MASTER AGREEMENT

entered into by and between

TRANSNET SOC LTD

[Reg. No. 1990/000900/30]

and

……

[Reg. No. ……]

FOR THE PROVISION FOR THE TRANSPORTATION AND CARGO HANDLING SERVICES OF MANGANESE ORE (TRAIN OFF-LOADING), FOR TRANSNET PORT TERMINALS (HEREINAFTER REFERRED TO AS "TPT") AN OPERATING DIVISION OF TRANSNET SOC LTD, AT THE MULTI-PURPOSE TERMINAL, PORT OF SALDANHA ON AN "AS AND WHEN" REQUIRED BASIS FOR A PERIOD OF TWENTY-FOUR (24) MONTHS

Agreement Number	**iCLM HQ 1059/TPT - PPA-170097**
Commencement Date	**……**
Expiry Date	**…… OR AT THE DATE OF DEPLETION OF CONTRACT VALUE; WHICHEVER COMES FIRST**

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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, 4001,** Republic of South Africa **[Transnet]**

and

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

NOW THEREFORE, IT IS AGREED:

1.1 Transnet hereby appoints the Service Provider to provide, and Transnet undertakes to accept the 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 Service Provider hereby undertakes to provide the 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 **Acceptance** means the written confirmation by Transnet that the Services comply with the Scope of Work in accordance with the terms of this Agreement;

2.2 **AFSA** means the Arbitration Foundation of South Africa;

2.3 **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 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 Service Provider [as agreed, in writing, between the Parties], which collectively and exclusively govern the provision of Services and provision of ancillary Services by the Service Provider to Transnet;

2.4 **Assignment** refers to the transfer of rights and obligations in a contract from an assigner to an assignee;

2.5 **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;

2.6 **Business Day(s)** means any day other than a Saturday, Sunday, or public holiday as proclaimed in South Africa, between the hours of 07:30 and 16:00 (South African Standard Time);

2.7 **Cession** refers to the transfer of only the rights a service provider has in terms of a contract from it to a third party.

2.8 **Commencement Date** means ……, notwithstanding the signature date of this Agreement;

2.9 **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;

2.10 **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;

2.11 **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;

2.12 **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;

2.13 **Expiry Date** means …… or at the date of depletion of contract value whichever comes first;

2.14 **Foreground Intellectual Property** means all Intellectual Property developed by either Party pursuant to this Agreement;

2.15 **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;

2.16 **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;

2.17 **Parties** mean the Parties to this Agreement together with their subsidiaries, divisions, business units, successors-in-title and assigns;

2.18 **Party** means either one of these Parties;

2.19 **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;

2.20 **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;

2.21 **Price(s)** means the agreed Price(s) for the Services to be purchased from the 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;

2.22 **Purchase Order(s)** means official orders issued by an operating division of Transnet to the Service Provider for the provision of Services;

2.23 **Service(s)** means provision of transportation and cargo handling service of manganese ore (train-off loading), and any related or ancillary services performed by the Service Provider for the benefit

of Transnet, pursuant to and as specified in Schedule 1 (Scope of Work) and/or the relevant Work Order(s) issued in terms of this Agreement;

2.24 **Service Level Agreement** or **SLA** means the processes, deliverables, key performance indicators and performance standards relating to the Services to be provided by the Service Provider, annexed hereto as Annexure C;

2.25 **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;

2.26 **Schedule of Requirements** means Schedule 1 hereto;

2.27 **Subcontract** means any contract or agreement or proposed contract or agreement between the 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;

2.28 **Subcontractor** means the third party with whom the Service Provider enters into a Subcontract;

2.29 **Tax Invoice** means the document as required by Section 20 of the VAT Act, as may be amended from time to time;

2.30 **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;

2.31 **VAT** means Value-Added Tax chargeable in terms of the VAT Act, 89 of 1991, as may be amended from time to time; and

2.32 **VAT Act** means the Value Added Tax Act, No 89 of 1991, as may be amended from time to time.

2.33 **Work Order(s)** means a detailed scope of work for a Service required by Transnet, including **timeframes**, Deliverable, Fees and costs for the supply of the Service to Transnet, which may be appended to this Agreement 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 Service Provider will arrange for the provision to Transnet of the 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 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 37 *[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 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 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 Each Party represents and warrants that it has the full power, authority, and legal right to enter into this Agreement and to perform its obligations hereunder. Each Party further represents that the person signing this Agreement on its behalf has been duly authorised to do so and that this Agreement constitutes a valid and binding obligation, enforceable in accordance with its terms.

5.2 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.

5.3 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 twenty-four [24] months 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 shall terminate automatically on the date of depletion of funds allocated to the project. In the event of such termination, the Parties shall incur no further obligation or liability under this Agreement other than for payment of services rendered prior to the expiration of funds

c) this Agreement is extended at Transnet's option for a further period to be agreed by the Parties.

6.2 Notwithstanding clause 24 *[Breach and Termination]*, either Party may cancel this Agreement without cause by giving thirty [30] 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 two (2) weeks from the date of contract signature, the Parties shall meet to prepare and maintain a Risk Register, unless otherwise agreed in writing by Transnet. 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 deemed binding once signed by both Parties, particularly where they record agreements, corrective actions, or revised deliverables.

8 TRANSNET'S OBLIGATIONS

8.1 Transnet undertakes to promptly comply with any reasonable request by the Service Provider for information, including information concerning Transnet's operations and activities, that relates to the Services as may be necessary for the Service Provider to provide the 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 Service Provider of its confidentiality obligations under this Agreement.

8.2 The Service Provider shall give Transnet reasonable notice of any information it requires.

8.3 Transnet shall, upon receipt of such reasonable written notice and to the extent reasonably practicable, provide the Service Provider and its Personnel with access to and use of its facilities, systems, data, and personnel as may be necessary to enable the Service Provider to duly perform its obligations in terms of this Agreement.

9 GENERAL OBLIGATIONS OF THE SERVICE PROVIDER

9.1 The Service Provider shall:

a) The Service Provider shall ensure that all services are fully supervised by a dedicated and competent supervisor throughout all operations.

b) The Service Provider shall regularly liaise with the Operations Manager and the Planning Department and shall undertake daily activities only upon instruction from the TPT Operations Supervisor or Manager.

c) The supervisor on duty shall follow all planning and allocations in accordance with the TPT schedule, and all communication shall be conducted through nominated TPT Representatives only.

d) The Service Provider shall strictly manage all personnel to ensure safety protocols and productivity levels are maintained, and shall observe all activities and mitigate unsafe practices immediately.

e) The Service Provider shall perform services in accordance with the hours of work as stipulated by the Multi-Purpose Terminal, including public holidays and weekends.

f) All standby and overtime charges shall be for the Service Provider's own account.

g) The Service Provider shall reconcile the number of trains and tonnages handled and provide the TPT Representative with completed records after completion of every operation or when reasonably required.

h) The Service Provider shall ensure manganese grades are offloaded in the correct warehouse or bays as per the stacking plan, and any costs associated with cargo contamination shall be for the Service Provider's own account.

i) The Service Provider shall strictly adhere to the stacking plan, incident and damage procedures and stacking instructions as prescribed by Transnet Port Terminals.

j) The Service Provider shall provide additional resources as requested by TPT to meet the planned productivity rate should cargo be required to be moved to other areas.

k) There shall be no direct communication with any customer, importer, client of Transnet SOC Limited or any external stakeholder.

l) The Service Provider may not cede, assign, make over or delegate any of its rights or obligations to any third party without prior written consent from TPT, and shall remain liable as principal for fulfilment of obligations by its sub-contractors.

m) 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, as may be amended from time to time;

n) 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;

o) 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 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

p) 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 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 Service Provider.

9.2 **Scope Requirements:**

9.2.1 General

9.2.1.1 The Service Provider must be able to provide efficient, effective and world class transportation and cargo handling services on an "as and when required basis".

9.2.1.2 The Service Provider shall ensure availability of Equipment and personnel twenty-four (24) hours a day, seven (7) days a week, including weekends and public holidays.

9.2.1.3 The scope of services shall include any ad-hoc services as determined and instructed by TPT from time to time.

9.2.1.4 The hourly and/or daily hire rates shall be deemed fully inclusive of all costs associated with the provision of the Equipment and personnel, including but not limited to accommodation, living-out allowance, overtime, subsistence and travel, medical examinations, inductions, mobilization, demobilization and any other ad hoc expenses. No additional charges for such items shall be recoverable from TPT unless specifically approved in writing prior to the cost being incurred.

9.3 Core Tasks:

A. Offloading from CR-Type Rail Wagons

i. Offload manganese ore by means of 5 x Straddle Excavators mounted on portal frames with continuous tracked wheels for movement between wagons.

ii. Minimum 5 operators per shift.

Iii .No spillage; any spillage to be cleaned immediately at Service Provider's cost. Operators must avoid scraping wagon surfaces.

B. Transportation to Storage Area

i. Transport manganese ore by 10 x 25T Articulated Dump Trucks (ADTs) to open/covered storage at MPT. Round trip approx. 400m.

ii. Minimum 10 ADT drivers per shift.

iii. Loads to be evenly distributed, not overloaded. No spillage during transport.

iv. Provide exemption letter from roadworthiness where license is not applicable.

C. Cleaning of Rail Wagons

i. Manual reclaiming of residue manganese ore not removed by excavators.

ii. Minimum 6 cleaners per excavator (30 per shift).

iii. Service Provider to provide cleaning tools and compliant PPE. All residue stored in TPT bins.

D. Stockpiling by FEL

i. Stockpile to approx. 6m height by means of 3 x FELs (4.5 - 6.0m³) and 3 drivers per shift.

ii. Safe and efficient stacking at natural angle of repose. Compliant PPE required.

9.4 Site Establishment And Statutory Compliance

Place of Business

a) The Service Provider shall establish and maintain a fully functional place of business within a fifty (50) kilometre radius of the Port of Saldanha within fourteen (14) days of award. 6.1.2 Proof of such establishment, in the form of a valid lease agreement or proof of ownership and municipal account, shall be submitted to TPT for verification prior to commencement of services.

9.5 Site Establishment and De-establishment at MPT

a) The Service Provider shall establish and de-establish site at the Multi-Purpose Terminal (MPT) as and when directed by TPT.

b) 6.2.2 Site establishment shall include, but not be limited to, the following:

i. Development and submission of a Site Establishment Plan and Safe Work Method Statement (SWMS) for approval by TPT;

ii. Obtaining all necessary permits and approvals required for the execution of the works; and

iii. Assembly, testing and certification of the following Equipment on site: ten (10) x twenty-five (25) ton Articulated Dump Trucks (ADTs), three (3) x Front End Loaders (FELs), and five (5) x Custom Straddle Excavators.

9.6 Mobile Fuel Bowser

a) The Service Provider shall provide its own compliant and certified mobile fuel bowser for the refueling of Equipment on site. The bowser shall comply with all applicable SANS standards and TPT SHE requirements.

9.7 Labour Compliance

a) The Service Provider shall at all times comply with the Basic Conditions of Employment Act, Act No. 75 of 1997, as amended, particularly with respect to hours of work, overtime, and shift work arrangements for all personnel deployed on site.

9.8 Equipment Requirements:

9.8.1 General

- Five (5) x Excavators on frames
- Ten (10) x Articulated dumper trucks (25T min)
- Three (3) Front-End Loaders (4.5-6.0m³).

9.8.2 Straddle Excavators:

- The Service Provider shall provide Heavy Duty Hydraulic Crawler Excavators suitable for continuous bulk manganese handling in a port environment.
- All excavators shall be in good mechanical condition, fully operational and compliant with the Occupational Health and Safety Act No. 85 of 1993, the Driven Machinery Regulations, the National Road Traffic Act No. 93 of 1996 and applicable SANS standards, including SANS 1581, SANS ISO 3471 for ROPS and SANS ISO 3449 for FOPS.
- Any equipment utilized on site shall be subject to review, inspection and approval by Transnet Port Terminals personnel prior to commencement of work and at any time during the execution of the contract.
- The straddle design to allow sufficient clearance so as not to in pinch the wagon, and to allow the machine to operate safely and efficiently during offloading operations.

9.9 Articulate Dumper Trucks (ADT):

- Min 25T capacity, compliant with roadworthy/license requirements.

9.10 Front End loaders (FEL):

- CAT 950 or similar; to ensure that the offloading rate is maintained.
- 20-30T operating weight; 200-250kW;
- Bucket 4.5-6.0m³;
- Lift height 4.5-5.0m hinge pin;
- Breakout force 180-220kN; 4x4 articulated, 26.5R25 Tyres;
- Capable of continuous 12-hour operation;
- Load test certificates required.
- Backup to be available within 2 hours.

9.11 Human Capital Requirements

9.11.1 The service provider shall employ all personnel engaged in the performance of the services directly under its own employment arrangements, whether on a permanent basis or under fixed-term contracts, in accordance with applicable labour legislation.

9.11.2 The service provider shall not engage, utilize or source personnel through labour brokers, temporary employment services or any other third-party labour providers without the prior written approval of Transnet Port Terminals.

9.11.3 The service provider shall have a minimum of 10 operators for TPT's 24-hour operations, available to operate the Excavator.

9.11.4 The service provider shall have a minimum of 20 drivers for TPT's 24-hour operations, available to operate the Articulated dumper trucks.

9.11.5 The service provider should have a minimum of 6 drivers for TPT's 24-hour operations, available to operate front-end loaders.

9.11.6 The service provider shall have a minimum of 60 cleaners available to manually remove manganese residue from the wagons to support TPT's 24-hour operations.

9.11.7 Service provider to submit a comprehensive and detailed operational organogram that shows the structure and composition of their Operational structure involved in the works, inclusive of the key staff/professionals and their roles and responsibilities in this project identified in the Scope of work to support TPT's operational strategy that is currently in place.

9.12 Volumes

9.12.1 The volumes of commodities are indicative only and not guaranteed, as they fluctuate based on commodity availability and stockpile levels.

9.12.2 The total projected volume is approximately 2,537,849.54 tons over the duration of twenty-four (24) months.

9.12.3 Volumes are therefore neither guaranteed nor limited and will be handled on an as and when required basis.

9.13 Performance Measures and Lead Times

9.13.1 Lead Time and Response

9.13.1.1 The Service Provider must be capable of commencing work on site within sixty (60) days from the date of business award.

9.13.1.2 During the contract period, the Service Provider must be in a position to commence services within twenty-four (24) hours of notification due to operational requirements.

9.13.1.3 The Service Provider must have a permanently manned telephone and email facility to ensure immediate contact can be made in case of emergency.

9.13.1.4 When called upon in an emergency, the Service Provider is required to respond and be on site within two (2) hours to mitigate business risk.

9.14 Operational Productivity

9.14.1 Each train consists of an estimated one hundred and twenty-five (125) wagons with an estimated payload of sixty-seven (67) tons per wagon.

9.14.1.2 The Service Provider must be able to discharge a complete train of 125 wagons within six (6) hours upon commencement to comply with TPT's rail service design and turnaround time.

9.14.1.3 The Service Provider must ensure adequate equipment availability to achieve a minimum offloading rate of one thousand (1000) tons per hour.

9.15 Equipment Breakdown

9.15.1 In the event of defective equipment or breakdown, the Service Provider shall replace the defective or broken equipment with operational equipment within sixty (60) minutes of notification.

9.15.2 For Front-End Loader backup, replacement must be provided within two (2) hours.

9.15.3 The Service Provider shall not be entitled to any additional charges relating to the replacement of defective or broken equipment.

9.16 Quality, Safety and Compliance

9.16.1 All equipment certified per OHS Act 85 of 1993 S43 and Machinery and Occupational Safety Act; operators qualified per NQF Act 67 of 2008.

9.16.2 Zero tolerance for substance abuse; random testing.

9.16.3 Comply with TRN-IMS-GRP requirements: Employee Profile Dossier (TRN-IMS-GRP-TMP 014.3) to TPTSLDInduction-booking@transnet.net, SHE File (TRN-IMS-GRP-GDL 014.2), Induction (TRN-IMS-GRP-GDL 014.6), Legal Permits List (TRN-IMS-GRP-TMP 014.7), Appointment Letter (TRN-IMS-GRP-TMP-001.1), Safe Work Permit (TRN-IMS-GRP-TMP-014.10). No work without approved permits.

9.16.4 On-the-job HIRA, hazard communication, emergency plans, and waste removal (including hazardous waste with disposal certificates) are Service Provider's responsibility.

9.16.5 TPT provides ablution; Service Provider provides compliant PPE and identity tags.

9.16.6 Service Provider liable for damage/injury due to negligence of its staff/subcontractors. Cargo contamination costs for Service Provider's account. Strict adherence to TPT stacking plan and damage procedures.

9.17 Procedure of Work:

9.17.1 Demand for transportation and cargo handling services will be controlled and managed by the Operations and Planning Department.

9.17.2 The Service Provider shall attend all weekly and monthly operational meetings convened by the Operations and Planning Department in the Port of Saldanha, as well as operational meetings during loading and offloading activities.

9.17.3 Prior to any service requirement, the Operations and Planning Department will share the customer demand plan and operational requirements with the Service Provider.

9.17.4 The Service Provider must ensure it meets its obligations in respect of the amount of equipment required, dependent on manganese volumes to be moved.

9.17.5 The Operations Department shall raise a requisition for the respective service once the total service has been rendered.

9.17.6 The Procurement Department shall issue a purchase order based on the fixed cost to the Service Provider.

9.17.7 As a result of changes due to operational requirements, the Service Provider must always be in a position to commence services within twenty-four (24) hours of notification.

9.18 The Service Provider acknowledges and agrees that it shall at all times:

9.18.1 render the supply of the Services and ancillary Services (if applicable) and perform all its duties with honesty and integrity;

9.18.2 communicate openly and honestly with Transnet regarding the supply and performance of the Services and demonstrate a commitment to effecting the supply and performing ancillary Services timeously, efficiently and at least to the required standards;

9.18.3 endeavour to provide the highest possible standards of service and workmanship, with a reasonable degree of care and diligence;

9.18.4 use its best endeavours and make every diligent effort to meet agreed deadlines;

9.18.5 treat its own Staff, as well as all Transnet's Staff, with fairness and courtesy and respect for their human rights;

9.18.6 practice and promote its own internal policies aimed at prohibiting and preventing unfair discrimination;

9.18.7 treat all enquiries from Transnet in connection with the supply of the Services and/or ancillary Services with courtesy and respond to all enquiries promptly and efficiently. Where the Service Provider is unable to comply with the provisions of this clause, the Service Provider will advise Transnet of the delay and the reasons therefor and will keep Transnet informed of progress made regarding the enquiry;

9.18.8 when requested by Transnet, provide clear and accurate information regarding the 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;

9.18.9 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;

9.18.10 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;

9.18.11 not mislead Transnet or its officers, employees and stakeholders, whether by act or omission;

9.18.12 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;

9.18.13 immediately report to Transnet any unethical, fraudulent or otherwise unlawful conduct of which it becomes aware in connection with Transnet or the supply of Services or ancillary Services to Transnet;

9.18.14 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 Service Provider shall further ensure Tax Clearance Compliance, for the duration of this Agreement;

9.18.15 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.

9.18.16 shall ensure that its employees, agents and Subcontractors will not breach any applicable discrimination legislation and any amendments and re-enactments thereof.

9.18.17 Submit TRN-IMS-GRP-TMP 014.3 Employee Personal Profile Dossier to the contractor Manager for approval before induction training is confirmed. Approved Employee Profile Dossiers includes certified copies of medicals, identity documents, competencies etc. submitted via email correspondence to TPTSLDInduction-booking@transnet.net

9.18.18 Submit completed SHE File Electronic to TPT Contractor Manager for approval.

9.18.19 Submit Compliance SHE File within accordance with File Contractor Compliance File and in line with relevant applicable specifications as per respective TRN- IMS- GRP-GDL 014.2 Contractor Specification Guidelines, TRN-IMS-GRP-GDL.

9.18.20 Undergo induction training prior to handing over the site to the Contractor as TRN-IMS-GRP-GDL 014.6 Contractor Induction Minimum Requirements. SITE ESTABLISHMENT:

9.18.21 All relevant permits and authorizations are as per TRN-IMS-GRP-TMP 014.7 List of Legal Permits and Authorizations shared and completed prior to site access. Contractor appointed within accordance with TRN-IMS-GRP-TMP-001.1 prior to site access by TPT.

9.18.22 No work will commence with approved TRN-IMS-GRP-TMP-014.10 Operational Safe Work Permit issue to the contractor-by-Contractor Manager.

9.18.23 Shall implement and maintain applicable Health, Safety, Quality and Environmental regulations and other relevant standards and regulation, example: applicable SANS codes; OHS Act of 1993, other legislation, ISO 9001, ISO 14001 and ISO 45001, etc.

9.18.24 Ensure that all employees involved in activity is informed of the Hazards and risk they exposed to and all other relevant applicable Safety Work Procedures, fall protections Plans, Environmental Plans, Emergency Plans and any other relevant procedures, etc. proof to be submitted as part of the SHE File.

9.18.25 Ensure that On the Job HIRAS is completed prior to start of activity to ensure that any additional Risks been identified and to inform the mitigations and associated PPE, training etc.

9.19 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 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

10.14 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.

10.15 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.

10.16 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.

10.17 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.

10.18 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 Service Provider may only enter into a subcontracting arrangement or replace a subcontractor with the approval of Transnet.

11.2 If the Service Provider subcontracts a portion of the contract to another person without declaring it to Transnet reserves the right to penalise the Service Provider up to 10% of the value of the contract.

11.3 Where the 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 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 Service Provider (main contractor) and the subcontractor.

11.4 Should Transnet approve the Service Provider's subcontracting arrangement, the 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 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 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 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 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 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 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 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 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 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 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 Service Provider undertakes to notify and provide full details to Transnet in the event there is:

10.18.1.2 a change in the Service Provider's B-BBEE status which is less than what it was at the time of its appointment including the impact thereof; and

10.18.1.3 a corporate or internal restructure or change in control of the Service Provider which has or likely to impact negatively on the 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 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 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 Service Provider Default and may be dealt with in accordance with the provisions of clause 24.

e) In the event there is a change in the Service Provider's B-BBEE status, then the provisions of clause 24 shall apply.

13.2 Green Economy/Carbon Footprint

i) The Service Provider has in its bid provided Transnet with an understanding of the Service Provider's position with regard to issues such as waste disposal, recycling and energy conservation.

13.3 Reporting

i) The Service Provider shall monitor, audit, and record in an auditable manner, its own implementation and compliance with its Local Content obligations (if applicable) and provide the Contract Manager with such information as the Contract Manager may reasonably request concerning its Local Content obligations.

ii)The Service Provider shall, on a monthly basis from the Commencement Date and within 7 (seven) calendar days of the end of the previous calendar month, provide Transnet with a report (for monitoring purposes only) in respect of each of the undertakings stipulated in this clause.

14 JOB-CREATION

14.1 In terms of Section 11 of the RFP, the Supplier has undertaken to create new jobs (either by them or their subcontractor).

15 PENALTIES

15.1 Penalties for Non-compliance to Service Level Agreement

i) Should the Service Provider fail to meet service objectives and fail to remedy non-performance within the remedy period stated in a Notice of Non-Performance, it shall be liable for a deduction.

ii) The deduction shall be calculated as five percent (5%) Amount at Risk from the applicable invoice relating to the nominated vessel or train that services were rendered to.

iii) For the first non-conformance, a documented corrective action and safety talk must be implemented to mitigate future occurrences.

iv) For the second non-conformance of a similar nature, a five percent (5%) penalty will be deducted from the applicable invoice(s) relating to the month in which services were rendered.

v) Should the Service Provider fail to replace equipment within the stipulated time or fail to execute the service, TPT shall be entitled to arrange an alternative Service Provider, and all costs incurred shall be for the defaulting Service Provider's account.

vi) Where serious non-conformances or repeated non-conformances occur, TPT reserves the right to cancel or terminate the contract.

15.2 Non-Conformances

Non-conformances shall include, but not be limited to:

15.2.1 Delivery of inadequate quantity of equipment or delivery later than the date specified in the contract;

15.2.2 Provision of equipment which is not safe, good and proper working order;

15.2.3 Failing to provide roadworthy and duly licensed vehicles with all requisite permits or letters of exemption;

15.2.4 Not providing the agreed number of resources at the scheduled time, including equipment, cleaners, operators and supervisors;

15.2.5 Negligent spillages of cargo;

15.2.6 Repairs being undertaken during operational hours without the consent of TPT and without provision of replacement equipment; and

15.2.7 Failing to perform the service in a good, proper, efficient and workmanlike manner in accordance with sound principles, standards, methods and practices generally accepted in the Republic of South Africa.

15.3 **Non-compliance penalties for Job Creation**

i) Breach of job creation obligations provides Transnet cause to terminate the contract in certain cases where there is a material Non-compliance.

ii) If the Service Provider fails to achieve its job creation commitments as per their bid submission ("a **Non-Compliance**"), the Service Provider shall pay a Non-Compliance penalty ("Non-compliance Penalty") to Transnet in respect of such Non-compliance.

iii) Such penalty shall be calculated based on the difference between the committed and delivered jobs. For every job not created, a penalty of 2% of the contract value will be applied.

Non-compliance Penalty Certificate:

a) If any Non-compliance Penalty arises, the Supplier Development Manager shall issue a Non-compliance Penalty Certificate 90 business days before the expiry of the contract indicating the Non-compliance Penalties which have accrued during that period.

10.18.2 A Non-compliance Penalty Certificate shall be prima facie proof of the matters to which it relates. If the Service Provider disputes any of the amounts set out in a Non-compliance Penalty Certificate:

- the dispute shall be resolved in accordance with the provisions of the Agreement; and
- if pursuant to that referral, it is determined that the Service Provider owes any amount to Transnet pursuant to the Non-compliance Penalty Certificate, then the Service Provider shall pay such amount to Transnet within 10 (ten) Business Days of the determination made pursuant to such determination and an accompanying valid Tax Invoice.

Payment of Non-compliance Penalties:

10.18.3 Subject to Clause (e) above, the Service Provider shall pay the Non-compliance Penalty indicated in the Non-compliance Penalty Certificate within 10 (ten) Business Days of Transnet issuing a valid Tax Invoice to the Service Provider for the amount set out in that certificate. If Transnet does not issue a valid Tax Invoice to the Service Provider for Non-compliance Penalties accrued during any relevant period, those Non-compliance Penalties shall be carried forward to the next period.

10.18.4 The Service Provider shall pay the amount due within 10 (ten) days after receipt of a valid Tax Invoice from Transnet, failing which Transnet shall, without prejudice to any other rights of Transnet under this Agreement, be entitled to call for payment which may be in any form Transnet deems reasonable and/or appropriate.

10.18.5 Should the Service Provider fail to pay any Non Compliance Penalties within the time indicated above (as applicable), Transnet shall be entitled to deduct (set off) the amount not paid by the Service Provider from the account of the Service Provider in the ensuing month.

The Non Compliance Penalties set forth in this Clause are stated exclusive of VAT. Any VAT payable on Non Compliance Penalties will be for the account of the Service Provider.

16 FEES AND EXPENSES RELATING TO SERVICES

16.1 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.

16.2 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].

16.3 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:

i) are agreed by Transnet in advance;

ii) are incurred in accordance with Transnet's standard travel and expenses policies;

iii) are passed on to Transnet at cost with no administration fee; and

iv) will only be reimbursed if supported by relevant receipts.

16.4 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.

17 INVOICES AND PAYMENT

17.1 Prices quoted would be kept firm and fixed for a period of 12 months, subject thereafter to adjustment (i.e. after the initial period of 12 months), utilizing the applicable consumer price index (CPI).

17.2 Transnet shall pay such amounts to the 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 Service Provider for the delivery of the Services ordered, in terms of clause 17.5 below.

17.3 Transnet may, pending an investigation, withhold any payments to the Service Provider, in the case where irregular expenditure has been identified in the particular contract and that there is reasonable suspicion that the Service Provider is involved or was aware that the contract transgressed any legislation.

17.4 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.

17.5 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 Service Provider's statement together with the relevant valid and undisputed Tax Invoice(s) and supporting documentation.

17.6 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 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.

17.7 The 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 aforegoing, 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.

18 PRICE ADJUSTMENTS

18.1 Annual price adjustments will be linked to CPI, no price escalation for the first year of the contractual term

18.2 No less than 2 [two] months prior to any proposed Price adjustment, the Parties shall commence negotiations for Prices for the next period or as otherwise indicated in Schedule 1 hereto. The Parties shall have regard for market-related pricing of equivalent goods, continuous improvement initiatives, costs [including labour, raw materials and transport/delivery], order size and frequency and changes to the specification of the Services.

18.3 Pursuant to clause 18.2 above, the Service Provider shall keep full and accurate records of all costs associated with the supply of the Services to Transnet, in a form to be approved in writing by Transnet. The Service Provider shall produce such records to Transnet for inspection at all reasonable times on request and such records may, at Transnet's option, be audited by Transnet or its designated representatives.

18.4 Should Transnet and the Service Provider fail to reach an agreement on Price for the successive period, either Party shall be entitled to submit this matter to dispute resolution in accordance with clause 34 of the Master Agreement [Dispute Resolution].

18.5 If during the period of this Agreement Transnet can purchase similar Services of a like quality from another supplier at a total delivered cost to a Transnet facility that is lower than the total delivered cost of the Services purchased hereunder from the Service Provider, Transnet may notify the Service Provider of such total delivered cost and the Service Provider shall have an opportunity to adjust the Price of the Services purchased hereunder, on such a basis as to result in the same total delivered cost to Transnet, within 30 [thirty] calendar days of such notice. If the Service Provider fails to do so or cannot legally do so, Transnet may (i) purchase the Services from such other supplier in which case the obligations, including, but not limited to, any purchase and sale requirements and/or commitments, if any, of Transnet and the Service Provider hereunder shall be reduced accordingly; (ii) terminate this Agreement without any penalty, liability or further obligation; or (iii) continue purchases under this Agreement.

18.6 If during the period of this Agreement the Service Provider sells any materials which are the same as, equivalent to, or substantially similar to the Services herein, at a total delivered cost to a third party lower than the total delivered cost to a Transnet facility, then the Service Provider has an opportunity to adjust its Price for the Services purchased hereunder within 30 [thirty] calendar days so that the Price is the same or lower than the total delivered cost of such third party. If the Service Provider fails to do so or cannot legally do so, Transnet may (i) purchase the Services from any other such supplier, in which case the obligations, including, but not limited to, any purchase and sale requirements and/or commitments, if any, of Transnet and the Service Provider hereunder shall be reduced accordingly; or (ii) terminate this Agreement without any penalty, liability or further obligation. Within 30 [thirty] calendar days of the Commencement Date of this Agreement or at any time Transnet so requests, the Service Provider shall certify in writing to Transnet that it is in compliance with this clause and shall provide all information that Transnet reasonably requests in order to verify such compliance.

19 WARRANTIES APPLICABLE TO SERVICES

19.1 The Service Provider warrants to Transnet that:

i) be in possession of valid and appropriate driver's licences and professional driving permits (PrDPs) where required;

ii) have received appropriate training for the safe handling and transportation of manganese ore; and

iii) comply with all applicable legal and safety requirements, including Transnet site-specific safety protocols. The contractor shall maintain and make available, upon request, all relevant documentation confirming the drivers' qualifications, training, and fitness to perform the required Services

iv) 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;

v) it will discharge its obligations under this Agreement and any annexure, appendix or schedule hereto with all due skill, care and diligence;

vi) 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;

vii) 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

viii) 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 annexed hereto as Annexure C. 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 37 *[Amendment and Change Control].*

19.7 The Service Provider warrants that:

i) 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

ii) 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 Provider hereby indemnifies and shall hold Transnet harmless against any direct damages suffered by or claims arising against Transnet in respect of clause 19.2 above.

21 TOTAL OR PARTIAL FAILURE TO PERFORM

21.1 In the case of Goods to be specially manufactured for it, if Transnet at any time ascertains that:

i) 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

ii) 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.

21.2 Service Provider shall thereupon, as soon as possible after such date, deliver to Transnet the 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 Services. Where an integral or essential part of the work has not been completed, the amount to be paid to the Service Provider will be calculated on the basis of Transnet's enrichment. The Service Provider shall, wherever practicable, supply Transnet with the necessary drawings and/or specifications to enable it to complete the work.

21.3 Whenever, in any case not covered by clause 21.1 above, the Supplier fails or neglects to execute the work or to deliver any portion of the Services as required by the terms of this Agreement or Purchase Order, or if any Services are rejected on any of the grounds mentioned in clause 19 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 Services, and in such event, the supply of the remaining portion shall remain subject in all respects to these conditions.

22 NON CONFORMANCE OF SERVICES PROCURED

22.1 In the case of services manufactured for and procured by Transnet from the 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 Service Provider whose Services do not conform to Transnet standards, specifications and requirements directing the Service Provider to investigate and remedy the non-conformance within the stipulated time frame as may be determined by Transnet at its discretion.

22.2 Failure by the Service Provider to fully comply with NCR within the period stated in sub-clause 22.1 above, shall entitle Transnet to further conditions to which the Service Provider must discharge in order to close the NCR or to terminate the order without giving the Service Provider written notice of termination in terms of this Agreement.

23 RIGHTS ON CANCELLATION

23.1 If this Agreement or Purchase Order is cancelled in whole or in part in terms of clause 21 *[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 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 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 Service Provider's default.

23.2 Any amount which may be recoverable from the Service Provider in terms of clause 23.1 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 Service Provider.

24 BREACH AND TERMINATION

24.1 Termination in accordance with clause 5.1 [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.

24.2 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.

24.3 To the extent that any of the Deliverables and property referred to in clause 24.2 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.

24.4 In the event that this Agreement is terminated by the Service Provider under clause 6 [Term and Cancellation], or in the event that a Work Order is terminated by Transnet under clause 24 [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.

24.5 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.

24.6 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:

i) a voluntary arrangement or composition or reconstruction of its debts;

ii) its winding-up or dissolution;

iii) the appointment of a liquidator, trustee, receiver, administrative receiver or similar officer;

iv) any similar action, application or proceeding in any jurisdiction to which it is subject.

24.7 Transnet may terminate this Agreement at any time within 2 [two] months of becoming aware of a change of control of the Service Provider by notice in writing to the 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.

24.8 Notwithstanding this clause 24, Transnet may cancel this Agreementwithout cause by giving 30 [thirty] calendar days prior written notice thereof to the Service Provider, or

24.9 The provisions of clauses 2 *[Definitions]*, 19 *[Warranties]*, 23 *[Rights on Cancellation]*, 28 *[Confidentiality]*, 30 *[Limitation of Liability]*, 31 *[Intellectual Property Rights]*, 34 *[Dispute Resolution]* and 38.1 *[Governing Law]* shall survive termination or expiry of this Agreement.

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

25.1 The 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 services delivered/rendered by a Service Provider to an FSP or State Institutions;

b) The written request for cession must be by the Service Provider and not a third party; and

c) The written request by the Service Provider must be accompanied by the cession agreement.

25.2 The 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.

26 FORCE MAJEURE

26.1 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 aforegoing, 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.

26.2 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.

27 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 as amended

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 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.

27.1 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.

27.2 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.

27.3 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.

27.4 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.

27.5 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.

27.6 Personal Information security breach:

i) 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.

ii) 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.

iii) 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.

iv) 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.

28 CONFIDENTIALITY

28.1 The Parties hereby undertake the following with regard to Confidential Information:

i) 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;

ii) 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;

iii) 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;

iv) 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;

v) not to exercise less care to safeguard Transnet Confidential Information than the Party exercises in safeguarding its own competitive, sensitive or Confidential Information;

vi) 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;

vii) 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;

viii) 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;

ix) 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;

x) 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

xi) 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.

28.2 The duties and obligations with regard to Confidential Information in this clause 28 shall not apply where:

i) 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

ii) 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

iii) 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

iv) is independently developed by a Party as proven by its written records.

28.3 This clause 28 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 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.

29 INSURANCES

29.1 The service provider shall be required to have an assets insurance policy in respect of their equipment which will be utilized in rendering the service

29.2 The service provider should have a broad form of current insurance liability cover which includes Professional Indemnity Insurance/Professional Liability Insurance/General Insurance/Public Liability Insurances with a minimum limit of indemnity of R90 million (Ninety million rand) per incident.

29.3 The service provider shall be required to have an assets insurance policy in respect of their equipment which will be utilized in rendering the service.

29.4 The service provider shall be required to have a valid letter of Good Standing issued to it in terms of the COIDA Act.

29.5 Policies to be available within 2 weeks of award.

29.6 Without limiting the liability of the Service Provider under this Agreement, the Service Provider shall take out insurance in respect of all risks for which it is prudent for the 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 Service Provider.

29.7 The 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.

29.8 Subject to clause 29.9 below, if the Service Provider fails to effect adequate insurance under this clause 29, 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 Service Provider. The Service Provider shall promptly reimburse Transnet for any premiums paid provided such insurance protects the Service Provider's liability. Transnet assumes no responsibility for such insurance being adequate to protect all of the Service Provider's liability.

29.9 In the event that the Service Provider receives written notice from its insurers advising of the termination of its insurance cover referred to in clause 29.7 above or if the insurance ceases to be available upon commercially reasonable terms, the Service Provider shall immediately notify Transnet in writing of such termination and/or unavailability, whereafter either the 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.

30 LIMITATION OF LIABILITY

30.1 The Service Provider's liability under this clause 30 shall be in addition to any warranty or condition of any kind, express or implied by law or otherwise, relating to the Services or ancillary Services,

including the quality of the Services or ancillary Services or any materials delivered pursuant to this Agreement.

30.2 Neither Party excludes or limits liability to the other Party for:

i) death or personal injury caused by its negligence, [including its employees', agents' or Subcontractors' negligence]; or

ii) fraud or theft.

30.3 The 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 Service Provider or its Personnel in connection with this Agreement. The Service Provider's liability arising out of this clause 30.3 shall be limited to direct damages.

30.4 Subject always to clauses 30.1 and 30.2 above, the liability of either the 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.

30.5 Subject to clauses 30.1 to 30.4 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.

30.6 If for any reason the exclusion of liability in clause 30.5 above is void or unenforceable, either Party's total liability for all loss or damage under this Agreement shall be as provided in clause 30.3 above.

30.7 Nothing in this clause 30 shall be taken as limiting the liability of the Parties in respect of clauses 28 *[Confidentiality]* and 31 *[Intellectual Property Rights]*.

31 INTELLECTUAL PROPERTY RIGHTS

31.1 Title to Confidential Information

i) Transnet will retain all right, title and interest in and to its Confidential Information and Background Intellectual Property and the 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 Service Provider's Background Intellectual Property shall remain vested in the Service Provider.

ii) Transnet shall grant to the 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 Service Provider to sub-license to other parties.

iii) The Service Provider shall grant to Transnet an irrevocable, royalty free, non-exclusive licence to use the Service Provider's Background Intellectual Property for the Permitted Purpose. This licence shall not permit Transnet to sub-license to other parties.

iv) The Service Provider shall grant Transnet access to the 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.

v) The above shall not pertain to any software licenses procured by the Service Provider from third parties and used in the supply of the Services.

31.2 Title to Intellectual Property

i) All right, title and interest in and to Foreground Intellectual Property prepared, conceived or developed by the Service Provider, its researchers, agents and employees shall vest in Transnet and the Service Provider acknowledges that it has no claim of any nature in and to the Foreground Intellectual Property. The 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.

ii) 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 Service Provider shall reasonably assist Transnet in attaining and maintaining protection of the Foreground Intellectual Property.

iii) Where the Foreground Intellectual Property was created by the 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 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.

iv) No consideration shall be paid by Transnet to the Service Provider for the assignment of any Foreground Intellectual Property from the Service Provider to Transnet, over and above the sums payable in terms of this Agreement. The 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.

v) Subject to anything contrary contained in this Agreement and/or the prior written consent of Transnet [which consent shall not be unreasonably be withheld], the 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.

31.3 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 Service Provider shall disclose promptly to Transnet all such improvements, developments, adaptations and/or modifications, inventions or discoveries. The 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 Service Provider shall reasonably assist Transnet in attaining, maintaining or documenting ownership and/or protection of the improved Foreground Intellectual Property.

31.4 Unauthorised Use of Confidential Information

The 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.

31.5 Unauthorised Use of Intellectual Property

i) The 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 Service Provider acquires knowledge and Transnet shall have the right, as its own option, to proceed against any party infringing its Intellectual Property.

ii) It shall be within the sole and absolute discretion of Transnet to determine what steps shall be taken against the infringer and the 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.

iii) The Service Provider shall cooperate to provide Transnet promptly with all relevant ascertainable facts.

iv) 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.

32 NON-WAIVER

32.1 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.

32.2 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.

33 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.

34 DISPUTE RESOLUTION

34.1 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.

34.2 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 Durban.

34.3 Such dispute shall be finally resolved in accordance with the rules of AFSA by an arbitrator or arbitrators appointed by AFSA.

34.4 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 34.

34.5 This clause 34 is severable from the rest of this Agreement and shall remain in effect even if this Agreement is terminated for any reason.

34.6 This clause 34 shall not preclude either Party from seeking urgent relief in a court of appropriate jurisdiction, where grounds for urgency exist.

35 ADDRESSES FOR NOTICES

35.1 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:

i) **Transnet**

(i) For legal notices: ……

……

……

Email Address ……

Attention: Transnet Port Terminals Legal Department

(i) For commercial notices: ……

……

……

Email Address: ……

b) **The Service Provider**

(i) For legal notices: ……

……

……

Fax No. ……

Attention: ……

(ii) For commercial notices: ……

……

……

Fax No. ……

Attention: ……

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

35.3 Any notice shall be deemed to have been given:

i) if hand delivered, on the day of delivery;

ii) 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

iii) 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.

36 WHOLE AND ONLY AGREEMENT

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

36.2 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.

37 AMENDMENT AND CHANGE CONTROL

37.1 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.

37.2 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 34 *[Dispute Resolution*].

38 GENERAL

38.1 **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.

38.2 **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 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 34 [*Dispute Resolution*] above.

38.3 **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.

39 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:
Name:	
Position:	
Signature:	
Date:	
Place:	

AS WITNESS: Name:	**AS WITNESS:** Name:
Signature:	Signature:

SCHEDULE 1 – SCHEDULE OF REQUIREMENTS

DESCRIPTION	**STANDARD TERMS AND CONDITIONS FOR THE APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION FOR THE TRANSPORTATION AND CARGO HANDLING SERVICES OF MANGANESE ORE (TRAIN OFF-LOADING), FOR TRANSNET PORT TERMINALS (HEREINAFTER REFERRED TO AS "TPT") AN OPERATING DIVISION OF TRANSNET SOC LTD, AT THE MULTI-PURPOSE TERMINAL, PORT OF SALDANHA ON AN "AS AND WHEN" REQUIRED BASIS FOR A PERIOD OF TWENTY-FOUR (24) MONTHS.**
SERVICE PROVIDER	**……**
CONTRACT NUMBER	**iCLM HQ 1059/TPT - PPA-170097**
DURATION	**TWENTY-FOUR (24) MONTHS**
COMMENCEMENT DATE	**……**
EXPIRY DATE	**…… OR AT THE DATE OF DEPLETION OF CONTRACT VALUE; WHICHEVER COMES FIRST**

With reference to the Standard Terms and Conditions of Contract, Reference Number iCLM HQ 1059/TPT - PPA-170097 dated …… , ("Contract") between Transnet SOC Ltd ("Transnet") and …… (the " Service Provider") pursuant to which you have agreed to perform certain services for 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 Services

The scope of services to be performed by the service provider is the provision of transportation and cargo handling services of manganese ore (train off-loading) at the Port of Saldanha for a period of twenty-four (24) months. The details for the services to be provided are as stipulated in clause 2 below.

2. Scope of Services

2.1 Deliverables

Please refer to the scope of work attached hereto as **"Annexure A"**

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

Transnet Contract Manager	
Designation	
Operating Division	
Address	
Telephone	
Email	

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.

5. Fees & Disbursements

5.1 In consideration of the performance of the Services by the Service Provider pursuant to this Work Order, Transnet will pay to it an amount not exceeding R…… (including VAT) over the twenty-four (24) month period.

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

SIGNED for and on behalf of

.....

Signature.....

Name.....

Position.....

Date.....

SIGNED for and on behalf of

Transnet SOC Ltd

Signature.....

Name.....

Position.....

Date.....

Signature.....

Name.....

Position.....

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	**Transnet**
Addressee:	Addressee:
……	Transnet SOC Ltd
Attention: …….	Attention : Group Legal Counsel
Physical Address:	Physical Address:
……..	2nd floor
……	Anton Lembede Street
……	Durban
	4001
Postal Address:	
……..	Postal Address:
……	P.O. Box 10124
……	Marine Parade
	Durban
	4056
email:	Tel.: +27 31 308 8223
……	

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: …… 20--

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 Services 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" 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;

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

SIGNED at _____ on _____20--

(Signature) .....

in the presence of:-

Witness name: .....
Witness Signature: .....
Witness address: .....
.....

TRANSNET

port terminals

Annexure A

Scope of Work

PROVISION FOR THE TRANSPORTATION AND CARGO HANDLING SERVICES OF MANGANESE ORE (TRAIN OFF-LOADING), FOR TRANSNET PORT TERMINALS (HEREINAFTER REFERRED TO AS "TPT") AN OPERATING DIVISION OF TRANSNET SOC LTD, AT THE MULTI-PURPOSE TERMINAL, PORT OF SALDANHA ON AN "AS AND WHEN" REQUIRED BASIS FOR A PERIOD OF TWENTY-FOUR (24) MONTHS.

Document Reference Number:

09/02/2026

Site:
Multi-Purpose Terminal Saldanha

Distribution of this document is restricted to Transnet and Transnet approved entities only

Definitions:

Commissioning	Ensuring systems and components are designed, installed, tested, operated, and maintained according to the owner's requirements.
Contract	A legally binding agreement between parties with specific terms, involving mutual consent and exchange of consideration (e.g., payment or benefits).
Contract Manager	Transnet employee authorized to supervise and liaise with the contractor, ensuring contract specifications are met (technical, quality, health, safety, environment). The contract manager executes plans to achieve deliverables, receiving authorization from project initiator and stakeholders.
Contract Owner	The person who requires a specific product, goods, or services and who is responsible to provide the budget and approval.
Contractor	A party (organization or person) contracted to supply products or services to Transnet (including suppliers, vendors, consultants, service providers, and contractors).
Contractor Execution Plan	A site-specific plan submitted by the contractor for Transnet approval before mobilization, covering aspects like Health & Safety, Environment, Quality, and Delivery plans. The Contractor Compliance File is a record containing required documentation as per Transnet's requirements.
Job Owner:	Any permanent employee of MPT who has been trained, tested and found competent, and appointed in writing for the purpose of carrying out or supervising work on plant, machinery and equipment.
Risk Assessment	A risk assessment in this procedure means the process where all risks associated with the contract and its execution are identified, mitigated, and managed.
Specification	A detailed prescription of the Integrated Management System (IMS) requirements to which equipment, construction, product, or service must comply with this includes various models, drawings, and documents. It is noted that the specification might even comprise of multitude different

	elements.
Lockout	The fitting of a padlock (or caliper and padlocks) to an isolator switch so that it cannot be returned to an operating condition.
Permit Acceptor	Any person who has been appointed to write to receive a Permit to Work for the purposes of carrying out or supervising work on equipment
Permit Issuer	The operations shift manager will be responsible for the issuing of permits.
Permit Number	A number issued by TPT that logs the work performed, the person responsible for the work and the approximate duration. Note: This is not the same as the sequential number on the Permit to Work
Permit to Work	A written document indicating the equipment to work on, the potential hazards, how and where these hazards were negated, signatures indicating that equipment is safe and the names of all persons working on the equipment
Responsible Supervisor	The Operations and Maintenance Supervisor who have been assigned responsibility for the operation and maintenance of a particular section/s of the plant.

Abbreviations

IMS	Integrated Management System
ISO	International Organization for Standardization
OHSAS	Occupational Health and Safety Assessment
Series POM	Policy Manual
PROC	Procedure
SOP:	Standard Operating Procedure
QMS	Quality Management System
SANS:	South African National Standard
SMS:	Safety Management System / Service Management System
TCC:	Transnet Corporate Centre which is the Transnet Head Office
SLD:	Saldanha
TPT:	Transnet Port Terminals
WI:	Work Instructions
ECSA:	Engineering Counsel of South Africa

PROVISION FOR TRANSPORTATION AND CARGO HANDLING SERVICES OF MANGANESE ORE (TRAIN OFF-LOADING) FOR TRANSNET PORT TERMINALS (TPT), MULTI-PURPOSE TERMINAL, PORT OF SALDANHA, ON AN "AS AND WHEN" REQUIRED BASIS FOR 24 MONTHS

1. BACKGROUND

Transnet Port Terminals (TPT) requires a suitably qualified Service Provider to provide Transportation and Cargo Handling Services for Manganese Ore at the Multi-Purpose Terminal, Port of Saldanha.

2. EXECUTION OVERVIEW

2.1 TPT requires a solution-driven Service Provider with capacity to handle manganese ore and full compliance with all legal, safety and operational requirements.

2.2 The Service Provider will be expected to share TPT's mission through teamwork, flexibility, innovation, and open communication, while delivering cost efficiencies, improved service, proactive improvements, and leading-edge service delivery systems.

2.3 End-users must be able to rely on the Service Provider's personnel for enquiries and operational support.

3. SCOPE OF REQUIREMENTS

3.1 **General**

3.2 The Service Provider should provide efficient, world-class services on a wet rate basis, as and when required by TPT.

3.3 The Service Provider shall ensure availability of Equipment and personnel twenty-four (24) hours a day, seven (7) days a week, including weekends and public holidays.

3.4 The scope of services shall include any ad-hoc services as determined and instructed by TPT from time to time.

3.5 The hourly and/or daily hire rates shall be deemed fully inclusive of all costs associated with the provision of the Equipment and personnel, including but not limited to accommodation, living-out allowance, overtime, subsistence and travel, medical examinations, inductions, mobilization, demobilization and any other ad hoc expenses. No additional charges for such items shall be recoverable from TPT unless specifically approved in writing prior to the cost being incurred.

3.2 Core Tasks

A. Offloading from CR-Type Rail Wagons

i. Offload manganese ore by means of 5 x Straddle Excavators mounted on portal frames with continuous tracked wheels for movement between wagons.
ii. Minimum 5 operators per shift.
iii. No spillage; any spillage to be cleaned immediately at Service Provider's cost. Operators must avoid scraping wagon surfaces.

B. Transportation to Storage Area

i. Transport manganese ore by 10 x 25T Articulated Dump Trucks (ADTs) to open/covered storage at MPT. Round trip approx. 400m.
ii. Minimum 10 ADT drivers per shift.
iii. Loads to be evenly distributed, not overloaded. No spillage during transport.
iv. Provide exemption letter from roadworthiness where license is not applicable.

C. Cleaning of Rail Wagons

i. Manual reclaiming of residue manganese ore not removed by excavators.
ii. Minimum 6 cleaners per excavator (30 per shift).
iii. Service Provider to provide cleaning tools and compliant PPE. All residue stored in TPT bins.

D. Stockpiling by FEL

i. Stockpile to approx. 6m height by means of 3 x FELs (4.5 - 6.0m³) and 3 drivers per shift.
ii. Safe and efficient stacking at natural angle of repose. Compliant PPE required.

3.3 Site Establishment And Statutory Compliance

3.3.1 Place of Business

a) The Service Provider shall establish and maintain a fully functional place of business within a fifty (50) kilometre radius of the Port of Saldanha within fourteen (14) days of award. 6.1.2 Proof of such establishment, in the form of a valid lease agreement or proof of ownership and municipal account, shall be submitted to TPT for verification prior to commencement of services.

3.3.2 **Site Establishment and De-establishment at MPT**

a) The Service Provider shall establish and de-establish site at the Multi-Purpose Terminal (MPT) as and when directed by TPT.
b) 6.2.2 Site establishment shall include, but not be limited to, the following:
c) a) Development and submission of a Site Establishment Plan and Safe Work Method Statement (SWMS) for approval by TPT;
d) b) Obtaining all necessary permits and approvals required for the execution of the works; and
e) c) Assembly, testing and certification of the following Equipment on site: ten (10) x twenty-five (25) ton Articulated Dump Trucks (ADTs), three (3) x Front End Loaders (FELs), and five (5) x Custom Straddle Excavators.

3.3.3 **Mobile Fuel Bowser**

a) The Service Provider shall provide its own compliant and certified mobile fuel bowser for the refueling of Equipment on site. The bowser shall comply with all applicable SANS standards and TPT SHE requirements.

3.3.4 **Labour Compliance**

a) The Service Provider shall at all times comply with the Basic Conditions of Employment Act, Act No. 75 of 1997, as amended, particularly with respect to hours of work, overtime, and shift work arrangements for all personnel deployed on site.

4. Eligibility Criteria

4.1 **Vehicle Registration:**

- Certified copies of RC1 and License Certificate for each ADT, Excavator and FEL, or formal letter of exemption in terms of National Road Traffic Act.

4.2 **Operator Competency:**

- Valid certified competency certificates for 10 Excavator Operators, 6 FEL Operators, and 20 ADT Drivers.

4.3 **Professional Registration**:

- Certified copy of valid ECSA registration for the Engineer who will design and approve excavator straddles/cradles.

5. Equipment Requirements

5.1 General:

- 5 x Excavators on portable frames,
- 10 x ADTs (25T min),
- 3 x FELs (4.5-6.0m³).

5.2 Straddle Excavators:

- The Service Provider shall provide Heavy Duty Hydraulic Crawler Excavators suitable for continuous bulk manganese handling in a port environment.
- All excavators shall be in good mechanical condition, fully operational and compliant with the Occupational Health and Safety Act No. 85 of 1993, the Driven Machinery Regulations, the National Road Traffic Act No. 93 of 1996 and applicable SANS standards, including SANS 1581, SANS ISO 3471 for ROPS and SANS ISO 3449 for FOPS.
- Any equipment utilized on site shall be subject to review, inspection and approval by Transnet Port Terminals personnel prior to commencement of work and at any time during the execution of the contract.
- The straddle design to allow sufficient clearance so as not to in pinch the wagon, and to allow the machine to operate safely and efficiently during offloading operations.

5.3 Articulate Dumper Trucks (ADT):

- Min 25T capacity, compliant with roadworthy/license requirements.

5.4 Front End loaders (FEL):

- CAT 950 or similar; to ensure that the offloading rate is maintained.
- 20-30T operating weight; 200-250kW;
- Bucket 4.5-6.0m³;
- Lift height 4.5-5.0m hinge pin;
- Breakout force 180-220kN; 4x4 articulated, 26.5R25 Tyres;
- Capable of continuous 12-hour operation;
- Load test certificates required.
- Backup to be available within 2 hours.

6. Human Capital Requirements

6.1 The supplier shall employ all personnel engaged in the performance of the services directly under its own employment arrangements, whether on a permanent basis or under fixed-term contracts, in accordance with applicable labour legislation.

6.2 The supplier shall not engage, utilize or source personnel through labour brokers, temporary employment services or any other third-party labour providers without the prior written approval of Transnet Port Terminals.

6.3 The service provider shall have a minimum of 10 operators for TPT's 24-hour operations, available to operate the Excavator.

6.4 The service provider shall have a minimum of 20 drivers for TPT's 24-hour operations, available to operate the Articulated dumper trucks.

6.5 The service provider should have a minimum of 6 drivers for TPT's 24-hour operations, available to operate front-end loaders.

6.6 The service provider shall have a minimum of 60 cleaners available to manually remove manganese residue from the wagons to support TPT's 24-hour operations.

6.7 Bidders to submit a comprehensive and detailed operational organogram that shows the structure and composition of their Operational structure involved in the works, inclusive of the key staff/professionals and their roles and responsibilities in this project identified in the Scope of work to support TPT's operational strategy that is currently in place.

7. Volumes

7.1 The volumes of commodities are indicative only and not guaranteed, as they fluctuate based on commodity availability and stockpile levels.

7.2 The total projected volume is approximately 2,537,849.54 tons over the duration of twenty-four (24) months.

7.3 Volumes are therefore neither guaranteed nor limited and will be handled on an as and when required basis.

8. Site Briefing and Equipment Verification

8.1 Compulsory Site Briefing

8.1.1 A compulsory site briefing will be conducted.

8.1.2 Bidders are required to visit the site to familiarize themselves with the work requirements, site conditions, access points and any restrictions imposed by Transnet Port Terminals.

8.1.3 Bidders must consider all factors that may influence the contract and account for associated costs in their tender.

8.1.4 No claims for additional costs relating to the nature, location or condition of the site will be entertained after tender submission.

8.1.5 TPT does not warrant that roads, road surfaces, weather or lighting conditions will remain consistent, suitable or free from temporary deterioration.

9. Equipment Verification

9.2.1 Site verification of equipment (Articulated Dump Trucks, Front-End Loaders and Straddle Excavators) shall be conducted by a duly authorized TPT representative prior to award of business.

9.2.2 Verification will include confirmation of physical availability, operational conditions and compliance with the Scope of Work specifications.

9.2.3 Verification will include validation of documentation, including but not limited to proof of ownership or lease agreements, registration certificates, maintenance and service records, valid insurance, roadworthy certificates and operator competency certificates.

9.2.4 Only equipment that has been successfully inspected and approved through this verification process will be deemed acceptable for award.

9.2.5 Bidders whose equipment does not meet the specified requirements and verification criteria may be disqualified from further consideration.

10. Performance Measures, Penalties and Lead Times

10.1 Lead Time and Response

10.1.1 The Service Provider must be capable of commencing work on site within sixty (60) days from the date of business award.

10.1.2 During the contract period, the Service Provider must be in a position to commence services within twenty-four (24) hours of notification due to operational requirements.

10.1.3 The Service Provider must have a permanently manned telephone and email facility to ensure immediate contact can be made in case of emergency.

10.1.4 When called upon in an emergency, the Service Provider is required to respond and be on site within two (2) hours to mitigate business risk.

10.2 Operational Productivity

10.2.1 Each train consists of an estimated one hundred and twenty-five (125) wagons with an estimated payload of sixty-seven (67) tons per wagon.

10.2.2 The Service Provider must be able to discharge a complete train of 125 wagons within six (6) hours upon commencement to comply with TPT's rail service design and turnaround time.

10.2.3 The Service Provider must ensure adequate equipment availability to achieve a minimum offloading rate of one thousand (1000) tons per hour.

10.3 Equipment Breakdown

10.3.1 In the event of defective equipment or breakdown, the Service Provider shall replace the defective or broken equipment with operational equipment within sixty (60) minutes of notification.

10.3.2 For Front-End Loader backup, replacement must be provided within two (2) hours.

10.3.3 The Service Provider shall not be entitled to any additional charges relating to the replacement of defective or broken equipment.

10.4 Penalties

10.4.1 Should the Service Provider fail to meet service objectives and fail to remedy non-performance within the remedy period stated in a Notice of Non-Performance, it shall be liable for a deduction.

10.4.2 The deduction shall be calculated as five percent (5%) Amount at Risk from the applicable invoice relating to the nominated vessel or train that services were rendered to.

10.4.3 For the first non-conformance, a documented corrective action and safety talk must be implemented to mitigate future occurrences.

10.4.4 For the second non-conformance of a similar nature, a five percent (5%) penalty will be deducted from the applicable invoice(s) relating to the month in which services were rendered.

10.4.5 Should the Service Provider fail to replace equipment within the stipulated time or fail to execute the service, TPT shall be entitled to arrange an alternative Service Provider, and all costs incurred shall be for the defaulting Service Provider's account.

10.4.6 Where serious non-conformances or repeated non-conformances occur, TPT reserves the right to cancel or terminate the contract.

10.5 Non-Conformances

Non-conformances shall include, but not be limited to:

10.5.1 Delivery of inadequate quantity of equipment or delivery later than the date specified in the contract;

10.5.2 Provision of equipment which is not safe, good and proper working order;

10.5.3 Failing to provide roadworthy and duly licensed vehicles with all requisite permits or letters of exemption;

10.5.4 Not providing the agreed number of resources at the scheduled time, including equipment, cleaners, operators and supervisors;

10.5.5 Negligent spillages of cargo;

10.5.6 Repairs being undertaken during operational hours without the consent of TPT and without provision of replacement equipment; and

10.5.7 Failing to perform the service in a good, proper, efficient and workmanlike manner in accordance with sound principles, standards, methods and practices generally accepted in the Republic of South Africa.

11. Quality, Safety And Compliance

11.1 All equipment certified per OHS Act 85 of 1993 S43 and Machinery and Occupational Safety Act; operators qualified per NQF Act 67 of 2008.

11.2 Zero tolerance for substance abuse; random testing.

11.3 Comply with TRN-IMS-GRP requirements: Employee Profile Dossier (TRN-IMS-GRP-TMP 014.3) to TPTSLDInduction-booking@transnet.net, SHE File (TRN-IMS-GRP-GDL 014.2), Induction (TRN-IMS-GRP-GDL 014.6), Legal Permits List (TRN-IMS-GRP-TMP 014.7), Appointment Letter (TRN-IMS-GRP-TMP-001.1), Safe Work Permit (TRN-IMS-GRP-TMP-014.10). No work without approved permits.

11.4 On-the-job HIRA, hazard communication, emergency plans, and waste removal (including hazardous waste with disposal certificates) are Service Provider's responsibility.

11.5 TPT provides ablution; Service Provider provides compliant PPE and identity tags.

11.6 Service Provider liable for damage/injury due to negligence of its staff/subcontractors. Cargo contamination costs for Service Provider's account. Strict adherence to TPT stacking plan and damage procedures.

12. Insurance

12.1 Minimum R90 million per incident - Broad form liability including Professional Indemnity, Public Liability.

12.2 Asset insurance for equipment and valid COIDA Letter of Good Standing.

12.3 Policies to be available within 2 weeks of award. Underwriter confirmation to be submitted with tender.

13. PROCEDURE OF WORK AND GENERAL DUTIES

13.1 Procedure of Work

13.1.1 Demand for transportation and cargo handling services will be controlled and managed by the Operations and Planning Department.

13.1.2 The Service Provider shall attend all weekly and monthly operational meetings convened by the Operations and Planning Department in the Port of Saldanha, as well as operational meetings during loading and offloading activities.

13.1.3 Prior to any service requirement, the Operations and Planning Department will share the customer demand plan and operational requirements with the Service Provider.

13.1.4 The Service Provider must ensure it meets its obligations in respect of the amount of equipment required, dependent on manganese volumes to be moved.

13.1.5 The Operations Department shall raise a requisition for the respective service once the total service has been rendered.

13.1.6 The Procurement Department shall issue a purchase order based on the fixed cost to the Service Provider.

13.1.7 As a result of changes due to operational requirements, the Service Provider must always be in a position to commence services within twenty-four (24) hours of notification.

13.2 General Duties and Requirements

13.2.1 The Service Provider shall ensure that all services are fully supervised by a dedicated and competent supervisor throughout all operations.

13.2.2 The Service Provider shall regularly liaise with the Operations Manager and the Planning Department and shall undertake daily activities only upon instruction from the TPT Operations Supervisor or Manager.

13.2.3 The supervisor on duty shall follow all planning and allocations in accordance with the TPT schedule, and all communication shall be conducted through nominated TPT Representatives only.

13.2.4 The Service Provider shall strictly manage all personnel to ensure safety protocols and productivity levels are maintained, and shall observe all activities and mitigate unsafe practices immediately.

13.2.5 The Service Provider shall perform services in accordance with the hours of work as stipulated by the Multi-Purpose Terminal, including public holidays and weekends.

13.2.6 All standby and overtime charges shall be for the Service Provider's own account.

13.2.7 The Service Provider shall reconcile the number of trains and tonnages handled and provide the TPT Representative with completed records after completion of every operation or when reasonably required.

13.2.8 The Service Provider shall ensure manganese grades are offloaded in the correct warehouse or bays as per the stacking plan, and any costs associated with cargo contamination shall be for the Service Provider's own account.

13.2.9 The Service Provider shall strictly adhere to the stacking plan, incident and damage procedures and stacking instructions as prescribed by Transnet Port Terminals.

13.2.10 The Service Provider shall provide additional resources as requested by TPT to meet the planned productivity rate should cargo be required to be moved to other areas.

13.2.11 There shall be no direct communication with any customer, importer, client of Transnet SOC Limited or any external stakeholder.

13.2.12 The Service Provider may not cede, assign, make over or delegate any of its rights or obligations to any third party without prior written consent from TPT, and shall remain liable as principal for fulfilment of obligations by its sub-contractors.

14. Business Continuity Plan

14.1 The Service Provider must submit a detailed Business Continuity Plan to manage risk and clearly state how operational disruptions will be limited or minimized.

14.2 The plan must include a clearly defined Business Continuity Team, detailing roles, responsibilities and contact details of personnel to be contacted in the event of an emergency or operational disruption.

14.3 The plan must identify all critical services and equipment required to render the service, and state the time required to restore or replace each critical service or equipment in the event of disruption without compromising the service level.

14.4 The target restoration time for critical services and equipment is two (2) hours.

14.5 The plan must include a detailed assessment of Business Continuity risks and associated mitigations, as well as the time required to practically implement each mitigation measure.

14.6 The plan must state how often the Business Continuity Plan will be tested and the method of testing to be employed, for example desktop simulation or live simulation.

14.7 The plan must include a detailed Crisis Communication Plan covering:

- What constitutes a crisis;
- The composition of the Crisis Team;
- How a crisis will be communicated, including the method of communication and timelines for notification to TPT.
- Continuity of operations and the contingency plan must be supported by backup contracts with alternative suppliers who can supply equipment at short notice to prevent disruption of service.
- Such backup contracts may be submitted as draft contracts pending award of business.
- The response time for backup support must be clearly defined in the contract and in the Business Continuity Plan.

15. Annexures

15.1 Terminal View – Manganese Facility Layout

15.2 Current Train Offloading process

15.3 Train Offloading process Flow

15.4 CR-17 Wagon Design

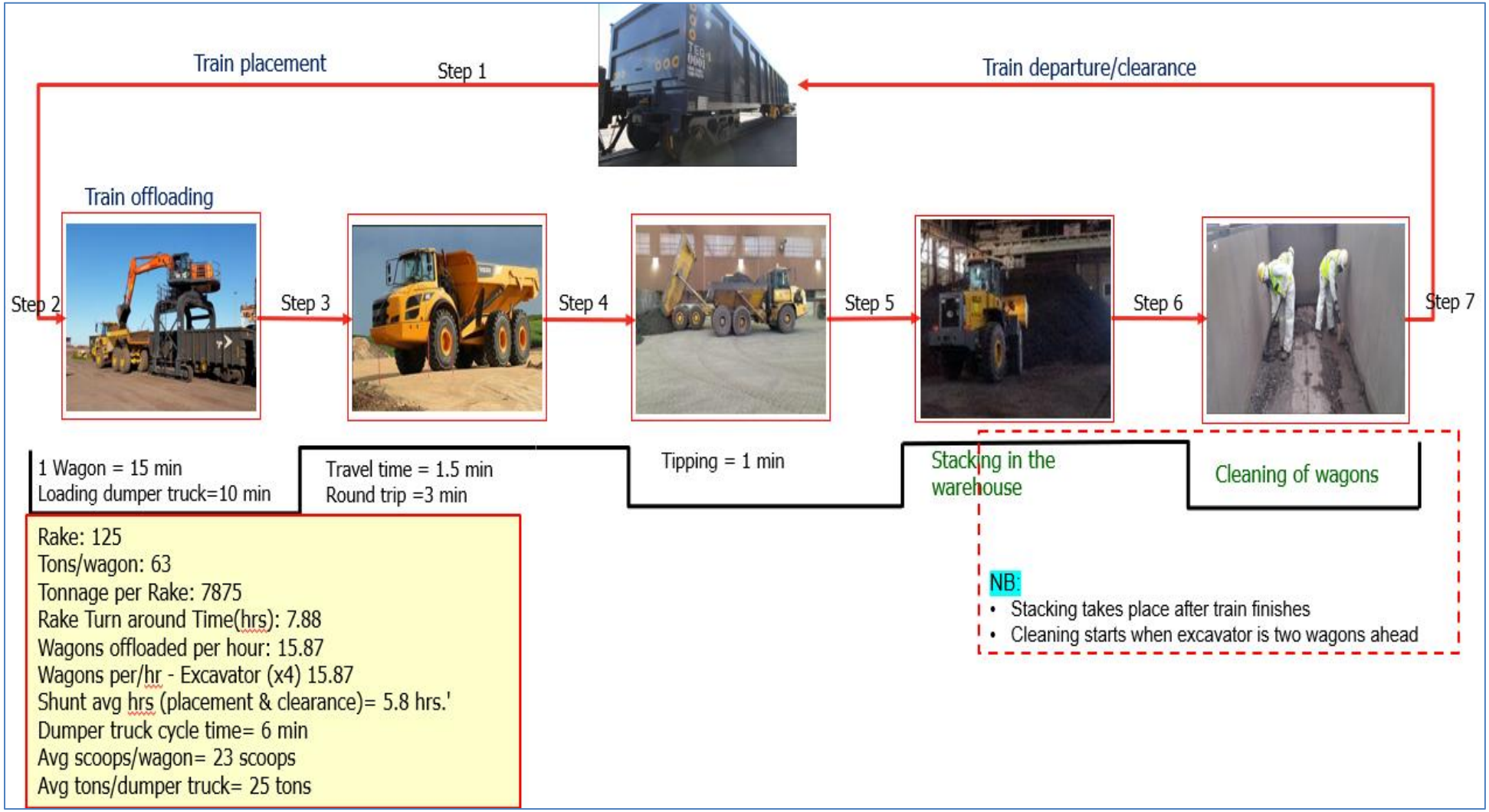
15.5 Current rail configuration

15.6 Dimensions of CR-17 and CR13/14 Wagons are currently used

Terminal View – Manganese Facility Layout



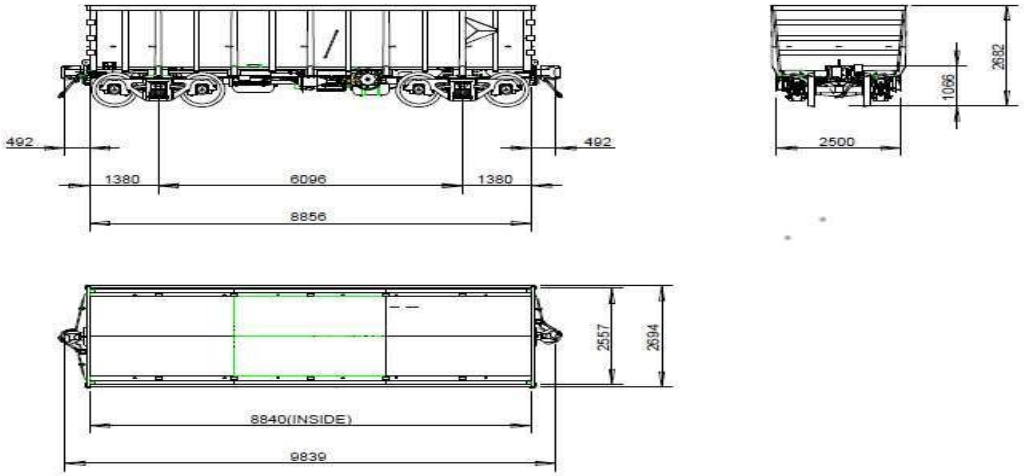
Current Train Offloading process



CR-17 Wagon Design

Drawgear Equipment - Trekwerktoerusting
KK Coupler Hydraulic Cushioning Device / Koppelaar Hidroliese Kussingrigting
SSC Centre Sill Hydraulic Cushioning Device / Middeldraik Hidroliese Kussingrigting

Brake System - Remstelsel
V Vacuum / Vakuum
L Air / Lug
D Dual Power - Manually Operated / Tweekrag - Handbediening
A Dual Power - Automatic / Tweekrag - Outomaties
R Slack Adjuster / Remversteller



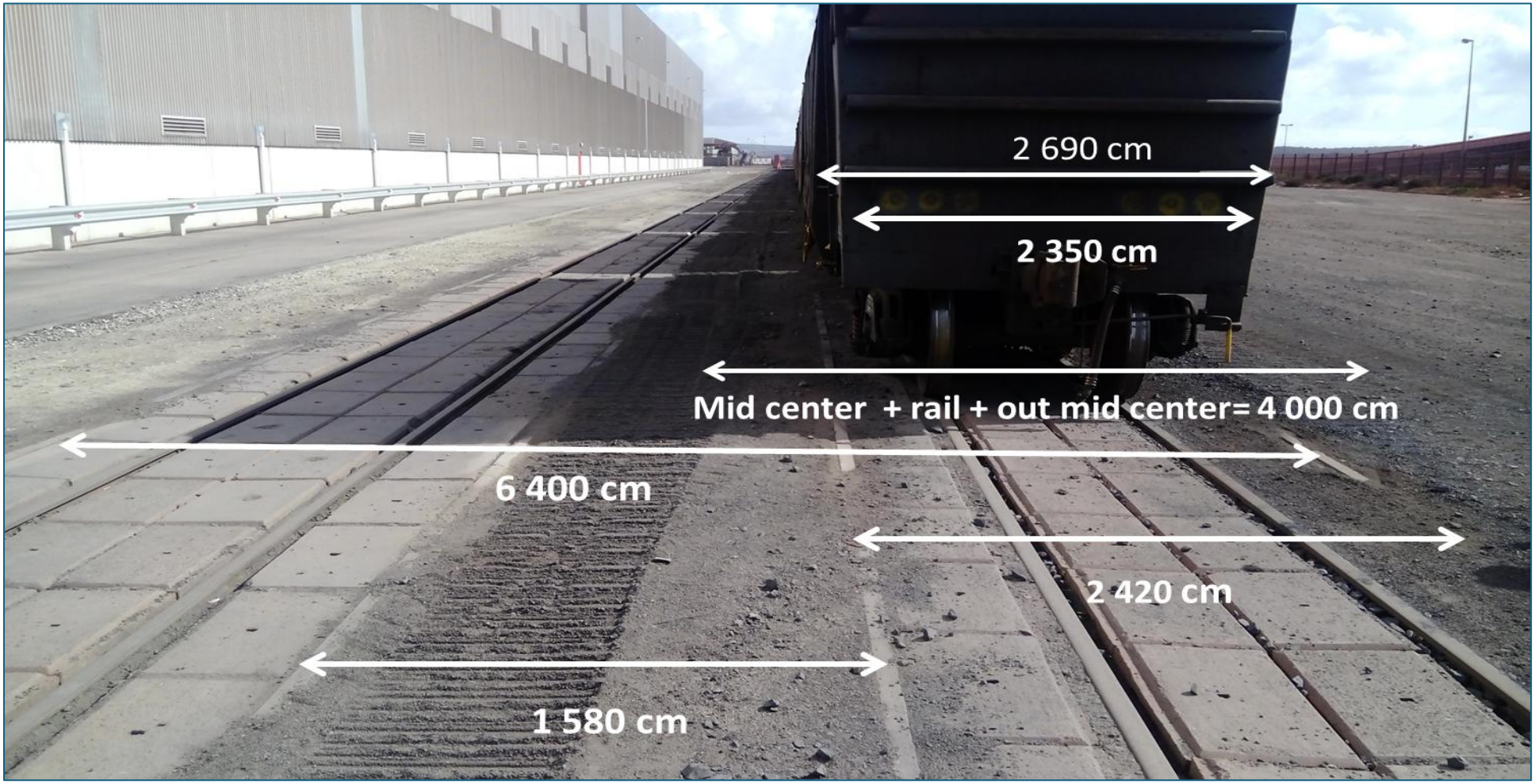
Remarks / Opmerkings : ✳ 1
ABD AND L1 VALVE

Drawing Number / Tekeningnommer	PEW821B0000		Original Design Drawing Number / Oorspronklike Ontwerps-tekeningnr.			Tare (Average) / Tarra (Gemiddeld)	kg	17600
Bogie Type / Draaisteltipe	HS Mk VII					Load / Vrag	kg	62400
Bearing Size / Laergrootte	D					Load (Coal) / Vrag (Steenkool)	kg	
Springs per Bogie (Outer/Inner) / Vere per Draaistel (Buite/Binne)	10/10					Floor Area / Vloeroppervlakte	m^2	
Brake System V, V/D, V/D/R, V/R, L, L/R, L/A/R, L/V/R / Remstelsel	-	✳ 1	Centre of Gravity (Empty) / Swaartepunt (Leeg)			Capacity / Inhoudsvermoë	m^3	35.5
Brake Cylinders / Remsilinders		1/ 10x12	Design Limit - Mass on Rail / Ontwerplimiet - Massa op Spoor	kg	80000			
Train Pipe / Treinpyp, Brake Pipe / Rempyp		32	Originally designed for / Oorspronklik ontwerp vir		MANGANESE			
Brake Percentage (Empty/Loaded) / Rempersentasie (Leeg / Met Vrag)		58.7/21.6	Converted for / Omskep vir					
Drawgear Equipment / Trekwerktoerusting	AAR M901E		Issued / Uitgereik	Revision / Hersiening				
Coupler / Yoke / Koppelaar / Juk	F/F			Date / Datum				

Vehicle Number Range / Voertuignommerreeks	Placed in Service / In Gebruik Geneem
	2012
Converted from / Omskep van	Date / Datum

CR-17

Current rail configuration



Dimensions of CR-17 and CR13/14 Wagons currently use

MEASUREMENTS	CR-17 Wagons	CR-13/14 Wagons
Wagon width	2.7m	3m
Boggy height	1.7m	1.580m
Rail track height	2.595m	2.648m
Length	8.9m	9.690*2= 20.2m
Wagon to Wagon length	9.4m	10m
Rail line	1m	1m
Clearance distance	4m	
Mid-center + rail + out mid-center	4m	

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port terminals

Annexure B

Pricing Schedule

Provision for the Transportation and Cargo Handling Services of manganese ore (train off-loading), for Transnet port terminals (hereinafter referred to as "TPT") an operating division of Transnet soc ltd, at the multi-purpose terminal, port of Saldanha on an "as and when" required basis for a period of twenty-four (24) months

Pricing Schedule

Saldanha

Respondents are required to complete the table below:

Item No.	Description of Item	UOM	Quantity Per Month	Rate Per ton Excl. VAT	Rate Per ton Incl. VAT
1.	Transportation and Cargo Handling services of Manganese Ore (10 X Articulated Dumper Trucks, 5 x Straddle Excavators and 3 x Front-End Loaders). Each excavator, which includes the actual load and portal frames should have a minimum safe operating weight of approximately 33 Tons and articulated dumper trucks with a minimum load capacity of 25 tons.	TON	Greater than (>) 140 000		
		TON	Greater than or equal (≥) 118 000 – less than (<) 139 999		
		TON	Less than (<) 118 000		

Respondents are required to complete the table below for Transporting and Site Establishment (once-off) fee, including de- establishment(demobilisation) at the end of the contract:

Item No.	Description of Item	UOM	Quantity	Rand Value Excl. VAT	Rand Value Incl. VAT
2.	Site Establishment for equipment as a once-off: 5 Excavators 5 Straddles 3 Front end Loaders 10 Articulated Dumper trucks 1 Service Truck including Bowser and Crane	Each	1		

Notes to Pricing:

a) Prices must be quoted in South African Rand, exclusive and inclusive of VAT

b) To facilitate like-for-like comparison, bidders must submit pricing strictly in accordance with this pricing schedule and not utilize a different format. Deviation from this pricing schedule could result in a bid being declared non-responsive.

c) Please note that should you have offered a discounted price(s), TPT will only consider such price discount(s) in the final evaluation stage if offered on an unconditional basis.

d) Respondents, if awarded the contract, are required to indicate that their prices quoted would be kept firm and fixed for a period of 12 months, subject thereafter to adjustment (i.e. after the initial period of 12 months), utilizing the applicable consumer price index (CPI). [Not to be confused with bid validity period].

e) Bidders are to note that the projected volumes provided in the attached Scope of Work are estimated volumes based on TPT projections. Should these volumes be exceeded, TPT reserves the right to renegotiate pricing based on the increased business awarded to the successful bidder/s.

f) TPT reserves the right to change the current Operating business models, without consulting the successful bidder/s and expect the successful bidder/s to align with the changes if and when they may occur.

g) **Please take special note: Payment will only occur on actual tonnage worked and not on quantity per ton as per above.**

TRANSNET

port terminals

Annexure C

Service Level Agreement

DRAFT - SERVICE LEVEL AGREEMENT - PROVISION OF THE TRANSPORTATION AND HANDLING SERVICES - TRANSNET PORT TERMINALS SERVICE LEVEL AGREEMENT												
No.			PARTY		WHEN	FREQUENCY	KPI	MEASUREMENT	MEASUREMENT			
			SUPPLIER	TPT					WEIGHT	SUPPLIER	TPT	
1	Planning	a) Attend weekly operational meetings as required and ensure Service Provider representative attends and is prepared to address TPT client requirements.		x	Not less than 24 hours prior to services being required.	When required	Ensure Timeous communication of all services required by TPT (starting times, venues, number of trucks/Equipment and drivers	24 hours planning Forecast Schedule provided on time to all role players	5%			
		b) TPT must notify the service provider immediately of any cancellation of requested services.		x	At least 2 hours prior to the assigned starting time.	As and when required	Services must be cancelled timeously, with at least 2 hours' notice prior to the assigned starting time.	0% delivery of cancelled request	5%			
2	Safety Requirements	a) Ensure Service Provider supplies relevant protective clothing and uniforms to all employees.	x		Before site entry.	For each requested service	All employees arriving on duty with the required protective clothing and Uniforms	0% of non-compliance	2%			
		b) Ensure all Service Provider employees are issued ID cards.	x		Before site entry.	For each requested service	All employees reporting for duty displaying their identity tags	0% of non compliance	2%			
		c) Conduct safety talks with own staff upon arrival and prior to commencement of services. Minute the talks and forward minutes to TPT.	x		15 minutes prior to agreed starting time	For each requested service	Ensuring compliance to TPT and Customer Safety Standards	0% of non-complaince	2%			
		d) Provide a list of all employees requiring induction.	x		Induct all new employees before working on TPT premises.	As and when required	Submit accurate records of all employees inducted prior to any work done on all premises of TPT	100% records available on request by TPT	2%			
		e) Ensure all drivers and employees have completed accredited training.	x		Annually	Annually	Submit accurate records of driver training. Records shall be readily available and accession for inspect/audit by TPT	100% records available on request by TPT	2%			
		f) Ensure all employees have completed safety awareness training.	x		Every 6 months	Every 6 months	Submit accurate records of safety awareness training. Records shall be readily available and and accession for inspect/audit by TPT	100% records available on request by TPT	2%			
		d) Hold monthly safety meetings	x		Monthly	Ongoing	Register to be completed at each meeting to be provided	100% records available on request by TPT	2%			
##	Delivery of Services	a) 100% availability of 5 excavators, 10 articulated dumpers, and 3 front-end loaders.	x		15 minutes prior to agreed starting time	For each requested service	Equipment Availability KPI: Percentage of required equipment available and operational on-site at all times = (Number of operational units ÷ Total number of required units) × 100.	Document the KPI result, highlighting any units that are non-operational and reasons for downtime (e.g., maintenance, repairs,	10%			
		b) The service provider is required to ensure minimum staffing levels are met, with 5 excavator operators, 10 articulated dumper drivers, 3 front-end loader drivers, and 30 cleaners on duty at all times to achieve 100% staffing for respective equipment and tasks.	x		As and when required	For each requested service	100% compliance with the minimum staffing complement. A minimum of [95% / 100%] of all contractually required positions must be filled and present on shift at any given time.	(Actual Number of Staff on Duty / Minimum Number of Staff Required per Contract) x 100 **Compliance will be measured through:** 1. Daily attendance register / shift roster vs. approved organogram 2. Random spot-checks / audits by the TPT.	6%			
		c) TPT requires 3 FELs for optimal stockpiling, using proper stacking techniques and maintaining stack height at the material's natural angle for safety,	x		As and when required	For each requested service	Measured via shift roster or driver allocation log. 100% of stacks meet safety and efficiency standards. Measured via stack	Measured via angle measurement (inclinometer) or photographic assessment	6%			
		d) The service provider must discharge a train of 125 wagons within 6 hours of commencement to meet rail service turnaround time requirements.	x		As and when required	For each requested service	Discharge 125-wagon train within 6 hours of commencement.	Train discharge logs and timestamp records	6%			
		e) Receive TPT instructions for cargo coordination and proceed to stacker address.	x		immediately prior to starting time.	For each requested service	100% Delivery of Service	0% of non-compliance	6%			
		f) Verify cargo condition, report discrepancies/damages to TPT Operations Supervisor.	x		Prior to loading/unloading of Cargo	For each requested service	100% Mitigation of Risk	0% of non-compliance	6%			
		g) Report equipment/truck breakdowns to TPT Operations Supervisor and provide replacement.	x		Immediately	For each requested service	100% On time Delivery of Service	0% of non-compliance	5%			
4	Reporting	a) Provide reports of non-performance of individual Drivers/Employees or Equipment/Trucks		x	Immediately after incident	Ongoing	Reporting of all non-performance issues regarding individual performance or Equipment failure	100% incidents reported	2%			
		b) Provide feedback of disciplinary action and/or Corrective measures taken	x		5 days after reported date	Ongoing	Feedback reports on corrective action taken	100% feedback reports	2%			
5	Compliance Requirements	a) Provide valid IRP30 certificate	X		The valid documentation must be sent prior to expiry date	Annually	Submit valid and certified IRP30 Certificate	0% of invalid documentation	2%			
		b) Provide valid workmen's compensation certificate	X		The valid documentation must be sent prior to expiry date	Annually	Submit valid and certified Compensation certificates	0% of invalid documentation	2%			
		c) Provide proof that each employee has undergone the necessary medical examination	X		The valid documentation must be sent prior to expiry date	Every 2 years	Submit medical examination certificates	0% documentation outstanding	2%			
		d) Provide proof of provincial licenses and competency certificates drivers	X		Before drivers are sent for induction	When new driver is recruited	Submit relevant documents	0% documentation outstanding	2%			
		e) Ensure that the competency certificates are valid (must be renewed every two years)	X		Every 2 years	Every 2 years	Submission of competency certificates	100% adherence	2%			
6	Supplier Development and B-BBEE Commitments	a) Ensure information is provided to ensure supplier development commitments are adhered to	X		SLA Meeting	Monthly	Service Provider to ensure that the supplier development commitments are adhered to	100% adherence	2%			
		b) Ensure information is required to ensure the improvement of B-BBEE commitments are adhered to	X		SLA Meeting	Monthly	Service Provider to ensure that the supplier development commitments are adhered to	100% adherence	2%			
7	Damage & Claims	a) Report any accidents and notifiable accidents	X		Within 24 hours of the occurrence	As and when required	Timeous notification of details of damages and/ or incidents	100% notification of damages and incidents	2%			
		b) Provide Damage Report		X	Within 2 working days of it being realised by TPT	As and when required	Timeous notification of details of damages and/ or loss and countermeasures	100% accuracy and details pertaining dama	2%			
		c) Provide written notification of claims		X	By the 2nd day of the following month	Monthly	Accurate Measuring of the damage ratio	100% accuracy and details pertaining damage ratio	1%			
8	Invoicing & Payments	a) Invoice TPT and submit with supporting documents (weighbridge certificate etc.) for all activities undertaken to execute agreed services	X		30 days	Monthly or after delivery of service	Submit accurate invoice(s) with clear item details, and supporting documentation. Provide a monthly statement to reflect all payments made and outstanding.	100% on time submission of invoices with accurate and reconciled supporting documents. Monthly statement to support invoices. Incomplete or inaccurate invoices shall not be considered valid submissions for purposes of payment timelines.	4%			
		b) Receive and check documentation, arrange electronic payment and TPT Finance to advise Service Provider via remittance advice of payment details.		X	Documents submitted during the month will be paid, 30 days from the date of statement	Monthly or after delivery of service	Authorisation of invoices for payment within 30 days.	Monthly statement to confirm payment of invoices	4%			
	Legends:			1 = Poor	2 = Not Acceptable	3 = Acceptable	4 = Excellent		100%			

Minimum theshold to be achieved is 90%

If the scoring is below this target, Transnet has the right to issue a first written warning regarding unsatisfactory performance to the supplier