary Services and the conduct of the business and activities of the Supplier/Service Provider;
- f) observe and ensure compliance with all requirements and obligations as set out in the labour and related legislation of South Africa, including the Occupational Health and Safety Act, 85 of 1993 Compensation of Injuries on Duty Act , as may be amended from time to time;
- g) observe and ensure compliance with all requirements and objectives of the Transnet Supplier Integrity Pact as agreed to in response to the RFP. The general purpose of the Supplier Integrity Pact is to agree to avoid all forms of dishonesty, fraud and corruption by following a system that is fair, transparent and free from any undue influence prior to, during and subsequent to the currency of the procurement event leading to this Agreement and this Agreement itself;
- h) comply with all applicable environmental legislation and regulations, demonstrate sound environmental performance and have an environmental management policy which ensures that its products, including the Goods/Services or ancillary Services are procured, produced, packaged, delivered and are capable of being used and ultimately disposed of in a way that is environmentally appropriate; and
- i) ensure the validity of all renewable certifications, including but not limited to its B-BBEE Verification Certificate, throughout the entire term of this Agreement. Should the Supplier/Service Provider fail to present Transnet with such renewals as they become due, Transnet shall be entitled, in addition to any other rights and remedies that it may have in terms of the Agreement, to terminate this Agreement forthwith without any liability and without prejudice to any claims which Transnet may have for damages against the Supplier/Service Provider.

9.2 The Supplier/Service Provider acknowledges and agrees that it shall at all times:

- a) render the supply of the Goods/Services and ancillary Services (if applicable) and perform all its duties with honesty and integrity;
- b) communicate openly and honestly with Transnet regarding the supply and performance of the Goods/Services and demonstrate a commitment to effecting the supply and performing ancillary Services timeously, efficiently and at least to the required standards;

- c) endeavour to provide the highest possible standards of service and workmanship, with a reasonable degree of care and diligence;
- d) use its best endeavours and make every diligent effort to meet agreed deadlines;
- e) treat its own Staff, as well as all Transnet's Staff, with fairness and courtesy and respect for their human rights;
- f) practice and promote its own internal policies aimed at prohibiting and preventing unfair discrimination;
- g) treat all enquiries from Transnet in connection with the supply of the Goods/Services and/or ancillary Services with courtesy and respond to all enquiries promptly and efficiently. Where the Supplier/Service Provider is unable to comply with the provisions of this clause, the Supplier/Service Provider will advise Transnet of the delay and the reasons therefor and will keep Transnet informed of progress made regarding the enquiry;
- h) when requested by Transnet, provide clear and accurate information regarding the Supplier's/Service Provider's own policies and procedures, excluding Know-How and other Confidential Information, except where a non-disclosure undertaking has been entered into between the Parties;
- i) not allow a conflict of interest to develop between its own interests [or the interests of any of its other customers] and the interests of Transnet;
- j) not accept or offer, nor allow, induce or promote the acceptance or offering of any gratuity, enticement, incentive or gift that could reasonably be regarded as bribery or an attempt to otherwise exert undue influence over the recipient;
- k) not mislead Transnet or its officers, employees and stakeholders, whether by act or omission;
- l) not otherwise act in an unethical manner or do anything which could reasonably be expected to damage or tarnish Transnet's reputation or business image;
- m) immediately report to Transnet any unethical, fraudulent or otherwise unlawful conduct of which it becomes aware in connection with Transnet or the supply of Goods/Services or ancillary Services to Transnet;
- n) ensure that at all times, during the currency of this Agreement, it complies with all obligations and commitments in terms of the provisions of the Income Tax Act, No 58 of 1962, the VAT Act or any other tax legislation relating to their liability for Income Tax, VAT, Pay as You Earn or any other tax. The Supplier/Service Provider shall further ensure Tax Clearance Compliance, for the duration of this Agreement;
- o) not victimise, harass or discriminate against any employee of either Party to this Agreement or any applicant for employment with either Party to this Agreement due to their gender, race, disability, age, religious belief, sexual orientation or part-time status. This provision applies, but is not limited to employment, upgrading, work environment, demotion, transfer, recruitment, recruitment advertising, termination of employment, rates of pay or other forms of compensation and selection for training.
- p) shall ensure that its employees, agents and Subcontractors will not breach any applicable discrimination legislation and any amendments and re-enactments thereof.

- 9.3 In compliance with the National Railway Safety Regulator Act, 16 of 2002, as may be amended from time to time, the Supplier shall ensure that the Goods/Services and ancillary Services, to be supplied to Transnet under the terms and conditions of this Agreement, comply fully with the Specifications as set forth in Schedule 1 hereto, and shall thereby adhere [as applicable] to railway safety requirements and/or regulations. Permission for the engagement of a Subcontractor by the Supplier, as applicable, shall be subject to a review of the capability of the proposed Subcontractor to comply with the specified railway safety requirements and/or regulations. The Supplier and/or its Subcontractor shall grant Transnet access, during the term of this Agreement, to review any safety-related activities, including the coordination of such activities across all parts of its organisation.

10 SERVICE PROVIDER'S PERSONNEL

- 10.1 The Service Provider's Personnel shall be regarded at all times as employees, agents or Subcontractors of the Service Provider and no relationship of employer and employee shall arise between Transnet and any Service Provider Personnel under any circumstances regardless of the degree of supervision that may be exercised over the Personnel by Transnet.
- 10.2 The Service Provider warrants that all its Personnel will be entitled to work in South Africa or any other country in which the Services are to be performed.
- 10.3 The Service Provider will ensure that its Personnel comply with all reasonable requirements made known to the Service Provider by Transnet concerning conduct at any Transnet premises or any other premises upon which the Services are to be performed [including but not limited to security regulations, policy standards and codes of practice and health and safety requirements]. The Service Provider will ensure that such Personnel at all times act in a lawful and proper manner in accordance with these requirements.
- 10.4 Transnet reserves the right to refuse to admit or to remove from any premises occupied by or on behalf of it, any Service Provider Personnel whose admission or presence would, in the reasonable opinion of Transnet, be undesirable or who represents a threat to confidentiality or security or whose presence would be in breach of any rules and regulations governing Transnet's Personnel, provided that Transnet notifies the Service Provider of any such refusal [with reasons why]. The reasonable exclusion of any such individual from such premises shall not relieve the Service Provider from the performance of its obligations under this Agreement.
- 10.5 The Service Provider agrees to use all reasonable endeavours to ensure the continuity of its Personnel assigned to perform the Services. If any re-assignment by the Service Provider of those Personnel is necessary, or if Transnet advises that any such Personnel assigned are in any respect unsatisfactory, including where any such Personnel are, or are expected to be or have been absent for any period, then the Service Provider will promptly supply a replacement of equivalent calibre and experience, and any such replacement shall be approved by Transnet prior to commencing provision of the Services, such approval not to be unreasonably withheld or delayed.

11 SUBCONTRACTING

- 11.1 The Supplier/Service Provider may only enter into a subcontracting arrangement or replace a subcontractor with the approval of Transnet.
- 11.2 If the Supplier/Service Provider subcontracts a portion of the contract to another person without declaring it to Transnet reserves the right to penalise the Supplier/Service Provider up to 10% of the value of the contract.
- 11.3 Where the Supplier/Service Provider seeks to replace a subcontractor Transnet shall be entitled to obtain representations or input from the initial subcontractor who was part of the tender process whose credentials were used in the Supplier/Service Provider's tender submission. Transnet shall consider input from all parties concerned, in order to take a decision on the proposed replacement of the subcontractor. The subcontracting arrangement or contract remains between the Supplier/Service Provider (main contractor) and the subcontractor.
- 11.4 Should Transnet approve the Supplier's/Service Provider's subcontracting arrangement, the Supplier/Service Provider and not the Sub-contractor will at all times be held liable for performance in terms of its contractual obligations.
- 11.5 The Supplier/Service Provider may not subcontract in such a manner that the the overall value of the contract is reduced to below the stipulated minimum threshold.
- 11.6 The Supplier/Service Provider may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the Supplier/Service Provider, unless the contract is subcontracted to an Exempted Micro Enterprise (EME) that has the capability and ability to execute the Subcontract.

12 PAYMENT TO SUB-CONTRACTORS

- 12.1 Transnet reserves the right, in its sole discretion, to make payment directly to the sub-contractor of the Supplier/Service Provider, subject to the following conditions:
 - a) Receipt of an undisputed invoice from the sub-contractor; and
 - b) Receipt of written confirmation from the Supplier/Service Provider that the amounts claimed by the sub-contractor are correct and that the services for which the sub-contractor has requested payment were rendered to the satisfaction of the Supplier/Service Provider, against the required standards.
- 12.2 Nothing contained in this clause must be interpreted as bestowing on any sub-contractor a right or legitimate expectation to be paid directly by Transnet. Furthermore, this clause does not bestow any right or legitimate expectation on the Supplier/Service provider to demand that Transnet pay its sub-contractor directly. The decision to pay any sub-contractor directly, remains that of Transnet alone.
- 12.3 The Supplier/Service Provider remains liable for its contractual obligations under the Agreement, including all services rendered by the sub-contractor.
- 12.4 This clause does not establish any contractual relationship between Transnet and any sub-contractor of the Supplier/Service Provider, whatsoever.

13 B-BBEE AND SOCIO-ECONOMIC OBLIGATIONS

13.1 B-BBEE Scorecard

- a) Transnet fully endorses and supports the Broad-Based Black Economic Empowerment Programme and is strongly of the opinion that all South African business enterprises have an equal obligation to redress the imbalances of the past.
- b) In response to this requirement, the Supplier/Service Provider shall submit to Transnet's Contract Manager or such other designated person details of its B-BBEE status in terms of the latest Codes of Good Practice issued in terms of the B-BBEE Act and proof thereof at the beginning of March each year during the currency of this Agreement.
- c) The Supplier/Service Provider undertakes to notify and provide full details to Transnet in the event there is:
 - (i) a change in the Supplier's/Service Provider's B-BBEE status which is less than what it was at the time of its appointment including the impact thereof; and
 - (ii) a corporate or internal restructure or change in control of the Supplier/Service Provider which has or likely to impact negatively on the Supplier's/ Service Provider's B-BBEE status.
- d) Notwithstanding any other reporting requirement in terms hereof, the Supplier Service Provider undertakes to provide any B-BBEE data (underlying data relating to the Supplier /Service Provider which has been relied upon or utilised by a verification agency or auditor for the purposes of issuing a verification certificate in respect of the Supplier/Service Provider B-BBEE status) which Transnet may request on written notice within 30 (thirty) calendar days of such request. A failure to provide such data shall constitute a Supplier/ Service Provider Default and may be dealt with in accordance with the provisions of clause 26.9.
- e) In the event there is a change in the Supplier's/ Service Provider's B-BBEE status, then the provisions of clause 26.9 shall apply.

14 PENALTIES

14.1 Penalties for Non-compliance to Delivery Lead Time

Where the Supplier/Service Provider fails to deliver the Goods/Services within the agreed and accepted milestone timelines and provided that the cause of the delay was not due to a fault of Transnet, penalties shall be imposed at 0.1% of the contract value per day until the work is completed.

15 FEES AND EXPENSES RELATING TO SERVICES

- 15.1 In consideration of the provision of the Services, Transnet will pay to the Service Provider the Fees detailed in the relevant schedule or Work Order.
- 15.2 Transnet will not be invoiced for materials used in the provision of the Services save for those materials [if any] set out in the Work Order and accepted by Transnet or in any relevant Work Order [which will be invoiced to Transnet at cost].
- 15.3 Unless otherwise agreed in a schedule or Work Order, Transnet will reimburse to the Service Provider all reasonable and proper expenses incurred directly and solely in connection with the provision of the Services, provided that all such expenses:

- a) are agreed by Transnet in advance;
- b) are incurred in accordance with Transnet's standard travel and expenses policies;
- c) are passed on to Transnet at cost with no administration fee; and
- d) will only be reimbursed if supported by relevant receipts.

15.4 All Tax Invoices relating to Fees, out of pocket expenses and, if applicable, travel and accommodation costs, will provide the detail for each of the Personnel carrying out the Services and incurring the expenses, and the Tax Invoice will, where appropriate, include VAT as a separate item.

16 INVOICES AND PAYMENT

- 16.1 Transnet shall pay the Supplier/Service Provider the amounts stipulated in each Purchase Order/Work Order, subject to the terms and conditions of this Agreement.
- 16.2 Transnet shall pay such amounts to the Supplier/Service Provider upon receipt of a valid and undisputed Tax Invoice together with the supporting documentation, as specified in the Schedule of Requirements appended hereto, once the valid and undisputed Tax Invoices or such portions of the Tax Invoices which are valid and undisputed become due and payable to the Supplier/Service Provider for the delivery of the Goods/Services ordered, in terms of clause 16.5 below.
- 16.3 Transnet may, pending an investigation, withhold any payments to the Supplier/Service Provider, in the case where irregular expenditure has been identified in the particular contract and that there is reasonable suspicion that the Supplier/Service Provider is involved or was aware that the contract transgressed any legislation.
- 16.4 All Prices set out in this Agreement and the Schedule of Requirements hereto are to be indicated inclusive and exclusive of VAT, which will be payable at the applicable rate in ZAR.
- 16.5 Unless otherwise provided for in the Schedule of Requirements appended to this Agreement, Tax Invoices shall be submitted together with a month-end statement. Payment against such month-end statement shall be made by Transnet within 30 [thirty] calendar days after date of receipt by Transnet of the Supplier's/Service Provider's statement together with the relevant valid and undisputed Tax Invoice(s) and supporting documentation.
- 16.6 Where the payment of any Tax Invoice, or any part of a Tax Invoice which is not in dispute, is not made in accordance with this clause, the Supplier/Service Provider shall be entitled to charge interest on the outstanding amount, at The Standard Bank of South Africa's prime rate of interest in force, for the period from the due date of payment until the outstanding amount is paid.
- 16.7 The Supplier/Service Provider shall remain the owner of all plant, material, machinery, equipment and the like [collectively, **the Supplier's Goods**] provided to Transnet until Transnet has paid in full for the Supplier's Goods, it being specifically agreed that Transnet shall acquire no rights [including liens] of whatsoever nature in such Supplier's Goods until date of final payment by Transnet. Subject to the foregoing, all risk and benefit to the Supplier's Goods shall pass from the Supplier to Transnet on delivery of the Supplier's Goods by the Supplier to Transnet.

17 PRICE ADJUSTMENTS

- 17.1 Prices for Goods/Services supplied in terms of this Agreement shall not be subject to review as indicated in the Schedule of Requirements annexed hereto.

18 WARRANTIES APPLICABLE TO GOODS

The Supplier warrants that:

- 18.1 pursuant to clause 9.3 [General Obligations of the Supplier], the Goods will be manufactured in accordance with the specifications appended hereto at Schedule 1, or the manufacturer's specifications, as agreed in writing by both Parties;
- 18.2 the execution and performance of this Agreement by the Supplier does not infringe any rights of a third party or breach any obligation of the Supplier to any third party; and
- 18.3 it has taken all reasonable precautions to ensure that, in the event of a disaster, the impact of such disaster on the ability of the Supplier to comply with its obligations under this Agreement will be reduced to the greatest extent possible, and that the Supplier shall ensure that it has appropriate, tested and documented recovery arrangements in place.

19 WARRANTIES APPLICABLE TO SERVICES

19.1 The Service Provider warrants to Transnet that:

- a) it has full capacity and authority to enter into and to perform this Agreement and that this Agreement is executed by a duly authorised representatives of the Service Provider;
- b) it will discharge its obligations under this Agreement and any annexure, appendix or schedule hereto with all due skill, care and diligence;
- c) it will be solely responsible for the payment of remuneration and associated benefits, if any, of its Personnel and for withholding and remitting income tax for its Personnel in conformance with any applicable laws and regulations;
- d) it will procure licences for Transnet in respect of all Third Party Material detailed in the Work Order(s), and will procure the right for Transnet to take such copies [in whole or in part] of such Third Party Materials as it may reasonably require for the purposes of back-up for archiving and disaster recovery; and
- e) the use or possession by Transnet of any Materials will not subject Transnet to any claim for infringement of any Intellectual Property Rights of any third party.

19.2 The Service Provider warrants that it will perform its obligations under this Agreement in accordance with the Service Levels as defined in the relevant schedule. Transnet may at its discretion audit compliance with the Service Levels, provided that any such audit is carried out with reasonable prior notice and in a reasonable way so as not to have an adverse effect on the performance of the Services. Without prejudice to clause 19.3 below, in the event that the Service Provider fails to meet the Service Levels, Transnet may claim appropriate service credits or invoke a retention of Fees as detailed in the relevant schedule and/or Work Order.

19.3 The Service Provider warrants that for a period of 90 [ninety] calendar days from Acceptance of the Deliverables they will, if properly used, conform in all material respects with the requirements set out in the relevant schedule. The Service Provider will at its expense remedy any such non-

conformance as soon as possible but in any event within 30 [thirty] calendar days of notification by Transnet. In the event that the Service Provider fails or is unable to remedy such non-conformance within such time-scale, Transnet will be entitled to employ a third party to do so in place of the Service Provider and any excess charges or costs incurred by Transnet as a result shall be paid by the Service Provider.

- 19.4 The Service Provider will remedy any defect within 30 [thirty] calendar days of being notified of that defect by Transnet in writing.
- 19.5 The Service Provider will not be liable to remedy any problem arising from or caused by any modification made by Transnet to the Deliverables, or any part thereof, without the prior approval of the Service Provider.
- 19.6 The Service Provider shall advise Transnet of the effects of any steps proposed by Transnet pursuant to clause 19.5 above, including but not limited to any cost implications or any disruption or delay in the performance of the Services. The Parties agree that any changes to the Services, including the charges for the Services or any timetables for delivery of the Services, will be agreed in accordance with the change control procedure, as set out in clause 39.2 [*Amendment and Change Control*].
- 19.7 The Service Provider warrants that:
- a) it has, using the most up-to-date software available, tested for [and deleted] all commonly known viruses in the Materials and for all viruses known by the Service Provider at the date of the relevant Work Order; and
 - b) at the time of delivery to Transnet, the Materials do not contain any trojan horse, worm, logic bomb, time bomb, back door, trap door, keys or other harmful components.
- The Service Provider agrees that, in the event that a virus is found, it will at its own expense use its best endeavours to assist Transnet in reducing the effect of the virus and, particularly in the event that a virus causes loss of operational efficiency or loss of data, to assist Transnet to the same extent to mitigate such losses and to restore Transnet to its original operating efficiency.
- 19.8 The Service Provider undertakes to comply with South Africa's general privacy protection in terms of Section 14 of the Bill of Rights in connection with this Agreement and shall procure that its Personnel shall observe the provisions of Section 14 [as applicable] or any amendments and re-enactments thereof and any regulations made pursuant thereto.
- 19.9 The Service Provider warrants that it has taken all reasonable precautions to ensure that, in the event of a disaster, the impact of such disaster on the ability of the Service Provider to comply with its obligations under this Agreement will be reduced to the greatest extent possible, and that the Service Provider shall ensure that it has appropriate, tested and documented recovery arrangements in place.
- 19.10 In compliance with the National Railway Safety Regulator Act, 16 of 2002, the Service Provider shall ensure that the Services, to be supplied to Transnet under the terms and conditions of this Agreement, comply fully with the specifications as set forth in Schedule 1 hereto, and shall thereby adhere [as applicable] to railway safety requirements and/or regulations. Permission for the engagement of a Subcontractor by the Service Provider [as applicable] shall be subject to a review of the capability of the proposed Subcontractor to comply with the specified railway safety requirements and/or regulations. The Service Provider and/or its Subcontractor shall grant Transnet

access, during the term of this Agreement, to review any safety-related activities, including the coordination of such activities across all parts of its organisation.

20 THIRD PARTY INDEMNITY

The Supplier/Service Provider hereby indemnifies and shall hold Transnet harmless against any direct damages suffered by or claims arising against Transnet in respect of clause 18.2 above.

21 INSPECTION APPLICABLE TO GOODS

21.1 Transnet reserves the right to arrange for the inspection of all Goods forming the subject of any Purchase Order, at any stage before final acceptance and by any means it may think fit, and when such inspection is to be carried out, the relevant Purchase Order(s) shall be endorsed accordingly.

21.2 When inspection at the Supplier's works or warehouse is specified, Transnet's authorised inspector shall have free access to the premises of the Supplier at all times during working hours on a Business Day; shall have liberty to inspect work which is the subject of the Purchase Order at any stage of manufacture, and may reject any Goods which are found to be incomplete, defective or in any way not in conformity with the terms and specifications of this Agreement; and the Supplier shall afford all reasonable facilities for such access and inspection.

21.3 The Supplier shall provide inspection gauges, measuring and test equipment to ensure that the requirements of this Agreement are satisfied. All gauges, templates, tools and other equipment required to check the accuracy of the work shall be calibrated at regular and reasonable intervals by a laboratory which has been approved in writing by Transnet. This certificate shall not be more than 12 [twelve] months old.

21.4 The Supplier shall prepare and supply, without charge to Transnet, all test pieces, samples and specimens; shall provide all labour and apparatus for carrying out tests and analyses in accordance with the terms of this Agreement or Purchase Order, and render all reasonable assistance in making such tests and analyses.

21.5 All special rules governing gauging, testing, analysis and other inspection procedures shall be adhered to strictly in accordance with the terms of this Agreement or Purchase Order and the conditions of any specifications and drawings quoted therein.

21.6 Inspection will be arranged by the Staff of Transnet, as indicated in the Purchase Order(s).

21.7 When Goods are ready for inspection, the Supplier shall apply promptly to the appropriate authority for instructions regarding such inspection. All applications for inspection shall quote Transnet's Agreement or Purchase Order number. 7 [seven] Business Days' notice of readiness from the Supplier shall be given to the authorised inspector appointed by Transnet to carry out such inspection.

21.8 Transnet shall have the right to recover from the Supplier the cost of inspection of any Goods that have been rejected by its authorised inspector in terms of this clause 21.4.

22 DEFECTIVE GOODS

22.1 Notwithstanding any certificate and/or receipt that may have been issued by or on behalf of Transnet either in South Africa or overseas, Goods will be accepted at the place of delivery or at the port of shipment, as specified in this Agreement, only as regards outward condition of

packages and Transnet retains the right to reject the Goods supplied, on or after arrival at the place to which they are consigned, or after they have been placed in use in South Africa, should they be found defective.

- 22.2 If Goods are rejected owing to latent defects becoming apparent during machining operations or other preparation necessary on the part of Transnet before they can be put into use, the Supplier shall bear all expenses incurred by Transnet in carrying out such necessary operations.
- 22.3 If such Goods are rejected, the Supplier will pay the following costs:
- a) for Goods purchased in South Africa on an ex works basis, the cost of transport from the Supplier's works in South Africa to the named destination where the Goods have been rejected by Transnet, plus handling charges and storage, if leviable; or
 - b) for Goods manufactured overseas, the Supplier shall pay all replacement costs including the overseas inland transport cost, freight and insurance charges incurred plus railage or other inland transport costs from the South African port to the place where the Goods have been rejected by Transnet, including handling charges, storage, landing charges, customs duty and surcharges, if leviable.
- 22.4 If Transnet requires rejected Goods to be replaced, the Supplier shall, when called upon to do so, arrange prompt replacement of the Goods within the prescribed manufacturing lead times for such Goods, as indicated in Schedule 1.
- 22.5 If Goods are found to be defective but the defects are, in the opinion of Transnet, not of so serious a nature as to warrant total rejection of the Goods, the Supplier shall, when called upon to do so, remedy or make good such defects at its own cost, or Transnet may remedy or make good such defects at the request of the Supplier and recover from the Supplier all costs or expenses reasonably incurred by it in doing so.
- 22.6 Should the Supplier fail, when called upon to remedy or make good such defects within a reasonable time or to request Transnet to do so, Transnet may proceed to remedy or make good such defects and thereafter recover from the Supplier all such costs and expenses as aforementioned.
- 22.7 Any amount recoverable from the Supplier in terms of this clause may, without prejudice to any other legal remedies available to Transnet, be deducted in whole or in part from any monies in the hands of Transnet which are due for payment to the Supplier.

23 TOTAL OR PARTIAL FAILURE TO PERFORM

- 23.1 In the case of Goods to be specially manufactured for it, if Transnet at any time ascertains that:
- a) no manufacturing of the Goods specified in a Purchase Order has commenced and there is little or no prospect, in Transnet's opinion, that manufacturing will commence within a reasonable time; or
 - b) delivery of any of the Goods is being or is likely to be delayed beyond the promised delivery date(s), and there is little or no prospect of the Purchase Order(s) being carried out within reasonable adherence to the promised delivery rate(s) or time(s),
- then Transnet may, irrespective of the cause of the delay, by notice to the Supplier, cancel as from a future date specified in such notice the whole or any part of this Agreement or Purchase Order in

respect of which the Goods to be supplied have not been completed by that date, without incurring any liability by reason of such cancellation except as provided in this clause.

23.2 The Supplier/Service Provider shall thereupon, as soon as possible after such date, deliver to Transnet the Goods/Services [if any] already completed, and payment for the part performance shall be made on a pro rata basis, provided the uncompleted part is not an integral or essential part of the completed Goods/Services. Where an integral or essential part of the work has not been completed, the amount to be paid to the Supplier/Service Provider will be calculated on the basis of Transnet's enrichment. The Supplier/Service Provider shall, wherever practicable, supply Transnet with the necessary drawings and/or specifications to enable it to complete the work.

23.3 Whenever, in any case not covered by clause 23.1 above, the Supplier fails or neglects to execute the work or to deliver any portion of the Goods/Services as required by the terms of this Agreement or Purchase Order, or if any Goods/Services are rejected on any of the grounds mentioned in clause 22.5 [Defective Goods], Transnet may cancel this Agreement or Purchase Order in so far as it relates to the unexecuted work or the undelivered or rejected portion of the Goods/Services, and in such event, the supply of the remaining portion shall remain subject in all respects to these conditions.

24 NON CONFORMANCE OF GOODS/SERVICES PROCURED

24.1 *In the case of Goods/services manufactured for and procured by Transnet from the Supplier/Service Provider in terms of this Agreement, being found not to conform to the Transnet standards, specifications and requirements, Transnet at any time may be entitled to raise a Non Conformance Report (NCR) against a Supplier/Service Provider whose Goods/ Services do not conform to Transnet standards, specifications and requirements directing the Supplier/Service Provider to investigate and remedy the non-conformance within the stipulated time frame as may be determined by Transnet at its discretion.*

24.2 *Failure by the Supplier/Service Provider to fully comply with NCR within the period stated in sub-clause 24.1 above, shall entitle Transnet to further conditions to which the Supplier/ Service Provider must discharge in order to close the NCR or to terminate the order without giving the Supplier/Service Provider written notice of termination in terms of this Agreement.*

25 RIGHTS ON CANCELLATION

25.1 If this Agreement or Purchase Order is cancelled in whole or in part in terms of clause 23.3 [*Total or Partial Failure to Perform*], Transnet may execute or complete this Agreement with any other entity and do so on such terms as it may deem proper, or may procure other comparable Goods/Services in substitution for those neglected to be manufactured or supplied or rejected as aforesaid, and may recover from the Supplier the difference between the cost of such Goods/Services and the Price [if the latter was lower] as well as any costs and expenses [including any additional transport costs] which Transnet may have had to incur in consequence of the Supplier's/Service Provider's default.

25.2 Any amount which may be recoverable from the Supplier/Service Provider in terms of clause 25.1 above, without prejudice to any other legal remedies available to Transnet, may be deducted in whole or in part from any monies in the hands of Transnet and due for payment to the Supplier/Service Provider.

26 BREACH AND TERMINATION

- 26.1 Termination in accordance with clause 6 [Term and Cancellation] shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to either Party and all provisions which are to survive this Agreement or impliedly do so shall remain in force and in effect.
- 26.2 On termination of this Agreement or a Work Order, the Service Provider will immediately deliver up, and procure that its Personnel will immediately deliver up to Transnet, all Deliverables and property belonging to Transnet [or, in the event of termination of a Work Order, such as is relevant to that Work Order] which may be in the possession of, or under the control of the Service Provider, and certify to Transnet in writing that this has been done.
- 26.3 To the extent that any of the Deliverables and property referred to in clause 26.2 above are in electronic form and contained on non-detachable storage devices, the Service Provider will provide Transnet with unencrypted copies of the same on magnetic media and will irretrievably destroy and delete copies so held.
- 26.4 In the event that this Agreement is terminated by the Service Provider under clause 6.1 [Term and Cancellation], or in the event that a Work Order is terminated by Transnet under clause 26 [Breach and Consequences of Termination], Transnet will pay to the Service Provider all outstanding Fees [apportioned on a pro rata basis] relating to the work undertaken by the Service Provider up until the date of such termination. Transnet will also pay the costs of any goods and materials ordered by the Service Provider in relation to the such work for which the Service Provider has paid or is legally obliged to pay, in which case, on delivery of such goods or materials, the Service Provider will promptly deliver such goods and materials to Transnet or as it may direct.
- 26.5 If either Party [**the Defaulting Party**] commits a material breach of this Agreement and fails to remedy such breach within 30 [thirty] calendar days of written notice thereof, the other Party [hereinafter **the Aggrieved Party**], shall be entitled, in addition to any other rights and remedies that it may have in terms of this Agreement, to terminate this Agreement forthwith without any liability and without prejudice to any claims which the Aggrieved Party may have for damages against the Defaulting Party.
- 26.6 Either Party may terminate this Agreement forthwith by notice in writing to the other Party when the other Party is unable to pay its debts as they fall due or commits any act or omission which would be an act of insolvency in terms of the Insolvency Act, 24 of 1936 [as amended from time to time], or if any action, application or proceeding is made with regard to it for:
- a) a voluntary arrangement or composition or reconstruction of its debts;
 - b) its winding-up or dissolution;
 - c) the appointment of a liquidator, trustee, receiver, administrative receiver or similar officer;
 - d) any similar action, application or proceeding in any jurisdiction to which it is subject.
- 26.7 Transnet may terminate this Agreement at any time within 60 [sixty] calendar days of becoming aware of a change of control of the Supplier/Service Provider by notice in writing to the Supplier/Service Provider. For the purposes of this clause, **control** means the right to direct the affairs of a company whether by ownership of shares, membership of the board of directors, agreement or otherwise.

- 26.8 Notwithstanding this clause 269, Transnet may cancel this Agreement without cause by giving 30 [thirty] calendar days prior written notice thereof to the Supplier/Service Provider, or
- 26.9 The provisions of clauses 2 [Definitions], 18 and 19 [Warranties], 25 [Rights on Cancellation], 30.3 [Confidentiality], 32.5 [Limitation of Liability], 33 [Intellectual Property Rights], 36 [Dispute Resolution] and 40.1 [Governing Law] shall survive termination or expiry of this Agreement.

27 CESSIONS AND ASSIGNMENTS AS PER NT INSTRUCTION NOTE 08 OF 2022/2023

- 27.1 The Supplier/Service Provider is not allowed to cede its rights for payment in terms of this Agreement without prior written approval from Transnet. Cession shall only be applicable as follows:
- a) Cession must only be applicable to the transfer of right to payment for goods/services delivered/rendered by a Supplier/Service Provider to an FSP or State Institutions;
 - b) The written request for cession must be by the Supplier/Service Provider and not a third party; and
 - c) The written request by the Supplier/Service Provider must be accompanied by the cession agreement.
- 27.2 The Supplier/Service Provider is prohibited from transferring its rights and obligations to perform under this contract. Assignments are against the principles of section 217 of the Constitution mainly, fairness, transparency and competitiveness.

28 FORCE MAJEURE

- 28.1 Neither Party shall have any claim against the other Party arising from any failure or delay in the performance of any obligation of either Party under this Agreement caused by an act of force majeure such as acts of God, fire, flood, war, lockout, government action, laws or regulations, terrorism or civil disturbance, defaults or other circumstances or factors beyond the reasonable control of either Party, and to the extent that the performance of obligations of either Party hereunder is delayed by virtue of the foregoing, any period stipulated for any such performance shall be reasonably extended. Transnet may however rely on strikes, industrial dispute and riots as a ground of force majeure.
- 28.2 Each Party will take all reasonable steps by whatever lawful means that are available to resume full performance as soon as practicable and will seek agreement to modification of the relevant provisions of this Agreement in order to accommodate the new circumstances caused by the act of *force majeure*. If a Party fails to agree with such modifications proposed by the other Party within 90 [ninety] calendar days of the act of *force majeure* first occurring, either Party may thereafter terminate this Agreement with immediate notice.

29 PROTECTION OF PERSONAL INFORMATION

- a) The following terms shall bear the same meaning as contemplated in Section 1 of the Protection of Personal Information Act 4 of 2013 ("POPIA"):
- consent; person; personal information; processing; record; Regulator as well as any terms derived from these terms of the POPIA
- b) Transnet will process all information by the Respondent in terms of the requirements contemplated in Section 4(1) of the POPIA:

Accountability; Processing limitation; Purpose specification; Further processing limitation; Information quality; Openness; Security safeguards and Data subject participation.

- c) Transnet agrees that in submitting any information or documentation requested in the RFP and in this Agreement, the Supplier/Service Provider consents to the processing of their personal information for the purpose of, but not limited to, risk assessment, contract award, contract management, auditing, legal opinions/litigation, investigations (if applicable), document storage for the legislatively required period, destruction, de-identification and publishing of personal information by Transnet and/or its authorised appointed third parties.
- d) The Parties agree that they may obtain and have access to personal information for the fulfilment of the rights and obligations contained herein. In performing the obligations as set out in this Agreement, the Parties shall at all times ensure that:
- i. they process personal information only for the express purpose for which it was obtained;
 - ii. once processed for the purposes for which it was obtained, all personal information will be destroyed to an extent that it cannot be reconstructed to its original form, subject to any legal retention requirements;
 - iii. Personal information is provided only to authorised personnel who strictly require the personal information to carry out the Parties' respective obligations under this Agreement;
 - iv. they do not disclose personal information of the other Party, other than in terms of this Agreement;
 - v. they have all reasonable technical and organisational measures in place to protect all personal information from unauthorised access and/or use;
 - vi. they have appropriate technical and organisational measures in place to safeguard the security, integrity and authenticity of all information in their possession or under their control in terms of this Agreement;
 - vii. they identify all reasonably foreseeable internal and external risks to personal information in their possession or under their control; establish and maintain appropriate safeguards against the risks identified; regularly verify that the safeguards are effectively implemented; and ensure that the safeguards are continually updated in response to new risks or deficiencies in previously implemented safeguards;
 - viii. such personal information is protected against unauthorised or unlawful processing, accidental loss, destruction or damage, alteration, disclosure or access.

29.1 The Parties agree that if personal information will be processed for additional purposes beyond the original purpose for which it was obtained, explicit consent must be obtained beforehand from those persons whose information will be subject to such processing.

29.2 Should it be necessary for either Party to disclose or otherwise make available the personal information to any third party (including sub-contractors and employees) that is not already consented to, it may do so only with the prior written consent of the other Party. The Party requiring such consent shall require of all such third parties, appropriate written undertakings to be provided, containing similar terms to that set forth in this clause, and dealing with that third party's obligations in respect of its processing of the personal information. Following approval by the other

Party, the Party requiring consent agrees that the provisions of this clause shall *mutatis mutandis* apply to all authorised third parties who process personal information.

- 29.3 The Parties shall ensure that any persons authorized to process information on their behalf (including employees and third parties) will safeguard the security, integrity and authenticity of all information. Where necessary to meet this requirement, the Parties shall keep all personal information and any analyses, profiles, or documents derived therefrom logically separated from all other information and documentation held by it.
- 29.4 The Parties shall carry out regular assessments to identify all reasonably foreseeable internal and external risks to the personal information in its possession or under its control. The Parties shall implement and maintain appropriate safeguards against the risks which it identifies and shall also regularly verify that the safeguards which it has in place have been effectively implemented.
- 29.5 The Parties agree that they will promptly return, destroy or de-identify any personal information in their possession or control which belongs to the other Party once it no longer serves the purpose for which it was collected in relation to this Agreement, subject to any legal retention requirements. This may be at the request of the other Party and includes circumstances where a person has requested the Parties to delete all instances of their personal information. The information will be destroyed or de-identified in such a manner that it cannot be reconstructed to its original form, linking it to any particular individual or organisation.
- 29.6 Personal Information security breach:
- a) Each Party shall notify the other party in writing as soon as possible after it becomes aware of or suspects any loss, unauthorised access or unlawful use of any personal information and shall, at its own cost, take all necessary remedial steps to mitigate the extent of the loss or compromise of personal information and to restore the integrity of the affected personal information as quickly as is possible. The Parties shall also be required to provide each other with details of the persons affected by the compromise and the nature and extent of the compromise, including details of the identity of the unauthorised person who may have accessed or acquired the personal information.
 - b) The Parties shall provide on-going updates on the progress in resolving the compromise at reasonable intervals until such time as the compromise is resolved.
 - c) Where required, the Parties must notify the South African Police Service; and/or the State Security Agency and the Information Regulator and the affected persons of the security breach. Any such notification shall always include sufficient information to allow the persons to take protective measures against the potential consequences of the compromise.
 - d) The Parties undertake to co-operate in any investigations relating to security which is carried out by or on behalf of the other including providing any information or material in its possession or control and implementing new security measures.

30 CONFIDENTIALITY

- 30.1 The Parties hereby undertake the following with regard to Confidential Information:
- a) not to divulge or disclose to any person whomsoever in any form or manner whatsoever, either directly or indirectly, any Confidential Information of the other without the prior

written consent of such other Party, other than when called upon to do so in accordance with a statute, or by a court having jurisdiction, or by any other duly authorised and empowered authority or official, in which event the Party concerned shall do what is reasonably possible to inform the other of such a demand and each shall assist the other in seeking appropriate relief or the instituting of a defensive action to protect the Confidential Information concerned;

- b) not to use, exploit, permit the use of, directly or indirectly, or in any other manner whatsoever apply the Confidential Information disclosed to it as a result of this Agreement, for any purpose whatsoever other than for the purpose for which it is disclosed or otherwise than in strict compliance with the provisions in this Agreement;
- c) not to make any notes, sketches, drawings, photographs or copies of any kind of any part of the disclosed Confidential Information without the prior written consent of such other Party, except when reasonably necessary for the purpose of this Agreement, in which case such copies shall be regarded as Confidential Information;
- d) not to de-compile, disassemble or reverse engineer any composition, compilation, concept application, item, component de-compilation, including software or hardware disclosed and shall not analyse any sample provided by Transnet, or otherwise determine the composition or structure or cause to permit these tasks to be carried out except in the performance of its obligations pursuant to this Agreement;
- e) not to exercise less care to safeguard Transnet Confidential Information than the Party exercises in safeguarding its own competitive, sensitive or Confidential Information;
- f) Confidential Information disclosed by either Party to the other or by either Party to any other party used by such party in the performance of this Agreement, shall be dealt with as "restricted" or shall be dealt with according to any other appropriate level of confidentiality relevant to the nature of the information concerned, agreed between the Parties concerned and stipulated in writing for such information in such cases;
- g) the Parties shall not make or permit to be made by any other person subject to their control, any public statements or issue press releases or disclose Confidential Information with regard to any matter related to this Agreement, unless written authorisation to do so has first been obtained from the Party first disclosing such information;
- h) each Party shall be entitled to disclose such aspects of Confidential Information as may be relevant to one or more technically qualified employees or consultants of the Party who are required in the course of their duties to receive the Confidential Information for the Permitted Purpose provided that the employee or consultant concerned has a legitimate interest therein, and then only to the extent necessary for the Permitted Purpose, and is informed by the Party of the confidential nature of the Confidential Information and the obligations of the confidentiality to which such disclosure is subject and the Party shall ensure such employees or consultants honour such obligations;
- i) each Party shall notify the other Party of the name of each person or entity to whom any Confidential Information has been disclosed as soon as practicable after such disclosure;
- j) each Party shall ensure that any person or entity to which it discloses Confidential Information shall observe and perform all of the covenants the Party has accepted in this

Agreement as if such person or entity has signed this Agreement. The Party disclosing the Confidential Information shall be responsible for any breach of the provisions of this Agreement by such person or entity; and

- k) each Party may by written notice to the other Party specify which of the Party's employees, officers or agents are required to sign a non-disclosure undertaking.

30.2 The duties and obligations with regard to Confidential Information in this clause 30.2 shall not apply where:

- a) a Party can demonstrate that such information is already in the public domain or becomes available to the public through no breach of this Agreement by that Party, or its Staff; or
- b) was rightfully in a Party's possession prior to receipt from the other Party, as proven by the first-mentioned Party's written records, without an infringement of an obligation or duty of confidentiality; or
- c) can be proved to have been rightfully received by a Party from a third party without a breach of a duty or obligation of confidentiality; or
- d) is independently developed by a Party as proven by its written records.

30.3 This clause 30.3 shall survive termination for any reason of this Agreement and shall remain in force and effect from the Commencement Date of this Agreement and 5 [five] years after the termination of this Agreement. Upon termination of this Agreement, all documentation furnished to the Supplier/Service Provider by Transnet pursuant to this Agreement shall be returned to Transnet including, without limitation, all corporate identity equipment including dyes, blocks, labels, advertising matter, printing matter and the like.

31 INSURANCES

31.1 Without limiting the liability of the Supplier/Service Provider under this Agreement, the Supplier/Service Provider shall take out insurance in respect of all risks for which it is prudent for the Supplier/Service Provider to insure against, including any liability it may have as a result of its activities under this Agreement for theft, destruction, death or injury to any person and damage to property. The level of insurance will be kept under review by Transnet, on an annual basis, to ensure its adequacy, provided that any variation to the level of such insurance shall be entirely at the discretion of the Supplier/Service Provider.

31.2 The Supplier/Service Provider shall arrange insurance with reputable insurers and will produce to Transnet evidence of the existence of the policies on an annual basis within 30 [thirty] calendar days after date of policy renewals.

31.3 Subject to clause 31.3 below, if the Supplier/Service Provider fails to effect adequate insurance under this clause 31.4, it shall notify Transnet in writing as soon as it becomes aware of the reduction or inadequate cover and Transnet may arrange or purchase such insurance on behalf of the Supplier/Service Provider. The Supplier/Service Provider shall promptly reimburse Transnet for any premiums paid provided such insurance protects the Supplier/Service Provider's liability. Transnet assumes no responsibility for such insurance being adequate to protect all of the Supplier/Service Provider's liability.

31.4 In the event that the Supplier/Service Provider receives written notice from its insurers advising of the termination of its insurance cover referred to in clause 31.1 above or if the insurance ceases to

be available upon commercially reasonable terms, the Supplier/Service Provider shall immediately notify Transnet in writing of such termination and/or unavailability, whereafter either the Supplier/Service Provider or Transnet may terminate this Agreement on giving the other Party not less than 30 [thirty] calendar days prior written notice to that effect.

32 LIMITATION OF LIABILITY

- 32.1 The Supplier/Service Provider's liability under this clause 32.5 shall be in addition to any warranty or condition of any kind, express or implied by law or otherwise, relating to the Goods/Services or ancillary Services, including the quality of the Goods/Services or ancillary Services or any materials delivered pursuant to this Agreement.
- 32.2 Neither Party excludes or limits liability to the other Party for:
- a) death or personal injury caused by its negligence, [including its employees', agents' or Subcontractors' negligence]; or
 - b) fraud or theft.
- 32.3 The Supplier/Service Provider shall indemnify and keep Transnet indemnified from and against liability for damage to any Transnet property [whether tangible or intangible] or any other loss, costs or damage suffered by Transnet to the extent that it results from any act of or omission by the Supplier/Service Provider or its Personnel in connection with this Agreement. The Supplier/Service Provider's liability arising out of this clause 32.3 shall be limited to direct damages.
- 32.4 Subject always to clauses 32.1 and 32.2 above, the liability of either the Supplier/Service Provider or Transnet under or in connection with this Agreement, whether for negligence, misrepresentation, breach of contract or otherwise, for direct loss or damage arising out of each Default or series of related Defaults shall not exceed 100% [one hundred per cent] of the Fees paid under the schedule or Work Order to which the Default(s) relates.
- 32.5 Subject to clauses 32.1 to 32.4 above, in no event shall either Party be liable to the other for indirect or consequential loss or damage or including indirect or consequential loss of profits, business, revenue, goodwill or anticipated savings of an indirect nature or loss or damage incurred by the other Party as a result of third party claims.
- 32.6 If for any reason the exclusion of liability in clause 32.5 above is void or unenforceable, either Party's total liability for all loss or damage under this Agreement shall be as provided in clause 32.3 above.
- 32.7 Nothing in this clause 32.5 shall be taken as limiting the liability of the Parties in respect of clauses. 30 [*Confidentiality*] and 33 [*Intellectual Property Rights*].

33 INTELLECTUAL PROPERTY RIGHTS

- 33.1 **Title to Confidential Information**
- a) Transnet will retain all right, title and interest in and to its Confidential Information and Background Intellectual Property and the Supplier/Service Provider acknowledges that it has no claim of any nature in and to the Confidential Information and Background Intellectual Property that is proprietary to Transnet. For the avoidance of doubt all the Supplier/Service Provider's Background Intellectual Property shall remain vested in the Supplier/Service Provider.

- b) Transnet shall grant to the Supplier/Service Provider an irrevocable, royalty free, non-exclusive licence to use Transnet's Background Intellectual Property only for the Permitted Purpose. This licence shall not permit the Supplier/Service Provider to sub-license to other parties.
- c) The Supplier/Service Provider shall grant to Transnet an irrevocable, royalty free, non-exclusive licence to use the Supplier/Service Provider's Background Intellectual Property for the Permitted Purpose. This licence shall not permit Transnet to sub-license to other parties.
- d) The Supplier/Service Provider shall grant Transnet access to the Supplier/Service Provider's Background Intellectual Property on terms which shall be *bona fide* negotiated between the Parties for the purpose of commercially exploiting the Foreground Intellectual Property, to the extent that such access is required.
- e) The above shall not pertain to any software licenses procured by the Supplier/Service Provider from third parties and used in the supply of the Goods/Services.

33.2 **Title to Intellectual Property**

- a) All right, title and interest in and to Foreground Intellectual Property prepared, conceived or developed by the Supplier/Service Provider, its researchers, agents and employees shall vest in Transnet and the Supplier/Service Provider acknowledges that it has no claim of any nature in and to the Foreground Intellectual Property. The Supplier/Service Provider shall not at any time during or after the termination or cancellation of this Agreement dispute the validity or enforceability of such Foreground Intellectual Property, or cause to be done any act or anything contesting or in any way impairing or tending to impair any part of that right, title and interest to any of the Foreground Intellectual Property and shall not counsel or assist any person to do so.
- b) Transnet shall be entitled to seek protection in respect of the Foreground Intellectual Property anywhere in the world as it shall decide in its own absolute discretion and the Supplier/Service Provider shall reasonably assist Transnet in attaining and maintaining protection of the Foreground Intellectual Property.
- c) Where the Foreground Intellectual Property was created by the Supplier/Service Provider or its researchers, agents and employees and where Transnet elects not to exercise its option to seek protection or decides to discontinue the financial support of the prosecution or maintenance of any such protection, Transnet shall notify the Supplier/Service Provider who shall have the right of first refusal to file or continue prosecution or maintain any such applications and to maintain any protection issuing on the Foreground Intellectual Property.
- d) No consideration shall be paid by Transnet to the Supplier/Service Provider for the assignment of any Foreground Intellectual Property from the Supplier/Service Provider to Transnet, over and above the sums payable in terms of this Agreement. The Supplier/Service Provider undertakes to sign all documents and do all things as may be necessary to effect, record and perfect the assignment of the Foreground Intellectual Property to Transnet.
- e) Subject to anything contrary contained in this Agreement and/or the prior written consent of Transnet [which consent shall not be unreasonably withheld], the Supplier/Service Provider shall under no circumstances be entitled as of right, or to claim the right, to use Transnet's Background Intellectual Property and/or Foreground Intellectual Property.

33.3 **Title to Improvements**

Any improvements, developments, adaptations and/or modifications to the Foreground Intellectual Property, and any and all new inventions or discoveries, based on or resulting from the use of Transnet's Background Intellectual Property and/or Confidential Information shall be exclusively owned by Transnet. The Supplier/Service Provider shall disclose promptly to Transnet all such improvements, developments, adaptations and/or modifications, inventions or discoveries. The Supplier/Service Provider hereby undertakes to sign all documents and do all things as may be necessary to effect, record and perfect the assignment of such improvements, developments, adaptations and/or modifications, inventions or discoveries to Transnet and the Supplier/Service Provider shall reasonably assist Transnet in attaining, maintaining or documenting ownership and/or protection of the improved Foreground Intellectual Property.

33.4 **Unauthorised Use of Confidential Information**

The Supplier/Service Provider shall not authorise any party to act on or use in any way any Confidential Information belonging to Transnet whether or not such party is aware of such Confidential Information, and shall promptly notify Transnet of the information if it becomes aware of any party so acting, and shall provide Transnet the information with such assistance as Transnet reasonably requires, at Transnet's cost and expense, to prevent such third party from so acting.

33.5 **Unauthorised Use of Intellectual Property**

- a) The Supplier/Service Provider agrees to notify Transnet in writing of any conflicting uses of, and applications of registrations of Patents, Designs and Trade Marks or any act of infringement, unfair competition or passing off involving the Intellectual Property of Transnet of which the Supplier/Service Provider acquires knowledge and Transnet shall have the right, as its own option, to proceed against any party infringing its Intellectual Property.
- b) It shall be within the sole and absolute discretion of Transnet to determine what steps shall be taken against the infringer and the Supplier/Service Provider shall co-operate fully with Transnet, at Transnet's cost, in whatever measure including legal action to bring any infringement of illegal use to an end.
- c) The Supplier/Service Provider shall cooperate to provide Transnet promptly with all relevant ascertainable facts.
- d) If proceedings are commenced by Transnet alone, Transnet shall be responsible for all expenses but shall be entitled to all damages or other awards arising out of such proceedings. If proceedings are commenced by both Parties, both Parties will be responsible for the expenses and both Parties shall be entitled to damages or other awards arising out of proceedings.

34 NON-WAIVER

- 34.1 Failure or neglect by either Party, at any time, to enforce any of the provisions of this Agreement, shall not in any manner be construed to be a waiver of any of that Party's rights in that regard and in terms of this Agreement.
- 34.2 Such failure or neglect shall not in any manner affect the continued, unaltered validity of this Agreement, or prejudice the right of that Party to institute subsequent action.

35 PARTIAL INVALIDITY

If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, or shall be required to be modified, the validity, legality and enforceability of the remaining provisions shall not be affected thereby.

36 DISPUTE RESOLUTION

- 36.1 Should any dispute of whatsoever nature arise between the Parties concerning this Agreement, the Parties shall try to resolve the dispute by negotiation within 10 [ten] Business Days of such dispute arising.
- 36.2 If the dispute has not been resolved by such negotiation, either of the Parties may refer the dispute to AFSA and notify the other Party accordingly, which proceedings shall be held in Johannesburg.
- 36.3 Such dispute shall be finally resolved in accordance with the rules of AFSA by an arbitrator or arbitrators appointed by AFSA.
- 36.4 This clause constitutes an irrevocable consent by the Parties to any proceedings in terms hereof, and neither of the Parties shall be entitled to withdraw from the provisions of this clause or claim at any such proceedings that it is not bound by this clause 36.
- 36.5 This clause 36 is severable from the rest of this Agreement and shall remain in effect even if this Agreement is terminated for any reason.
- 36.6 This clause 36 shall not preclude either Party from seeking urgent relief in a court of appropriate jurisdiction, where grounds for urgency exist.

37 ADDRESSES FOR NOTICES

37.1 The Parties to this Agreement select the physical addresses and fax numbers, as detailed hereafter, as their respective addresses for giving or sending any notice provided for or required in terms of this Agreement, provided that either Party shall be entitled to substitute such other address or fax number, as may be, by written notice to the other:

a) **Transnet**

- (i) For legal notices: Transnet Port Terminals
202 Anton Lembede Street, Durban, 4023
Email: Samantha.Subiah@transnet.net
Attention: Legal, Risk and Compliance

- (ii) For commercial notices: Transnet Port Terminals
1 Neptune Road
Port of Ngqura
Email: Granville.vandermerwe@transnet.net
Attention: Granville van der Merwe

b) **The Supplier**

- (i) For legal notices:
-
-

Fax No.

Attention:

(ii) For commercial notices:

.....

.....

Fax No.

Attention:

37.2 Any notice shall be addressed to a Party at its physical address, or delivered by hand, or sent by fax or email.

37.3 Any notice shall be deemed to have been given:

- a) if hand delivered, on the day of delivery;
- b) if faxed, on the date and time of sending of such fax, as evidenced by a fax confirmation printout, provided that such notice shall be confirmed by prepaid registered post on the date of dispatch of such fax, or, should no postal facilities be available on that date, on the next Business Day; or
- c) if sent by email, on the date and time received, provided that such notice shall be confirmed by prepaid registered post on the date of dispatch of such email, or, should no postal facilities be available on that date, on the next Business Day.

38 WHOLE AND ONLY AGREEMENT

38.1 The Parties hereby confirm that this Agreement constitutes the whole and only agreement between them with regard to the subject matter of this Agreement.

38.2 The Parties hereby confirm that this Agreement replaces all other agreements which exist or may have existed in any form whatsoever between them, with regard to the subject matter dealt with in this Agreement, any annexures appended hereto and the Schedule of Requirements/Work Order.

39 AMENDMENT AND CHANGE CONTROL

39.1 Any amendment or change of any nature made to this Agreement and the Schedule of Requirements thereof shall only be valid if it is in writing, signed by both Parties and added to this Agreement as an addendum hereto. In this regard a Change Notice must first be defined and issued by the requesting Party. A Change Notice Response must then be issued by responding Party. A formal approval of the Change Request will then trigger the issue of the addendum to this Agreement.

39.2 In the event the Parties cannot agree upon changes, the Parties shall in good faith seek to agree any proposed changes using the dispute resolution procedures in clause 36 [*Dispute Resolution*].

40 GENERAL

40.1 Governing Law

This Agreement is exclusively governed by and construed in accordance with the laws of the Republic of South Africa and is subject to the jurisdiction of the courts of the Republic of South Africa.

40.2 **Change of Law**

In this Agreement, unless the context otherwise requires, references to a statutory provision include references to that statutory provision as from time to time amended, extended or re-enacted and any regulations made under it, provided that in the event that the amendment, extension or re-enactment of any statutory provision or introduction of any new statutory provision has a material impact on the obligations of either Party, the Parties will negotiate in good faith to agree such amendments to this Agreement as may be appropriate in the circumstances. If, within a reasonable period of time, the Supplier/Service Provider and Transnet cannot reach agreement on the nature of the changes required or on modification of Prices, delivery schedules, warranties, or other terms and conditions, either Party may seek to have the matter determined in accordance with clause 369 [*Dispute Resolution*] above.

40.3 **Counterparts**

This Agreement may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument. Either Party may enter into this Agreement by signing any such counterpart.

41 DATABASE OF RESTRICTED SUPPLIER

The process of restriction is used to exclude a company/person from conducting future business with Transnet and other organs of state for a specified period. No Bid shall be awarded to a Bidder whose name (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. Transnet reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been restricted with National Treasury by another government institution.

Thus signed by the Parties and witnessed on the following dates and at the following places:

| | |
|---|---|
| For and on behalf of TRANSNET SOC LTD duly authorised hereto | For and on behalf of duly authorised hereto |
| Name: | Name: |
| Position: | Position: |
| Signature: | Signature: |
| Date: | Date: |
| Place: | Place: |

| | |
|-----------------------------|-----------------------------|
| AS WITNESS: Name: | AS WITNESS: Name: |
| Signature: | Signature: |

| | |
|-----------------------------|-----------------------------|
| AS WITNESS: Name: | AS WITNESS: Name: |
| Signature: | Signature: |

With reference to the Master Agreement, Reference Number iCLM PE 651/TPT dated , ("Contract") between Transnet SOC Ltd ("Transnet") and Ltd (the "Supplier") pursuant to which you have agreed to supply certain goods/services to and on behalf of Transnet subject to such Contract.

The defined terms in the Contract will, unless otherwise indicated, have the same meaning in this Schedule of Requirements. In consideration of the mutual covenant and agreements contained in the Contract and in this Schedule of Requirements, it is agreed as follows:

1. Description of the Goods/Services

The scope of goods/services to be provided by the supplier is the supply, delivery, installation and commissioning of motor variable driven cable reel systems for A-charger and B-charger for Port Elizabeth multi-purpose terminal as a once-off purchase. The details for the goods/services to be provided are as stipulated in clause 2 below:

2. Scope of Goods

2.1 Deliverables

The supplier shall:

1. Supply, install and commission 2 x motor variable driven cable reel systems for A-charger and B-charger.
2. Complete the project in 21 weeks from receipt of letter of award.
3. Refer to Annexure A for full scope of works.

3. Contract Manager/s & Personnel to provide the Goods/Services

| | |
|---|--|
| Transnet Contract Manager | Khulisa Mbenya |
| Designation | Technical Manager |
| Operating Division | Transnet Port Terminals (TPT) |
| Address | Port Elizabeth Multi-Purpose Terminal |
| Telephone | 041 – 507 1656 |
| Email | khulisa.mbenya@transnet.net |
| Service Provider's Account Manager | |
| Designation | |
| Address | |
| Telephone | |
| Email | |

4. Performance Review Meetings

Contract management and performance review meetings will be held as required by Transnet's Contract Manager and Project Manager.

5. Fees & Disbursements

5.1 In consideration of the supply of the Goods/Services by the Supplier pursuant to this Work Order, Transnet will pay to it an amount not exceeding R (including VAT).

6. Penalties for Non-Compliance to project completion date

Where the Supplier/Service Provider fails to deliver the Goods/Services within the agreed and accepted milestone timelines and provided that the cause of the delay was not due to a fault of Transnet, penalties shall be imposed at 0,1% of the contract value per day until the work is completed.

IN WITNESS of which this Schedule of Requirements has been duly executed by the parties.

SIGNED for and on behalf of

SIGNED for and on behalf of

CPS Projects (Pty) Ltd

Transnet SOC Ltd

Signature.....

Signature.....

Name.....

Name.....

Position.....

Position.....

Date.....

Date.....

APPENDIX 1

Address for Notices

Any notice or communications between the parties to be given under this Agreement shall be deemed to have been received at the following times:

- i. by email transmission – when the sender receives confirmation of receipt;
- ii. by hand delivery - immediately upon receipt by the recipient.

Any notice or communications between the parties shall be delivered to the addresses set out below:

The Service Provider

Addressee:

Physical Address:

Postal Address:

email:

Transnet

Addressee:

Transnet Port Terminals
Attention: Legal, Risk and Compliance

Physical Address:

202 Anton Lambede Street
Durban
4000

Postal Address:

P.O. Box 10124
Marine Parade
Durban, 4056

email:

samantha.subiah@transnet.net

Either party may, by a notice given in accordance with this Schedule 1, change its address or email address for the purpose of this Schedule 1.

APPENDIX 2

Non- Disclosure Agreement

Date: 2024

I (*name*)

Of (*address*)
.....
.....

Undertake to Transnet SOC Ltd ("Transnet") that:

1. I shall keep confidential and not to disclose or make available to any third party, except with the express prior written consent of Transnet, any Confidential Information relating to Transnet business, assets, customers or staff which is disclosed to me or to which I may have access during the course of providing Goods to Transnet ("my assignment"); and
2. Upon termination of my assignment, I shall return to Transnet all documents, books, discs, tapes or other records (in whatever medium) which I may have in my possession, custody or control and which are the property of Transnet, its customers, staff or agents and any copies thereof.

For the purposes of this Confidentiality Agreement, "Confidential Information" shall mean any information in whatever form including, without limitation, any information relating to systems, operations, plans, intentions, market opportunities, know-how, trade secrets and business affairs of the Transnet Group or its customers, whether in writing, conveyed orally or by machine-readable medium.

I understand that this Confidentiality Agreement shall survive the termination of my assignment.

SIGNED at _____ on _____ 2024

(*Signature*)

in the presence of:-

Witness name:

Witness Signature:

Witness address:
.....



GENERAL BID CONDITIONS

[June 2022]

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1 DEFINITIONS

Where the following words or phrases are used in this Agreement, such words or phrases shall have the meaning assigned thereto in this clause, except where the context clearly requires otherwise:

- 1.1 **Bid** shall mean a Respondent's tendered response / proposal to a Transnet RFP or RFQ;
- 1.2 **Bid Document(s)** shall mean a reference to a Request for Proposal or Request for Quotation;
- 1.3 **Business Day** shall mean any day other than a Saturday, Sunday or public holiday;
- 1.4 **Goods** shall mean the goods required by Transnet as specified in its Bid Document;
- 1.5 **Parties** shall mean Transnet and the Respondents to a Bid Document;
- 1.6 **Respondent(s)** shall mean a respondent/bidder to a Bid Document;
- 1.7 **RFP** shall mean Request for Proposal;
- 1.8 **RFQ** shall mean Request for Quotation;
- 1.9 **RFX** shall mean RFP or RFQ, as the case may be;
- 1.10 **Services** shall mean the services required by Transnet as specified in its Bid Document;
- 1.11 **Supplier** shall mean the successful Respondent;
- 1.12 **Tax Invoice** shall mean the document as required by Section 20 of the Value-Added Tax Act, 89 of 1991, as may be amended from time to time;
- 1.13 **Transnet** shall mean Transnet SOC Ltd, a State Owned Company; and
- 1.14 **VAT** shall mean Value-Added Tax in terms of the Value-Added Tax Act, 89 of 1991, as may be amended from time to time.

2 GENERAL

All Bid Documents and subsequent contracts and orders shall be subject to the following general conditions as laid down by Transnet and are to be strictly adhered to by any Respondent to this RFX.

3 SUBMITTING OF BID DOCUMENTS

- 3.1 A Bid, which shall hereinafter include reference to an RFP or RFQ, shall be submitted to Transnet no later than the closing date and time specified in accordance with the directions issued in the Bid Documents. Late Bids will not be considered.
- 3.2 The Bid Documents must be completed in their entirety and Respondents are required to complete and submit their Bid submissions by uploading them into the system against each tender selected. The bidder guide can be found on the Transnet Portal transnetetenders.azurewebsites.net.

4 USE OF BID FORMS

- 4.1 Where special forms and/or formats are issued by Transnet for the submission of Bids, Respondents are required to submit their Bids by completion of the appropriate sections on such official forms and/or formats and not in other forms and/or formats or documents bearing their own terms and conditions of contract. Non-compliance with this condition may result in the rejection of a Bid.
- 4.2 Respondents must note that the original Bid forms and/or formats must be completed for submission.
- 4.3 Only if insufficient space has been allocated to a particular response may a Respondent submit additional information under separate cover using the Company's letterhead. This must be duly cross-referenced in the RFX.

5 BID FEES

A bid fee is not applicable. The Bid Documents may be downloaded directly from National Treasury's e-Tender Publication Portal at www.etenders.gov.za and may also be downloaded from the Transnet website at www.transnet.net free of charge.

6 VALIDITY PERIOD

6.1 The Respondents must hold their Bid valid for acceptance by Transnet at any time within the requested validity period after the closing date of the bid.

6.2 Respondents may be requested to extend their validity period for a specified additional period. In such instances, Respondents will not be allowed to change any aspect of their Bid, unless they are able to demonstrate that the proposed change/s is as a direct and unavoidable consequence of Transnet's extension of the validity period.

7 SITE VISITS / BRIEFING SESSIONS

Respondents may be requested to attend a site visit or briefing session where it is necessary to view the site in order to prepare their Bids, or where Transnet deems it necessary to provide Respondents with further information to allow them to complete their Bids properly. Where such visits or sessions are indicated as compulsory in the RFX Document, Respondents are obliged to attend these meetings as failure to do so will result in their disqualification.

8 CLARIFICATION BEFORE THE CLOSING DATE

Should clarification be required on any aspect of the Bid before the closing date, the Respondent must upload questions onto the Transnet e-Tender Submission Portal or direct such queries to the contact person listed in the RFX Document in the stipulated manner.

9 COMMUNICATION AFTER THE CLOSING DATE

After the closing date of a Bid (i.e. during the evaluation period) the Respondent may only communicate with the contact person listed in the RFX Document.

10 UNAUTHORISED COMMUNICATION ABOUT BIDS

Respondents may at any time communicate with the contact person listed in the RFX Document on any matter relating to its Bid but, in the absence of written authority from the delegated individual (BEC chairperson), no communication on a question affecting the subject of a Bid shall take place between Respondents or other potential Supplier or any member of the Bid Adjudication Committee or official of Transnet during the period between the closing date for the receipt of the Bid and the date of the notification of the successful Respondent(s). A Bid, in respect of which any such unauthorised communication has occurred, may be disqualified.

11 RETURNABLE DOCUMENTS

All returnable documents listed in the RFX Documents must be submitted with Respondent's Bid. Failure to submit mandatory returnable schedules / documents will result in disqualification. Failure to submit other schedules / documents may result in disqualification.

12 DEFAULTS BY RESPONDENTS

If the Respondent, after it has been notified of the acceptance of its Bid fails to:

- 12.1 enter into a formal contract when called upon to do so within such period as Transnet may specify; or
- 12.2 accept an order in terms of the Bid;
- 12.3 furnish satisfactory security when called upon to do so for the fulfilment of the contract; or
- 12.4 comply with any condition imposed by Transnet,

Transnet may, in any such case, without prejudice to any other legal remedy which it may have, proceed to accept any other Bid or, if it is necessary to do so, call for Bids afresh, and may recover from the defaulting Respondent any additional expense incurred by Transnet in calling for new offers or in accepting a less favourable offer.

13 CURRENCY

All monetary amounts referred to in a Bid response must be in Rand, the currency of the Republic of South Africa [**ZAR**], save to the extent specifically permitted in the RFP.

14 PRICES SUBJECT TO CONFIRMATION

Prices which are quoted subject to confirmation will not be considered.

15 ALTERATIONS MADE BY THE RESPONDENT TO BID PRICES

All alterations made by the Respondent to its Bid price(s) prior to the submission of its Bid Documents must be done by deleting the incorrect figures and words where required and by inserting the correct figures and words against the items concerned. All such alterations must be initialled by the person who signs the Bid Documents. Failure to observe this requirement may result in the particular item(s) concerned being excluded in the matter of the award of the business.

16 EXCHANGE AND REMITTANCE

- 16.1 The Respondent should note that where the whole or a portion of the contract or order value is to be remitted overseas, Transnet shall, if requested to do so by the Supplier, effect payment overseas directly to the foreign principal or manufacturer of such percentage of the contract or order value as may be stipulated by the Respondent in its Bid Documents.
- 16.2 It is Transnet's preference to enter into Rand-based agreements. Transnet would request, therefore, that the Respondent give favourable consideration to obtaining forward exchange cover on the foreign currency portion of the Agreement at a cost that is acceptable to Transnet to protect itself against any currency rate fluctuation risks for the duration of any resulting contract or order.
- 16.3 The Respondent who desires to avail itself of the aforementioned facility must at the time of bidding furnish the information called for in the Exchange and Remittance section of the Bid Documents and also furnish full details of the principals or manufacturer to whom payment is to be made.
- 16.4 The South African Reserve Bank's approval is required before any foreign currency payments can be made to or on behalf of Respondents.
- 16.5 Transnet will not recognise any claim for adjustment of the order and/or contract price if the increase in price arises after the date on which the Goods were to be delivered, as set out in the order and/or contract, or any subsequent agreement between the parties.
- 16.6 Transnet reserves the right to request a pro-forma invoice/tax invoice in order to ensure compliance with the contract and Value-Added Tax Act no. 89 of 1991 [VAT Act].

17 ACCEPTANCE OF BID

- 17.1 Upon the acceptance of a Bid by Transnet, the parties shall be bound by these General Bid Conditions and any contractual terms and/or any schedule of "Special Conditions" or otherwise which form part of the Bid Documents.
- 17.2 Where the Respondent has been informed by Transnet of the acceptance of its Bid, an email communication that has been successfully sent to the Respondent shall be regarded as proof of delivery to the Respondent 1 day after the date of submission.

18 NOTICE TO UNSUCCESSFUL RESPONDENTS

- 18.1 Unsuccessful Respondents shall be advised in writing that their Bids have not been accepted as soon as possible after the closing date of the Bid. On award of business to the successful Respondent all unsuccessful Respondents must be informed of the name of the successful Respondent and of the reason as to why their Bids had been unsuccessful.

19 TERMS AND CONDITIONS OF CONTRACT

- 19.1 The Supplier shall adhere to the Terms and Conditions of Contract issued with the Bid Documents, together with any schedule of "Special Conditions" or otherwise which form part of the Bid Documents.
- 19.2 Should the Respondent find any conditions unacceptable, it should indicate which conditions are unacceptable and offer amendments/ alternatives by written submission on a company letterhead. Any such submission shall be subject to review by Transnet's Legal Counsel who shall determine whether the proposed amendments /alternative(s) are acceptable or otherwise, as the case may be. Respondents will be afforded an opportunity to withdraw an unacceptable deviation, failing which the respondent will be disqualified.

20 CONTRACT DOCUMENTS

- 20.1 The contract documents will comprise these General Bid Conditions, the Terms and Conditions of Contract and any schedule of "Special Conditions" which form part of the Bid Documents.
- 20.2 The abovementioned documents together with the Respondent's Bid response will constitute the contract between the parties upon receipt by the Respondent of Transnet's letter of acceptance, subject to all additional amendments and/or special conditions thereto as agreed to by the parties.
- 20.3 Should Transnet inform the Respondent that a formal contract will be signed, the abovementioned documents together with the Respondent's Bid response [and, if any, its covering letter and any subsequent exchange of correspondence] as well as Transnet's Letter of Acceptance, shall constitute a binding contract until the final contract is signed.

21 LAW GOVERNING CONTRACT

The law of the Republic of South Africa shall govern the contract created by the acceptance of a Bid. The *domicilium citandi et executandi* shall be a place in the Republic of South Africa to be specified by the Respondent in its Bid at which all legal documents may be served on the Respondent who shall agree to submit to the jurisdiction of the courts of the Republic of South Africa. A foreign Respondent shall, therefore, state in its Bid the name of its authorised representative in the Republic of South Africa who is empowered to sign any contract which may be entered into in the event of its Bid being accepted and to act on its behalf in all matters relating to the contract.

22 IDENTIFICATION

If the Respondent is a company, the full names of the directors shall be stated in the Bid. If the Respondent is a close corporation, the full names of the members shall be stated in the Bid. If the Respondent is a partnership or an individual trading under a trade name, the full names of the partners or of such individual, as the case may be, shall be furnished.

23 RESPONDENT'S SAMPLES

- 23.1 If samples are required from Respondents, such samples shall be suitably marked with the Respondent's name and address, the Bid number and the Bid item number and must be despatched in time to reach the addressee as stipulated in the Bid Documents on or before the closing date of the Bid. Failure to submit samples by the due date may result in the rejection of a Bid.
- 23.2 Transnet reserves the right to retain samples furnished by Respondents in compliance with Bid conditions.
- 23.3 Payment will not be made for a successful Respondent's samples that may be retained by Transnet for the purpose of checking the quality and workmanship of Goods delivered in execution of a contract.
- 23.4 If Transnet does not wish to retain unsuccessful Respondents' samples and the Respondents require their return, such samples may be collected by the Respondents at their own risk and cost.

24 SECURITIES

- 24.1 The successful Respondent, when called upon to do so, shall provide security to the satisfaction of Transnet for the due fulfilment of a contract or order. Such security shall be in the form of a Deed of Suretyship [Deed of Suretyship] furnished by an approved bank, building society, insurance or guarantee corporation carrying on business in South Africa.
- 24.2 The security may be applied in whole or part at the discretion of Transnet to make good any loss or damage which Transnet may incur in consequence of a breach of the contract or any part thereof.
- 24.3 Such security, if required, shall be an amount which will be stipulated in the Bid Documents.
- 24.4 For the purpose of clause 24.124.1 above, Transnet will supply a Deed of Suretyship form to the successful Respondent for completion and no guarantee in any other form will be accepted. A copy of such form will be supplied to Respondents on request. For this purpose a Deed of Suretyship form will be provided which shall be completed and returned to Transnet or a designated official by the successful Respondent within 30 [thirty] calendar days from the date of the letter of acceptance. No payment will be made until the form, duly completed, is delivered to Transnet. Failure to return the Deed of Suretyship within the prescribed time shall, save where prior extension has been granted, entitle Transnet without notice to the Supplier to cancel the contract with immediate effect.
- 24.5 Additional costs incurred by Transnet necessitated by reason of default on the part of the Supplier in relation to the conditions of this clause 244 will be for the account of the Supplier.

25 PRICE AND DELIVERY BASIS FOR GOODS

- 25.1 Unless otherwise specified in the Bid Documents, the prices quoted for Goods must be on a Delivered Duty Paid [latest ICC Incoterms] price basis in accordance with the terms and at the delivery point or points specified in Transnet's Bid Documents. Bids for supply on any other basis of delivery are liable to disqualification. The lead time for delivery stated by the Respondent must be inclusive of all non-

working days or holidays, and of periods occupied in stocktaking or in effecting repairs to or overhauling plant, which would ordinarily occur within the delivery period given by the Respondent.

25.2 Respondents must furnish their Bid prices in the Price Schedule of the Bid Documents on the following basis:

- a) Local Supplies - Prices for Goods to be manufactured, produced or assembled in the Republic of South Africa, or imported supplies held in South Africa, to be quoted on a Delivered RSA named destination basis.
- b) Imported Supplies - Prices for Goods to be imported from all sources to be quoted on a Delivered Duty Paid [latest ICC Incoterms] basis, to end destination in South Africa, unless otherwise specified in the Bid Price Schedule.

26 EXPORT LICENCE

The award of a Bid for Goods to be imported may be subject to the issue of an export licence in the country of origin or supply. If required, the Supplier's manufacturer or forwarding agent shall be required to apply for such licence.

27 QUALITY OF MATERIAL

Unless otherwise stipulated, the Goods offered shall be NEW i.e. in unused condition, neither second-hand nor reconditioned.

28 VALUE-ADDED TAX

28.1 In respect of local supplies, i.e. Goods to be manufactured, produced or assembled in the Republic of South Africa, or imported supplies held or already in transit to South Africa, the prices quoted by the Respondent are to be inclusive of VAT which must be shown separately at the standard rate on the Tax Invoice.

28.2 In respect of foreign Services rendered:

- a) the invoicing by a South African supplier on behalf of its foreign principal rendering such Service represents a Service rendered by the principal; and
- b) the Supplier's Tax Invoice(s) for the local portion only [i.e. the "commission" for the Services rendered locally] must show the VAT separately.

29 IMPORTANT NOTICE TO RESPONDENTS REGARDING PAYMENT

29.1 Method of Payment

- a) The attention of the Respondent is directed to the Terms and Conditions of Contract which set out the conditions of payment on which Bid price(s) shall be based.
- b) However, in addition to the foregoing the Respondent is invited to submit offers based on alternative methods of payment and/or financing proposals.
- c) The Respondent is required to give full particulars of the terms that will be applicable to its alternative offer(s) and the financial merits thereof will be evaluated and taken into consideration when the Bid is adjudicated.
- d) The Respondent must, therefore, in the first instance, tender strictly in accordance with clause 29.1 (a) above. Failure to comply with clause 29.1 (a) above may preclude a Bid from further consideration.

NOTE: The successful Respondent [the **Supplier**] shall, where applicable, be required to furnish a guarantee covering any advance payments.

29.2 Conditional Discount

Respondents offering prices which are subject to a conditional discount applicable for payment within a specific period are to note that the conditional period will be calculated as from the date of receipt by Transnet of the Supplier's month-end statement reflecting the relevant Tax Invoice(s) for payment purposes, provided the conditions of the order or contract have been fulfilled and the Tax Invoice is correct in all respects as referred to in the contract or order. Incomplete and/or incorrect Tax Invoices shall be returned and the conditional period will be recalculated from the date of receipt of the correct documentation.

30 CONTRACT QUANTITIES AND DELIVERY REQUIREMENTS

30.1 Contract Quantities

- a) It must be clearly understood that although Transnet does not bind itself to purchase a definitive quantity under any contract which may be entered into pursuant to this Bid, the successful Respondent nevertheless undertakes to supply against the contract such quantities as may be ordered against the contract, which orders are posted or delivered by hand or transmitted electronically on or before the expiry date of such contract.
- b) It is furthermore a condition that Transnet will not accept liability for any material/stocks specially ordered or carried by the Respondent with a view to meeting the requirements under any such contract.
- c) The estimated planned quantities likely to be ordered by Transnet per annum are furnished in relevant section of the Bid Documents. For avoidance of doubt the estimated quantities are estimates and Transnet reserves the right to order only those quantities sufficient for its operational requirements.

30.2 Delivery Period

a) Period Contracts and Fixed Quantity Requirements

It will be a condition of any resulting contract/order that the delivery period embodied therein will be governed by the provisions of the Terms and Conditions of Contract.

b) Progress Reports

The Supplier may be required to submit periodical progress reports with regard to the delivery of the Goods

c) Emergency Demands as and when required

If, due to unforeseen circumstances, supplies of the Goods covered by the Bid are required at short notice for immediate delivery, the Supplier will be given first right of refusal for such business. If it is unable to meet the desired critical delivery period, Transnet reserves the right to purchase such supplies as may be required to meet the emergency outside the contract if immediate delivery can be offered from any other source. The *Total or Partial Failure to Perform the Scope of Supply* section in the Terms and Conditions of Contract will not be applicable in these circumstances.

31 PLANS, DRAWINGS, DIAGRAMS, SPECIFICATIONS AND DOCUMENTS

31.1 Copyright

Copyright in plans, drawings, diagrams, specifications and documents compiled by the Supplier for the purpose of contract work shall be governed by the Intellectual Property Rights section in the Terms and Conditions of Contract.

31.2 Drawings and specifications

In addition to what may be stated in any Bid Document, the Respondent should note that, unless notified to the contrary by Transnet or a designated official by means of an official amendment to the Bid Documents, it is required to tender for Goods strictly in accordance with the drawings and/or specifications supplied by Transnet, notwithstanding that it may be aware that alterations or amendments to such drawings or specifications are contemplated by Transnet.

31.3 Respondent's drawings

Drawings required to be submitted by the Respondent must be furnished before the closing time and date of the Bid. The non-receipt of such drawings by the appointed time may disqualify the Bid.

31.4 Foreign specifications

The Respondent quoting for Goods in accordance with foreign specifications, other than British and American standards, is to submit translated copies of such specifications with the Bid. In the event of any departures or variations between the foreign specification(s) quoted in the Bid Documents, full details regarding such departures or variations must be furnished by the Respondent in a covering letter attached to the Bid. Non-compliance with this condition may result in disqualification.

32 BIDS BY OR ON BEHALF OF FOREIGN RESPONDENTS

32.1 Bids submitted by foreign principals may be forwarded directly by the principals or by its South African representative or agent to the designated official of Transnet according to whichever officer is specified in the Bid Documents.

32.2 In the case of a representative or agent, written proof must be submitted to the effect that such representative or agent has been duly authorised to act in that capacity by the principal. Failure to submit such authorisation by the representative or agent shall disqualify the Bid.

32.3 When legally authorised to prepare and submit Bids on behalf of their principals not domiciled in the Republic of South Africa, representatives or agents must compile the Bids in the names of such principals and sign them on behalf of the latter.

32.4 South African representatives or agents of a successful foreign Respondent must when so required enter into a formal contract in the name of their principals and must sign such contract on behalf of the latter. In every such case a legal Power of Attorney from their principals must be furnished to Transnet by the South African representative or agents authorising them to enter into and sign such contract.

- a) Such Power of Attorney must comply with Rule 63 (Authentication of documents executed outside the Republic for use within the Republic) of the Uniform Rules of Court: Rules regulating the conduct of the proceedings of the several provincial and local divisions of the Supreme Court of South Africa.
- b) The Power of Attorney must be signed by the principal under the same title as used in the Bid Documents.
- c) If a Power of Attorney held by the South African representative or agent includes matters of a general nature besides provision for the entering into and signing of a contract with Transnet, a certified copy thereof should be furnished.

- d) The Power of Attorney must authorise the South African representative or agent to choose the *domicilium citandi et executandi*.
- 32.5 If payment is to be made in South Africa, the foreign Supplier [i.e. the principal, or its South African agent or representative], must notify Transnet in writing whether, for payment by electronic funds transfer [EFT]:
- a) funds are to be transferred to the credit of the foreign Supplier's account at a bank in South Africa, in which case the name and branch of such bank shall be furnished; or
 - b) funds are to be transferred to the credit of its South African agent or representative, in which case the name and branch of such bank shall be furnished.
- 32.6 The attention of the Respondent is directed to clause 24 above [Securities] regarding the provision of security for the fulfilment of contracts and orders and the manner and form in which such security is to be furnished.

33 DATABASE OF RESTRICTED SUPPLIERS

The process of restriction is used to exclude a company/person from conducting future business with Transnet and other organs of state for a specified period. No Bid shall be awarded to a Bidder whose name (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. Transnet reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been restricted with National Treasury by another government institution.

34 CONFLICT WITH ISSUED RFX DOCUMENT

- 34.1 Should a conflict arise between these General Bid Conditions and the issued RFX document, the conditions stated in the RFX document shall prevail.

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Important Note: All potential bidders must read this document and certify in the RFX Declaration Form that they have acquainted themselves with, and agree with the content. The contract with the successful bidder will automatically incorporate this Integrity Pact as part of the final concluded contract.

INTEGRITY PACT

Between

TRANSNET SOC LTD

Registration Number: 1990/000900/30

("Transnet")

And The Bidder / Supplier/ Service Provider / Contractor (hereinafter referred to as the "Bidder / Supplier")

PREAMBLE

Transnet values full compliance with all relevant laws and regulations, ethical standards and the principles of economical use of resources, fairness and transparency in its relations with its Bidders / Suppliers.

In order to achieve these goals, Transnet and the Bidder / Supplier hereby enter into this agreement hereinafter referred to as the "Integrity Pact" which will form part of the Bidder's / Supplier's application for registration with Transnet as a vendor.

The general purpose of this Integrity Pact is to agree on avoiding all forms of dishonesty, fraud and corruption by following a system that is fair, transparent and free from any undue influence prior to, during and subsequent to the currency of any procurement and / or reverse logistics event and any further contract to be entered into between the Parties, relating to such event.

All Bidders / Suppliers will be required to sign and comply with undertakings contained in this Integrity Pact, should they want to be registered as a Transnet vendor.

1 OBJECTIVES

- 1.1 Transnet and the Bidder / Supplier agree to enter into this Integrity Pact, to avoid all forms of dishonesty, fraud and corruption including practices that are anti-competitive in nature, negotiations made in bad faith and under-pricing by following a system that is fair, transparent and free from any influence / unprejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to:
 - a) Enable Transnet to obtain the desired contract at a reasonable and competitive price in conformity to the defined specifications of the works, goods and services; and
 - b) Enable Bidders / Suppliers to abstain from bribing or participating in any corrupt practice in order to secure the contract.

2 COMMITMENTS OF TRANSNET

Transnet commits to take all measures necessary to prevent dishonesty, fraud and corruption and to observe the following principles:

- 2.1 Transnet hereby undertakes that no employee of Transnet connected directly or indirectly with the sourcing event and ensuing contract, will demand, take a promise for or accept directly or through intermediaries any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the Bidder, either for themselves or for any person, organisation or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to any contract.
- 2.2 Transnet will, during the registration and bidding process treat all Bidders / Suppliers with equity, transparency and fairness. Transnet will in particular, before and during the registration process, provide to all Bidders / Suppliers the same information and will not provide to any Bidders / Suppliers confidential / additional information through which the Bidders / Suppliers could obtain an advantage in relation to any bidding process.
- 2.3 Transnet further confirms that its employees will not favour any prospective bidder in any form that could afford an undue advantage to a particular bidder during the tendering stage, and will further treat all Bidders / Supplier participating in the bidding process in a fair manner.
- 2.4 Transnet will exclude from the bidding process such employees who have any personal interest in the Bidders / Suppliers participating in the bidding process.

3 OBLIGATIONS OF THE BIDDER / SUPPLIER

- 3.1 Transnet has a '**Zero Gifts**' Policy. No employee is allowed to accept gifts, favours or benefits.
- a) Transnet officials and employees **shall not** solicit, give or accept, or from agreeing to solicit, give, accept or receive directly or indirectly, any gift, gratuity, favour, entertainment, loan, or anything of monetary value, from any person or juridical entities in the course of official duties or in connection with any operation being managed by, or any transaction which may be affected by the functions of their office.
 - b) Transnet officials and employees **shall not** solicit or accept gifts of any kind, from vendors, suppliers, customers, potential employees, potential vendors, and suppliers, or any other individual or organisation irrespective of the value.
 - c) Under **no circumstances** should gifts, business courtesies or hospitality packages be accepted from or given to prospective suppliers participating in a tender process at the respective employee's Operating Division, regardless of retail value.
 - d) Gratuities, bribes or kickbacks of any kind must never be solicited, accepted or offered, either directly or indirectly. This includes money, loans, equity, special privileges, personal favours, benefit or services. Such favours will be considered to constitute corruption.
- 3.2 The Bidder / Supplier commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its bid or during any ensuing contract stage in order to secure the contract or in furtherance to secure it and in particular the Bidder / Supplier commits to the following:
- a) The Bidder / Supplier will not, directly or through any other person or firm, offer, promise or give to Transnet or to any of Transnet's employees involved in the bidding process or to any third person any material or other benefit or payment, in order to obtain in exchange an advantage during the bidding process; and
 - b) The Bidder / Supplier will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any employee of Transnet, connected directly or indirectly with the bidding process, or to any person, organisation or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.
- 3.3 The Bidder / Supplier will not collude with other parties interested in the contract to preclude a competitive bid price, impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract. The Bidder / Supplier further commits itself to delivering against all agreed upon conditions as stipulated within the contract.
- 3.4 The Bidder / Supplier will not enter into any illegal or dishonest agreement or understanding, whether formal or informal with other Bidders / Suppliers. This applies in particular to certifications, submissions or non-submission of documents or actions that are restrictive or to introduce cartels into the bidding process.
- 3.5 The Bidder / Supplier will not commit any criminal offence under the relevant anti-corruption laws of South Africa or any other country. Furthermore, the Bidder /Supplier will not use for illegitimate purposes or for restrictive purposes or personal gain, or pass on to others, any information provided by Transnet as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
- 3.6 A Bidder / Supplier of foreign origin shall disclose the name and address of its agents or representatives in South Africa, if any, involved directly or indirectly in the registration or bidding process. Similarly, the Bidder / Supplier of South African nationality shall furnish the name and address of the foreign principals, if any, involved directly or indirectly in the registration or bidding process.
- 3.7 The Bidder / Supplier will not misrepresent facts or furnish false or forged documents or information in order to influence the bidding process to the advantage of the Bidder / Supplier or detriment of Transnet or other competitors.

- 3.8 Transnet may require the Bidder / Supplier to furnish Transnet with a copy of its code of conduct. Such code of conduct must address the compliance programme for the implementation of the code of conduct and reject the use of bribes and other dishonest and unethical conduct.
- 3.9 The Bidder / Supplier will not instigate third persons to commit offences outlined above or be an accessory to such offences.
- 3.10 The Bidder/Supplier confirms that they will uphold the ten principles of the United Nations Global Compact (UNGC) in the fields of Human Rights, Labour, Anti-Corruption and the Environment when undertaking business with Transnet as follows:
- a) Human Rights
 - Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
 - Principle 2: make sure that they are not complicit in human rights abuses.
 - b) Labour
 - Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
 - Principle 4: the elimination of all forms of forced and compulsory labour;
 - Principle 5: the effective abolition of child labour; and
 - Principle 6: the elimination of discrimination in respect of employment and occupation.
 - c) Environment
 - Principle 7: Businesses should support a precautionary approach to environmental challenges;
 - Principle 8: undertake initiatives to promote greater environmental responsibility; and
 - Principle 9: encourage the development and diffusion of environmentally friendly technologies.
 - d) Anti-Corruption
 - Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

4 INDEPENDENT BIDDING

- 4.1 For the purposes of this undertaking in relation to any submitted Bid, the Bidder declares to fully understand that the word "competitor" shall include any individual or organisation, other than the Bidder, whether or not affiliated with the Bidder, who:
- a) has been requested to submit a Bid in response to this Bid invitation;
 - b) could potentially submit a Bid in response to this Bid invitation, based on their qualifications, abilities or experience; and
 - c) provides the same Goods and Services as the Bidder and/or is in the same line of business as the Bidder.
- 4.2 The Bidder has arrived at his submitted Bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium will not be construed as collusive bidding.
- 4.3 In particular, without limiting the generality of paragraph 4.2 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
- a) prices;
 - b) geographical area where Goods or Services will be rendered [market allocation];
 - c) methods, factors or formulas used to calculate prices;
 - d) the intention or decision to submit or not to submit, a Bid;

- e) the submission of a Bid which does not meet the specifications and conditions of the RFP; or
 - f) bidding with the intention of not winning the Bid.
- 4.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the Goods or Services to which his/her Bid relates.
- 4.5 The terms of the Bid as submitted have not been, and will not be, disclosed by the Bidder, directly or indirectly, to any competitor, prior to the date and time of the official Bid opening or of the awarding of the contract.
- 4.6 Bidders are aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, Bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and/or may be reported to the National Prosecuting Authority [**NPA**] for criminal investigation and/or may be restricted from conducting business with the public sector for a period not exceeding 10 [ten] years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

5 DISQUALIFICATION FROM BIDDING PROCESS

- 5.1 If the Bidder / Supplier has committed a transgression through a violation of paragraph 3 of this Integrity Pact or in any other form such as to put its reliability or credibility as a Bidder / Supplier into question, Transnet may reject the Bidder's / Supplier's application from the registration or bidding process and remove the Bidder / Supplier from its database, if already registered.
- 5.2 If the Bidder / Supplier has committed a transgression through a violation of paragraph 3, or any material violation, such as to put its reliability or credibility into question, Transnet may after following due procedures and at its own discretion also exclude the Bidder / Supplier from future bidding processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the circumstances of the case, which will include amongst others the number of transgressions, the position of the transgressors within the company hierarchy of the Bidder / Supplier and the amount of the damage. The exclusion will be imposed for up to a maximum of 10 (ten) years. However, Transnet reserves the right to impose a longer period of exclusion, depending on the gravity of the misconduct.
- 5.3 If the Bidder / Supplier can prove that it has restored the damage caused by it and has installed a suitable corruption prevention system, or taken other remedial measures as the circumstances of the case may require, Transnet may at its own discretion revoke the exclusion or suspend the imposed penalty.

6 DATABASE OF RESTRICTED SUPPLIERS

- 6.1 The process of restriction is used to exclude a company/person from conducting future business with Transnet and other organs of state for a specified period. No Bid shall be awarded to a Bidder whose name (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. Transnet reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been restricted with National Treasury by another government institution.
- 6.2 All the stipulations on Transnet's restriction process as laid down in Transnet's Supply Chain Policy and Procurement Procedures Manual are included herein by way of reference. Below follows a condensed summary of this restriction procedure.
- 6.3 On completion of the restriction procedure, Transnet will submit the restricted entity's details (including the identity number of the individuals and registration number of the entity) to National Treasury for placement on National Treasury's Database of Restricted Suppliers for the specified period of exclusion. National

Treasury will make the final decision on whether to restrict an entity from doing business with any organ of state for a period not exceeding 10 years and place the entity concerned on the Database of Restricted Suppliers published on its official website.

- 6.4 The decision to restrict is based on one of the grounds for restriction. The standard of proof to commence the restriction process is whether a "*prima facie*" (i.e. on the face of it) case has been established.
- 6.5 Depending on the seriousness of the misconduct and the strategic importance of the Goods/Services, in addition to restricting a company/person from future business, Transnet may decide to terminate some or all existing contracts with the company/person as well.
- 6.6 A supplier or contractor to Transnet may not subcontract any portion of the contract to a restricted company.
- 6.7 Grounds for restriction include: If any person/Enterprise which has submitted a Bid, concluded a contract, or, in the capacity of agent or subcontractor, has been associated with such Bid or contract:
- a) Has, in bad faith, withdrawn such Bid after the advertised closing date and time for the receipt of Bids;
 - b) has, after being notified of the acceptance of his Bid, failed or refused to sign a contract when called upon to do so in terms of any condition forming part of the bid documents;
 - c) has carried out any contract resulting from such bid in an unsatisfactory manner or has breached any condition of the contract;
 - d) has offered, promised or given a bribe in relation to the obtaining or execution of the contract;
 - e) has acted in a fraudulent or improper manner or in bad faith towards Transnet or any Government Department or towards any public body, Enterprise or person;
 - f) has made any incorrect statement in a certificate or other communication with regard to the Local Content of his Goods or his B-BBEE status and is unable to prove to the satisfaction of Transnet that:
 - (i) he made the statement in good faith honestly believing it to be correct; and
 - (ii) before making such statement he took all reasonable steps to satisfy himself of its correctness;
 - g) has submitted false information regarding any other matter required in terms of the Preferential Procurement Regulations, 2017 issued in terms of the Preferential Procurement Policy Framework Act which will affect the evaluation of a Bid or where a Bidder has failed to declare any subcontracting arrangements;
 - h) caused Transnet damage, or to incur costs in order to meet the contractor's requirements and which could not be recovered from the contractor;
 - i) has litigated against Transnet in bad faith.

7 PREVIOUS TRANSGRESSIONS

- 7.1 The Bidder / Supplier hereby declares that no previous transgressions resulting in a serious breach of any law, including but not limited to, corruption, fraud, theft, extortion and contraventions of the Competition Act 89 of 1998, which occurred in the last 5 (five) years with any other public sector undertaking, government department or private sector company that could justify its exclusion from its registration on the Bidder's / Supplier's database or any bidding process.
- 7.2 If it is found to be that the Bidder / Supplier made an incorrect statement on this subject, the Bidder / Supplier can be rejected from the registration process or removed from the Bidder / Supplier database, if already registered, for such reason (refer to the Breach of Law Form contained in the applicable RFX document.)

8 SANCTIONS FOR VIOLATIONS

- 8.1 Transnet shall also take all or any one of the following actions, wherever required to:
- a) Immediately exclude the Bidder / Supplier from the bidding process or call off the pre-contract negotiations without giving any compensation to the Bidder / Supplier. However, the proceedings with the other Bidders / Suppliers may continue;
 - b) Immediately cancel the contract, if already awarded or signed, without giving any compensation to the Bidder / Supplier;
 - c) Recover all sums already paid by Transnet;
 - d) Encash the advance bank guarantee and performance bond or warranty bond, if furnished by the Bidder / Supplier, in order to recover the payments, already made by Transnet, along with interest;
 - e) Cancel all or any other contracts with the Bidder / Supplier;
 - f) Exclude the Bidder / Supplier from entering into any bid with Transnet and other organs of state in future for a specified period; and
 - g) If the Supplier subcontracted a portion of the bid to another person without declaring it to Transnet, Transnet must penalise the Supplier up to 10% of the value of the contract.

9 CONFLICTS OF INTEREST

- 9.1 A conflict of interest includes, inter alia, a situation in which:
- a) A Transnet employee has a personal financial interest in a bidding / supplying entity; and
 - b) A Transnet employee has private interests or personal considerations or has an affiliation or a relationship which affects, or may affect, or may be perceived to affect his / her judgment in action in the best interest of Transnet, or could affect the employee's motivations for acting in a particular manner, or which could result in, or be perceived as favouritism or nepotism.
- 9.2 A Transnet employee uses his / her position, or privileges or information obtained while acting in the capacity as an employee for:
- a) Private gain or advancement; or
 - b) The expectation of private gain, or advancement, or any other advantage accruing to the employee must be declared in a prescribed form.

Thus, conflicts of interest of any bid committee member or any person involved in the sourcing process must be declared in a prescribed form.

- 9.3 If a Bidder / Supplier has or becomes aware of a conflict of interest i.e. a family, business and / or social relationship between its owner(s) / member(s) / director(s) / partner(s) / shareholder(s) and a Transnet employee / member of Transnet's Board of Directors in respect of a bid which will be considered for the bid process, the Bidder / Supplier:
- a) must disclose the interest and its general nature, in the Request for Proposal ("RFX") declaration form; or
 - b) must notify Transnet immediately in writing once the circumstances has arisen.
- 9.4 The Bidder / Supplier shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any committee member or any person involved in the sourcing process, where this is done, Transnet shall be entitled forthwith to rescind the contract and all other contracts with the Bidder / Supplier.

10 DISPUTE RESOLUTION

10.1 Transnet recognises that trust and good faith are pivotal to its relationship with its Bidders / Suppliers. When a dispute arises between Transnet and its Bidder / Supplier, the parties should use their best endeavours to resolve the dispute in an amicable manner, whenever possible. Litigation in bad faith negates the principles of trust and good faith on which commercial relationships are based. Accordingly, following a restriction process as mentioned in paragraph 6 above, Transnet will not do business with a company that litigates against it in bad faith or is involved in any action that reflects bad faith on its part. Litigation in bad faith includes, but is not limited to the following instances:

- a) **Vexatious proceedings:** these are frivolous proceedings which have been instituted without proper grounds;
- b) **Perjury:** where a supplier make a false statement either in giving evidence or on an affidavit;
- c) **Scurrilous allegations:** where a supplier makes allegations regarding a senior Transnet employee which are without proper foundation, scandalous, abusive or defamatory; and
- d) **Abuse of court process:** when a supplier abuses the court process in order to gain a competitive advantage during a bid process.

11 GENERAL

11.1 This Integrity Pact is governed by and interpreted in accordance with the laws of the Republic of South Africa.

11.2 The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the law relating to any civil or criminal proceedings.

11.3 The validity of this Integrity Pact shall cover all the bidding processes and will be valid for an indefinite period unless cancelled by either Party.

11.4 Should one or several provisions of this Integrity Pact turn out to be invalid the remainder of this Integrity Pact remains valid.

11.5 Should a Bidder / Supplier be confronted with dishonest, fraudulent or corruptive behaviour of one or more Transnet employees, Transnet expects its Bidders / Suppliers to report this behaviour directly to a senior Transnet official / employee or alternatively by using Transnet's "Tip-Off Anonymous" hotline number 0800 003 056, whereby your confidentiality is guaranteed.

The Parties hereby declare that each of them has read and understood the clauses of this Integrity Pact and shall abide by it. To the best of the Parties' knowledge and belief, the information provided in this Integrity Pact is true and correct.

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NON DISCLOSURE AGREEMENT

[April 2020]

THIS AGREEMENT is made between

Transnet SOC Ltd [Transnet] [Registration No. 1990/000900/30]

whose registered office is at 49th Floor, Carlton Centre, 150 Commissioner Street, Johannesburg 2001,

and

the Company as indicated in the RFP bid response hereto

WHEREAS

Transnet and the Company wish to exchange Information [as defined below] and it is envisaged that each party may from time to time receive Information relating to the other in respect thereof. In consideration of each party making available to the other such Information, the parties jointly agree that any dealings between them shall be subject to the terms and conditions of this Agreement which themselves will be subject to the parameters of the Bid Document.

IT IS HEREBY AGREED

1. INTERPRETATION

In this Agreement:

- 1.1 **Agents** mean directors, officers, employees, agents, professional advisers, contractors or sub-contractors, or any Group member;
- 1.2 **Bid or Bid Document** means Transnet's Request for Information [**RFI**] Request for Proposal [**RFP**] or Request for Quotation [**RFQ**], as the case may be;
- 1.3 **Confidential Information** means any information or other data relating to one party [the **Disclosing Party**] and/or the business carried on or proposed or intended to be carried on by that party and which is made available for the purposes of the Bid to the other party [the **Receiving Party**] or its Agents by the Disclosing Party or its Agents or recorded in agreed minutes following oral disclosure and any other information otherwise made available by the Disclosing Party or its Agents to the Receiving Party or its Agents, whether before, on or after the date of this Agreement, and whether in writing or otherwise, including any information, analysis or specifications derived from, containing or reflecting such information but excluding information which:
 - 1.3.1 is publicly available at the time of its disclosure or becomes publicly available [other than as a result of disclosure by the Receiving Party or any of its Agents contrary to the terms of this Agreement]; or
 - 1.3.2 was lawfully in the possession of the Receiving Party or its Agents [as can be demonstrated by its written records or other reasonable evidence] free of any restriction as to its use or disclosure prior to its being so disclosed; or

- 1.3.3 following such disclosure, becomes available to the Receiving Party or its Agents [as can be demonstrated by its written records or other reasonable evidence] from a source other than the Disclosing Party or its Agents, which source is not bound by any duty of confidentiality owed, directly or indirectly, to the Disclosing Party in relation to such information;
- 1.4 **Group** means any subsidiary, any holding company and any subsidiary of any holding company of either party; and
- 1.5 **Information** means all information in whatever form including, without limitation, any information relating to systems, operations, plans, intentions, market opportunities, know-how, trade secrets and business affairs whether in writing, conveyed orally or by machine-readable medium.

2. CONFIDENTIAL INFORMATION

- 2.1 All Confidential Information given by one party to this Agreement [the **Disclosing Party**] to the other party [the **Receiving Party**] will be treated by the Receiving Party as secret and confidential and will not, without the Disclosing Party's written consent, directly or indirectly communicate or disclose [whether in writing or orally or in any other manner] Confidential Information to any other person other than in accordance with the terms of this Agreement.
- 2.2 The Receiving Party will only use the Confidential Information for the sole purpose of technical and commercial discussions between the parties in relation to the Bid or for the subsequent performance of any contract between the parties in relation to the Bid.
- 2.3 Notwithstanding clause 2.1 above, the Receiving Party may disclose Confidential Information:
- 2.3.1 to those of its Agents who strictly need to know the Confidential Information for the sole purpose set out in clause 2.2 above, provided that the Receiving Party shall ensure that such Agents are made aware prior to the disclosure of any part of the Confidential Information that the same is confidential and that they owe a duty of confidence to the Disclosing Party. The Receiving Party shall at all times remain liable for any actions of such Agents that would constitute a breach of this Agreement; or
- 2.3.2 to the extent required by law or the rules of any applicable regulatory authority, subject to clause 2.4 below.
- 2.4 In the event that the Receiving Party is required to disclose any Confidential Information in accordance with clause 2.3.2 above, it shall promptly notify the Disclosing Party and cooperate with the Disclosing Party regarding the form, nature, content and purpose of such disclosure or any action which the Disclosing Party may reasonably take to challenge the validity of such requirement.
- 2.5 In the event that any Confidential Information shall be copied, disclosed or used otherwise than as permitted under this Agreement then, upon becoming aware of the same, without prejudice to any rights or remedies of the Disclosing Party, the Receiving Party shall as soon as practicable notify the Disclosing Party of such event and if requested take such steps [including the institution of legal proceedings] as shall be necessary to remedy [if capable of remedy] the default and/or to prevent further unauthorised copying, disclosure or use.
- 2.6 All Confidential Information shall remain the property of the Disclosing Party and its disclosure shall not confer on the Receiving Party any rights, including intellectual property rights over the Confidential Information whatsoever, beyond those contained in this Agreement.

3. RECORDS AND RETURN OF INFORMATION

- 3.1 The Receiving Party agrees to ensure proper and secure storage of all Information and any copies thereof.
- 3.2 The Receiving Party shall keep a written record, to be supplied to the Disclosing Party upon request, of the Confidential Information provided and any copies made thereof and, so far as is reasonably practicable, of the location of such Confidential Information and any copies thereof.
- 3.3 The Company shall, within 7 [seven] days of receipt of a written demand from Transnet:
- 3.3.1 return all written Confidential Information [including all copies]; and
- 3.3.2 expunge or destroy any Confidential Information from any computer, word processor or other device whatsoever into which it was copied, read or programmed by the Company or on its behalf.
- 3.4 The Company shall on request supply a certificate signed by a director as to its full compliance with the requirements of clause 3.3.2 above.

4. ANNOUNCEMENTS

- 4.1 Neither party will make or permit to be made any announcement or disclosure of its prospective interest in the Bid without the prior written consent of the other party.
- 4.2 Neither party shall make use of the other party's name or any information acquired through its dealings with the other party for publicity or marketing purposes without the prior written consent of the other party.

5. DURATION

The obligations of each party and its Agents under this Agreement shall survive the termination of any discussions or negotiations between the parties regarding the Bid and continue thereafter for a period of 5 [five] years.

6. PRINCIPAL

Each party confirms that it is acting as principal and not as nominee, agent or broker for any other person and that it will be responsible for any costs incurred by it or its advisers in considering or pursuing the Bid and in complying with the terms of this Agreement.

7. ADEQUACY OF DAMAGES

Nothing contained in this Agreement shall be construed as prohibiting the Disclosing Party from pursuing any other remedies available to it, either at law or in equity, for any such threatened or actual breach of this Agreement, including specific performance, recovery of damages or otherwise.

8. PRIVACY AND DATA PROTECTION

- 8.1 The Receiving Party undertakes to comply with South Africa's general privacy protection in terms Section 14 of the Bill of Rights in connection with this Bid and shall procure that its personnel shall observe the provisions of such Act [as applicable] or any amendments and re-enactments thereof and any regulations made pursuant thereto.
- 8.2 The Receiving Party warrants that it and its Agents have the appropriate technical and organisational measures in place against unauthorised or unlawful processing of data relating to the Bid and against accidental loss or destruction of, or damage to such data held or processed by them.

9. GENERAL

- 9.1 Neither party may assign the benefit of this Agreement, or any interest hereunder, except with the prior written consent of the other, save that Transnet may assign this Agreement at any time to any member of the Transnet Group.
- 9.2 No failure or delay in exercising any right, power or privilege under this Agreement will operate as a waiver of it, nor will any single or partial exercise of it preclude any further exercise or the exercise of any right, power or privilege under this Agreement or otherwise.
- 9.3 The provisions of this Agreement shall be severable in the event that any of its provisions are held by a court of competent jurisdiction or other applicable authority to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent permitted by law.
- 9.4 This Agreement may only be modified by a written agreement duly signed by persons authorised on behalf of each party.
- 9.5 Nothing in this Agreement shall constitute the creation of a partnership, joint venture or agency between the parties.
- 9.6 This Agreement will be governed by and construed in accordance with South African law and the parties irrevocably submit to the exclusive jurisdiction of the South African courts.

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