

SCOPE OF SERVICES

1. DESCRIPTION OF THE SERVICE AND EXECUTIVE OVERVIEW

- 1.1 Transnet Pipelines is currently executing TM1 NMPP Works Project. This Project requires the provision of Security Services at Transnet Project Office based at Cutler National Key Point, Bayhead, Durban for a 12 month period. The project office and the construction sites are based inside Cutler NKP area and requires guarding of assets and staff during the construction phase. The project office has a single storey containerised office setup with parking facilities housing approximately 10 staff during office hours (07h00 – 17h00). The constructions site has equipment and material storage facilities and laydown areas.

2. SCOPE OF REQUIREMENTS

The Security Services must be provided by the Service Provider as outlined.

The provision of the Security Services will include and not limited to the following requirements:

- 2.01 A manned 12 hours dayshift for seven (7) security guards Grade C, 12 hours nightshift for six (6) security guards Grade C Monday to Sunday.
- 2.02 Of the above, Two (2) C grade dayshift and One (1) nightshift C grade trained to work within NKP facility.
- 2.03 In addition to the above provide One (1) B grade Shift Supervisor 12 hours dayshift, one (1) B grade Shift Supervisor for nightshift, trained to work within NKP facility.
- 2.04 One (1) site suitable vehicle for supervisor to perform day/night shift duties visiting guards at various posts. Vehicle to be based on site permanently.
- 2.05 Seven (7) intrinsically safe and ICASA licenced handheld radios, for with sufficient radius capability to communicate with their control room.
- 2.06 One (1) Ablution facility for guards stationed at IVW Tank construction site.
- 2.07 A cellular communication device for urgent communication with the control room is required.
- 2.08 One (1) "Dragger" breathalyser for testing of individuals on site, Transnet to supply.
- 2.09 The security personnel will also be required to undertake pre-employment medical examination as well as exit medicals will be required and must further include for chest x-rays. These medical examinations must be carried out by a registered occupational health practitioner. All cost associated shall be for the Service Providers' account.
- 2.10 Provision of PPE for each security guard in accordance with COVID-19 requirements.

2.11 The handheld non-contact Infrared Forehead Temperature Thermometer Monitor – 1off, Transnet to supply.

2.12 The Service Provider is to have an established Twenty-four (24) hour control room, Transnet to inspect before awarding the contract.

The Guards responsibility will include access control; asset securing and routine on-site patrols. Daily monitoring and reporting of any incidents on site. Cutler National Key Point access control permits must be applied for and obtained by Service Provider before placement inside Cutler site.

3 **GENERIC COMPETENCIES**

3.1 Generic Competencies required for A Grade Security Guard

	Skills	Knowledge	Behavioural attributes
<ul style="list-style-type: none"> • A grade female/male that is operational– Monday to Sunday • Able to communicate (verbal and writing) in English at all levels • Administration functions and duties • Must be fluent in English and Zulu and communicate verbally • Read & write and be conversant in English and Zulu • Must be able to complete monthly reports to be submitted. • This includes stats for the month as to how many staff/visitors/<i>Service Providers</i> were tested/searched. • Completing a report should anybody be tested positive or be caught for theft. • Be able to manage the visitor registers OB book. • Be able to assist with evacuation in case of emergency • Handle security staff queries. patrols around office and around stores • Gates closed and locked, windows/toilets & Taps 	Read Write Speak English	PSIRA accreditation Grade 12 minimum Grade A Experience in the security industry Computer literate – MS word, excel Each Security Officer should be NKP SAQA trained.	Conflict handling and management skills – at senior level Good interpersonal skill and ability to professionally interact with all levels of staff Good administrative skills with high level of accuracy and precision Tenacity - not too sensitive Working under pressure

3.2 Generic Competencies required for C Grade Security Guard

	Skills	Knowledge	Behavioural attributes
<ul style="list-style-type: none"> • Signing on/off duty • Complete access control register and access control at the premises • All relevant documentation filled in correctly and neatly • Incidents reports or Changes • Gates closed and locked, windows/toilets & Taps • Regular Perimeter patrol throughout the entire shift • Reporting of irregularities or unusual occurrence • All findings from first and last patrols documented • Notification to control Room that reliever did not arrive • No lighting of fires near or at post • Reporting of all shooting incidents immediately to control room, superior and management • Exert minimum force wherein/where necessary • No moving or getting into a vehicle that belongs to an Employer • Treat premises, equipment and furniture with care • Search all relevant vehicles in a proper and polite manner 	Read Write Speak English	PSIRA accreditation Grade 12 minimum Grade C Experience in the security industry Computer literate – MS word, excel Each Security Officer should be NKP SAQA trained	Treat all Employers, Employer staff, member of police, traffic offices and public with respect and courtesy

4 **SERVICE PROVIDER REQUIREMENTS:**

4.1 The Service Provider shall:

- a) provide all security officers and supervision necessary for the proper, efficient and economic performance of the Security Service and shall ensure that such performance is carried out in such a way that it will enable the Employer to secure its assets, infrastructure, employees and all the Employer's authorised third parties within the Sites, and third party property and information, details of which the Service Provider has full knowledge of;

- b) provide the necessary equipment as agreed to in writing between the Parties and/or agreed from time to time, which equipment shall at all times be in good condition and working order to enable security officers to perform their duties.
 - c) ensure that all of its security officers comply fully with the prescribed standard terms and conditions for all third parties entering the Employer's Sites, the Employer's operational and security procedures and policies, as they may be amended from time to time by the Employer in its sole discretion, with the details all of which the Service Provider hereby confirms that it is fully and effectively acquainted with;
- 4.2 The Service Provider shall provide the Security Service(s) to the Employer as outlined in respect of specific Sites referred to
- 4.3 The Service Provider shall provide the necessary equipment as specified, or as agreed in writing between the Parties from time to time, which, at all times, shall be clean and in good working order and good condition, including but not limited to handcuffs, batons, radios, pocket books, visitors' register, Declaration Register, lost and found register, occurrence books, pens, torches, wrist watches, reflector jackets and personal protective equipment to enable security officers to perform their duties in terms of the Contract.
- 4.4 All original pages of books, registers or other documents used in the supply of the Security Service(s) shall immediately after they are full become the property of the Employer, and shall be handed to the Employer, against a signature recording receipt, for safe keeping and record purposes. The Employer reserves the right to provide its own stationery to the Service Provider for such use on its Sites.
- 4.5 The Service Provider shall only increase or decrease the number of resources and quantities of equipment provided with prior written consent of the Employer, failing which the Employer shall not be liable to pay the Service Provider's costs for additional resources or equipment, and shall impose the necessary penalties resulting from the provision of insufficient resources or equipment as stipulated below (Penalties).
- 4.6 The Employer may from time to time and in writing require an ad hoc service or additional Security Service(s) from the Service Provider.
- 4.7 The ad hoc service or additional Security Services required shall be provided for a period and within the time agreed upon by the Employer and the Service Provider.
- 4.8 The Service Provider shall provide additional security officers within 2 (two) hours from the time of receipt of a written request for additional Security Services or within such other times as the Parties may agree from time to time.
- 4.9 Should operational requirements require amendments to the Security Services, the Service Manager may from time to time request in writing such amendments to the Security Services, as set out in the Work Document, which amendments shall be agreed and signed by both Parties.

- 4.10 The Service Provider shall render the Security Service(s) in accordance with relevant legislation and in particular in accordance with the provisions of the Private Security Industry Regulation Act, 56 of 2001 and the Code of Conduct for Security Service Providers, 2003 published in terms of the said Act.
- 4.11 In the event of the Employer not being satisfied with the performance of any of the security officers provided by the Service Provider, the Employer shall notify the Service Provider in writing to forthwith remove that security officer and provide an equivalently qualified and trained substitute. The Employer shall furnish the reasons for its dissatisfaction to the Service Provider in writing, provided the Parties shall keep these reasons confidential between themselves, unless agreed to the contrary in writing. The security officer so removed and replaced at the Employer's request shall thereafter not be used for the provision of further Security Services to any other Business Unit of the Employer.

5 PROVISION OF SECURITY OFFICERS AND OCCURRENCE OF INCIDENTS

- 5.1 The security officers provided shall for the duration of the contract, be registered with PSIRA and where applicable, with the National Key Points Secretariat in terms of the NKPA, and any other body required by an applicable law.
- 5.2 Certified copies of the relevant certificates shall be submitted by the Service Provider to the Employer as proof of the security officers' registration with PSIRA and other relevant authorities, on or before the Contract Award Date.
- 5.3 The Employer requires, as mandatory and material to the Contract, that the Service Provider provides current non-criminal clearances (automated fingerprint identification) for each and every security officer to be deployed by the Service Provider to all Employer Sites. In this regard the Service Provider shall provide such certification on the following basis:
- a) The only acceptable certification will be that which has been issued by an official Service Provider appointed by the South African Police Services ("SAPS") for the provision of this service or by the SAPS.
 - b) Each certificate is valid for 12 (twelve) months only, where after it must be renewed prior to the expiry date of any such existing certification for a security officer.
 - c) All costs for the production of non-criminal clearance certificates shall be borne by the Service Provider.
- 5.4 In the event where the Employer requires a current commercial clearance certificate (credit check), the Service Provider shall provide a current commercial clearance certificate to the Employer, in respect of all security officer(s) at a specific site. All costs for the production of commercial clearance certificates shall be borne by the Service Provider.

- 5.5 The Service Provider shall only employ and contract with South African citizens or persons who have permanent residential status in South Africa for the performance of Security Services in terms of the Contract and in accordance with PSIRA requirements. Security officers employed by the Service Provider for deployment to the Employer's Site are to have concluded a written contract of employment with the Service Provider before the Contract Award Date, proof of which must be furnished to the Employer upon request. Non-compliance with this requirement will entitle the Employer to have the Security Officer removed from Site forthwith and a suitably employed Security Officer replaced with immediate effect.
- 5.6 When required to carry firearms by the Employer, the Service Provider shall only deploy such security officers required to carry firearms who are competent and licensed to do so in terms of the Firearms Control Act, 60 of 2000.
- 5.7 The Service Provider is responsible for the cost of the vetting of all its security officers required for duty at National Key Points and must price this Security Service accordingly. The number of security officers required can be found in the Work Document. However, it is the Service Provider's responsibility to have sufficient vetted security officers in reserve to replace other vetted security officers on short notice.
- 5.8 The State Security Agency (SSA) may, from time to time, require security officers who are deployed at the South African Ports to undergo a security screening process. In such cases the Service Provider will cooperate with the Employer to provide the necessary information pertaining to the security officers in question, as required by SSA in order to perform this security screening exercise.
- 5.9 The Service Provider is responsible for all its employees to be deployed to the Employer's Sites in terms of the Contract to undergo medical examinations which shall without limitation, include an eye examination by a registered optometrist, audiometric testing by a registered audiologist and communicable disease tests (e.g. TB), at the outset of the Contract. This is to be finalised within the first month of the Contract and handed to the Service Manager of the Employer.
- a) Should the Service Provider fail to complete the medical examinations as stipulated above within the first 2 (two) months of the Contract, the *Service Provider* will be considered in breach of the Contract.
 - b) The Employer reserves the right to monitor this process.
- 5.10 The security officers, at the Service Provider's cost, shall be required to attend an induction course, applicable awareness training and any other training required in terms (*Training of Security Officers*).

- 5.11 The security officers shall perform their duties from Mondays to Sundays from 18:00 to 06:00 and/or from 06:00 to 18:00 or at such other times as may be required by the Employer from time to time in respect of any particular site.
- 5.12 The Service Provider shall post the security officers for duty at sites indicated by the Employer. These nominated sites may vary from time to time according to the operational requirements of the Employer.
- 5.13 The Service Provider shall ensure that security officers report for duty at the required time, conduct the relevant inspections and that the security officers remain at their posts for the agreed length of time, remaining vigilant, awake and alert whilst on duty. The Service Provider shall further ensure that all security officials attend an off-duty parade with the relevant inspections or as agreed to by both Parties.
- 5.14 The Service Provider shall take adequate steps to test its security officers in order to ensure that the security officers whom it deploys at the Employer's sites are not under the influence of alcohol or drugs which have a narcotic or other detrimental effect, failing which a penalty could be levied by the Employer against the Service Provider.
- 5.15 The Service Provider's Supervisor posting the security officers per Site shall make an entry in the relevant Site occurrence book confirming the posting details of each security officer and confirming that the security officers are competent for duty and not under the influence of alcohol or a drug as contemplated above and thereafter confirm this in writing by inserting his or her name and surname in block letters and then append his or her signature against such entry. Failure to adhere to this procedure shall be construed as self-posting, and the Employer can be entitled to levy a penalty in accordance.
- 5.16 The Service Provider shall:
- a) on or before the Contract Award Date, furnish the Employer in writing with the information, as the Employer may direct, of all its security officers it intends to deploy at the Employer's sites in terms of the Contract;
 - b) certify this information as being true and correct and shall, at all times during the term of the Contract be kept up to date by the Service Provider. The Service Provider shall confirm, on a monthly basis, the correctness of the information by issuing a certificate in this regard to the Employer. This information shall be furnished both manually and in electronic format to the Employer; and
 - c) advise the Employer of any changes to the information given to the Employer, including the status of criminal records of all personnel.
- 5.17 Should it be necessary to post a replacement officer onto a site, the particulars of the security officer in question shall be provided, in writing, to the Employer. Such replacement security officer shall comply with all the requirements that security officers are required to comply with, and the associated penalties shall apply in the case of non-compliance.

- 5.18 In the event of an Incident occurring at any Site where security officers are posted as contemplated in this Contract, the Service Provider shall be legally liable for any claims or damages incurred as a consequence of such Incident.
- 5.19 The Service Provider shall provide the Employer with a correct and accurate daily shift posting sheet, failing which the Employer shall be entitled to levy penalties. For the purposes of control the Employer may register the security officers on its Time and Attendance System.
- 5.20 The Contract shall be held liable for the loss of or damage to any guard tracking and/or monitoring system, as supplied by the Employer, where these are in use.
- 5.21 When such a guard tracking and/or monitoring system is damaged or lost, the Service Provider shall immediately report such damage or loss to the Employer in writing.

6 SUPERVISION OF SECURITY OFFICERS

- 6.1 The Service Provider shall be rendered by the security officers under the supervision of competent and qualified Supervisor, whose details shall be provided by the Service Provider to the Employer on or before the Contract Award Date or prior to the provision of the Security Service(s), as the case may be.
- 6.2 The Supervisor shall be required to carry out proper supervision of the security officers by means of regular visits during their hours of duty, which shall be a minimum of two visits per Deployment Area per Site per shift. The frequency, purpose and outcome of the visits shall be agreed upon between the Service Provider and the Employer.
- 6.3 The Service Providers' Supervisor shall:
- a) record such visits with a red ball-point pen in his or her occurrence book as well as in the pocket books of the security officers so visited;
 - b) fully record all the findings made and also the steps taken to ensure compliance with the provisions of the Contract; and
 - c) ensure that his or her occurrence book is available, at all relevant times at the Site where the Security Service is provided, for purposes of inspection by the Employer.
- 6.4 Subject to the requirements of the Employer, the Service Provider shall take command of as well as control of the deployment of security officers on a daily basis, at the Employer's designated sites, in order to ensure effective and uninterrupted protection of the assets of the Employer.

7 TRAINING OF SECURITY OFFICERS

- 7.1 The Service Provider shall on or before the Contract Award Date provide the Employer with necessary proof of the qualifications of and the training undergone by all the security

officers, before the Employer shall permit the Service Provider to commence with the Security Service(s) and the deployment of its security officers.

7.2 Acceptable proof of qualification shall be:

- a) an NQF or equivalent qualification (as specified by PSIRA) or proof of relevant experience;
- b) PSIRA training certificate for the Grades A and C;
- c) registration with PSIRA;
- d) where applicable, NKPA registration;
- e) proof of SASSETA training relating to firearms to be provided to the Employer upon its specific request.

7.3 The Service Provider shall ensure that its security officers undergo retraining/refresher training as may be required by applicable legislation and/or every 6 (six) months in a particular year or at such intervals as may be agreed upon between the Service Provider and the Employer, from time to time.

7.4 All training and re-training requirements associated with the Contract shall be for the account of the Service Provider and shall be conducted by accredited training institutions.

7.5 Before any security officer commences with his or her duties, he or she must attend an induction course, arranged by the Employer, which is intended to acquaint each security officer with the safety requirements and operational environment at the Sites of the Employer. The Service Provider shall be responsible for the remuneration of its security officers during their attendance of such an induction course.

7.6 The Service Provider shall, at its own cost, and as often as it is reasonable and necessary, but at least once a year, ensure that training is provided to all its security officers to enable them to have a sufficient understanding of the essence of the applicable legal provisions regarding the regulation of the private security industry and the principles of the Code of Conduct for Security Service Providers, 2003, as contemplated in regulation 11(7) of the Code.

8 REMUNERATION OF SECURITY OFFICERS

8.1 The Service Provider shall acquaint itself with and shall give full effect to the provisions of all sectoral determinations made by the Minister of Labour for the Private Security Sector and/or statutory enactments which may be in force, affecting conditions of employment of the security officers during the term of the Contract. The Service Provider shall, when called upon to do so by the Employer, produce proof showing that the provisions of such determinations are being complied with.

- 8.2 Where any sectoral determination for the Private Security Sector or statutory enactment in operation at the Contract Award Date ceases to apply before the expiry of the Contract and is not extended or substituted by another sectoral determination or statutory enactment, the Service Provider shall continue to conform to the conditions of employment laid down in such lapsed sectoral determination or statutory enactment, unless otherwise agreed to by the Employer in writing.
- 8.3 Where no sectoral determination for the Private Security Sector or statutory enactment exist at the Contract Award Date of the Contract, the remuneration to be paid and the other terms and conditions to be provided by the Service Provider to the security officers shall be fair and reasonable, provided that should a sectoral determination for the Private Security Sector or statutory enactment come into operation at any time, the remuneration and conditions of employment stipulated under such sectoral determination for the Private Security Sector or statutory enactment shall apply from the date that such determination or enactment comes into operation.
- 8.4 When called upon to do so by the Contract Owner, the Service Provider shall produce proof that all remuneration due to its security officers has been paid and that all benefits, in accordance with any sectoral determination for the Private Security Sector, have been provided.
- 8.5 Where it is found that a Service Provider is paying its security officers less than the prescribed remuneration, the Employer shall be entitled to terminate the Contract with immediate effect, and shall further be entitled to claim damages suffered as a result of such termination. Where it is found that the Service Provider is making unlawful deductions from the security officer/supervisor, the Employer shall be entitled to terminate the Contract with immediate effect and shall be further entitled to claim damages suffered as a result of such termination.
- 8.6 The Service Provider undertakes that:
- a) it shall remain solely responsible for payment of all costs of the security officers, including but not limited to remuneration, bonuses, pension or provident fund contributions, benevolent fund contributions, medical funds contributions, insurance premiums and licensing and subscriptions; and
 - b) it shall be responsible for the payment of, *inter alia*, all applicable taxes, charges, duties or fees assessed or levied in terms of any legislation e.g. Income Tax Act, 1962, the Compensation for Occupational Injuries and Diseases Act, 1993 and the Private Security Industry Regulation Act, 2001 in respect of the security officers or as a result of the security officers being provided by the Service Provider in terms of the Contract and it shall, on request, furnish sufficient documentary proof to the Employer that any of or all of these payments have in fact been made.

- 8.7 The Service Provider acknowledges and agrees that the security officers whom it provides in terms of the Contract are its own employees and not that of the Employer. The Service Provider further acknowledges and agrees that it does not act as a temporary employment service as contemplated in Section 198 of the Labour Relations Act, 66 of 1995.

9 IDENTIFICATION REQUIREMENTS

- 9.1 The security officers shall at all relevant times comply with the identification requirements of the Employer, i.e. full names and surname, identity number, full colour photograph and the Business Unit of the Employer where deployed. This includes the stipulations by PSIRA to carry an identification card issued in terms of the Private Security Industry Regulation Act, 2001 including the display of an identity disc (with PSIRA registration number), tag or other device as agreed upon between the Parties.
- 9.2 Identification for the purpose of this Contract shall include amongst others:
- a) a standard uniform, as agreed upon between the Parties, which shall consist of at least the following:
 - (i) In the case of male security officers:
 - security wear includes cap / beret, shirt, pants, socks, shoes / safety boots, belt, whistle, baton, handcuffs, the *Service Provider's* insignia and adequate clothing for protection against inclement or cold weather, which includes a jersey, warm weather coat and a full-length rain suit, as and when required; and
 - corporate wear of the Service Provider, if so required by the Employer, must include a blazer, tie, shirt, trousers, jersey, socks, shoes, belt, handcuffs, adequate clothing for protection against inclement weather and the Service Provider's insignia, which must appear on the uniform as specified by the Employer.
 - (ii) In the case of female security officers:
 - security wear includes hat / cap / beret, blouse, skirt or trousers, stockings, shoes / safety boots, whistle, baton, handcuffs, the *Service Provider's* insignia and adequate clothing for protection against inclement or cold weather, which includes a jersey, warm weather coat and a full-length rain suit as and when required; and
 - corporate wear of the Service Provider, if so required by the Employer, must include a blazer, tie, skirt, blouse, jersey, trousers, stockings, shoes, handcuffs, adequate clothing for protection against inclement weather and the Service Provider's insignia, which must appear on the uniform as specified by the Employer;

- b) a reflector jacket with the Service Provider's name on the front and back, which is to be issued to all security officers as required, unless otherwise specified by the Employer; and

The uniform of the security officers must comply with the requirements in terms of regulation 13 of the Private Security Industry Regulations, 2002.

- 9.3 An identity disc, tag or other equipment prescribed by the Employer shall at least contain the following information in respect of the Service Provider's security officers:

- a) a recent colour photograph of the relevant security officer;
- b) the name of the security officer on the identification badge must be visible and legible;
- c) the PSIRA registration number and grade of the security officer;
- d) the name and logo of the Service Provider; and
- e) the name of the Business Unit of the Employer, where deployed.

The security officers must, in terms of regulation 9 of the Private Security Industry Regulations, 2002, carry his/her PSIRA ID card.

10 PROVISION OF HAND HELD TWO-WAY RADIO SETS

- 10.1 The Service Provider shall provide hand held two-way radio sets which shall have an adequate range to ensure, as far as is practically possible, good communications between any two points within an area on the Site of the Employer where the Security Service is provided.
- 10.2 The Service Provider shall provide the Contract Owner or his delegate on or before the Contract Award Date with a diagram indicating the local communication network and call signs used by the Service Provider during the term of the Contract. Any changes in these networks or call signs shall forthwith be brought to the attention of the Contract Owner in writing.
- 10.3 The hand held two-way radios shall at all times be in a good working condition and any dysfunctional or faulty radios shall be replaced at the Service Provider's costs within 2 (two) hours of the security officer having reported the dysfunction or fault or the Service Provider having discovered the fault or dysfunction. Failure to do so shall entitle the Employer to impose a penalty against the Service Provider.
- 10.4 The Service Provider shall at its own cost supply a radio base set, to be installed in the Security Control Room / Nerve Centre of the Employer, as well as a diagram of the call signs, which shall enable direct communication between the Service Provider's security officers and the Service Provider's Radio Control Room.

- 10.5 The Service Provider shall take the necessary steps to prevent radio transmissions on or near the Employer's premises to cause interference with, or block reception by, radio systems used by the Employer or any other division or Business Units of the Employer.
- 10.6 Under no circumstances shall the Service Provider operate any radio equipment on the Employer's premises without obtaining the prior written authority from Liquid Telecom and/or the Employers Signal Departments, as appropriate, details of which shall be provided to the Service Provider upon request.
- 10.7 Should the Service Provider or any of its employee's use any radio equipment on the Employer's premises without written authority, the Service Provider shall be liable for any damage or loss suffered by the Employer or any third party which is indirectly or directly attributable to the use of the radio equipment.
- 10.8 All radio equipment (leased or owned) used by the *Service Provider* in the performance of the Security Service must be licensed in terms of the provisions of the Electronic Communications Act, 36 of 2005.

11 PROVISION OF ROAD MOTOR VEHICLES

- 11.1 When required by the Employer, the Service Provider shall provide comprehensively insured road worthy and licensed motor vehicle(s) diesel LDV maximum 4x2, for roving patrol and security duties and/or prevention of Incidents, including but not limited to the theft of cables.
- 11.2 The Service Provider shall provide the required number of licensed motor vehicle(s), with driver(s) on receipt of an official written request from the Contract Owner. Failure to do so shall entitle the Employer to impose a penalty against the Service Provider as stipulated in the (Penalties). The Service Provider shall not provide any additional motor vehicle(s), and driver(s) without any written request from the Contract Owner, failing which the Employer shall not be liable for payment for the unauthorised Security Services rendered.
- 11.3 The motor vehicle(s), and driver(s) shall be made available at such times as agreed upon from time to time between the Employer and the Service Provider.
- 11.4 The motor vehicle(s), shall only be driven by drivers who hold valid, unendorsed and appropriate code licences and shall carry their driver's licence at all times on their person when driving the motor vehicle(s).
- 11.5 The Service Provider shall ensure that vehicle logbooks are kept with all vehicles and are completed correctly and fully on a per shift basis as proof before claiming any costs from the Employer. The Employer may at any given time request the Service Provider to provide such logbooks for inspection purposes to the Employer. Should such vehicle logbooks as requested be found not to be correctly and fully completed (updated), the Employer may refuse payment of costs claimed in respect of the particular vehicle(s) in question.
- 11.6 Vehicles used to be of a diesel type and no petrol vehicles will be allowed on site.

- 11.7 Maintenance, servicing and mechanical repairs (hereinafter referred to as "maintenance") of the motor vehicle(s), including all adjustments necessary to keep the motor vehicle(s) in a roadworthy and operational condition shall be provided by the Service Provider at its own cost.
- 11.8 Should any motor vehicle(s) provided by the Service Provider break down or be involved in an accident whilst patrolling within the relevant sites in terms of the Contract, the *Service Provider* shall, if that motor vehicle(s), cannot be repaired within 2 (two) hours or cannot proceed with its patrolling duties within 2 (two) hours, at its own costs, forthwith provide another motor vehicle(s), to continue with its patrolling duty. Failure to do so within the said time frame shall entitle the Employer to impose a penalty against the Service Provider as stipulated in the (Penalties).
- 11.9 The Service Provider shall inform the Employer within 2 (two) hours of any of its motor vehicles, patrolling which has broken down or has been involved in an accident.
- 11.10 Maintenance records for the vehicles shall be made available to the Employer by the Service Provider whenever such request is made by the Employer.
- 11.11 The Service Provider's signage is to be prominently displayed on both front doors of its motor vehicles.

12 PROVISION OF CELLPHONES OR GSM DEVICES

- 12.1 GSM devices (Global System for Mobile Communication) with a limited dialling facility and cell phones provided by the Service Provider shall be contract phones and not "pay as you go" or "private" cell phones. No cell phone utilised on Site shall have a capability to take photos, unless so specified by the Service Manager. Any photographs taken must not, under any circumstances, be distributed without the written consent of the Employer. The use of cell phones at certain sites is prohibited. The Employer shall advise the Service Provider of these sites.
- 12.2 Failure to comply with shall entitle the Employer to impose penalties against the Service Provider

13 PENALTIES

- 13.1 The Employer shall be entitled to impose/levy penalties against the Service Provider should the Service Provider be in breach of certain provisions of the Contract. Such penalties shall be deducted from the monthly amount due to the Service Provider by the Employer, after the Service Provider has been notified of such penalties.
- 13.2 Notwithstanding the provision of this penalty, the Employer shall:
- a) not be precluded from exercising its right to terminate the Contract in the event of Persistent Minor Breach; and

- b) shall not be precluded from claiming damages from the Service Provider, should damages be suffered by the Employer or any third party as a result of any conduct or failure on the part of the Service Provider or any of its employees.
- 13.3 Should it at any time during the term of the Contract or at any time thereafter be determined that security officers of a lower grade than required, or with inadequate training, or with no training at all, or with no PSIRA registration, are being provided:
 - a) all payments in respect of such lower graded security officers made to the Service Provider shall forthwith be recovered from the time the lower grade or untrained/unregistered security officers was/were supplied; and
 - b) the Employer shall be entitled to terminate the Contract forthwith: and
 - c) the Employer shall not remunerate the Service Provider for the time the inadequately trained or unregistered security officers were deployed on the Employer's premises.
- 13.4 In the event of security officers being provided without standard uniform or such standard uniform is incomplete and / or unclean or is in a deteriorating condition:
 - a) 1 (one) shift penalty for the security officer will be deducted per security officer per such Incident; and
 - b) repeat or persistent breach shall entitle the Employer to terminate the Contract.
- 13.5 The Employer shall conduct a risk assessment and rate the likelihood of Incidents, events or accidents, the consequences of Incidents, events or accidents at all Sites and allocate a rating of "L" (low risk Site), "M" (medium risk Site) or "H" (high risk Site).
 - a) Such ratings shall be recorded not later than during the first month of the Contract. These risk ratings will remain constant during the term of the Contract unless a new risk assessment has been conducted that results in the rating to change. Any such change must be endorsed by the Service Manager and communicated to the Service Provider in writing with the necessary amendment being made and signed off by both Parties.

TRANSNET PIPELINES
TENDER NUMBER: TPL/2022/06/0174/5384/RFP
DESCRIPTION OF THE SERVICE: SECURITY SERVICES FOR THE TRANSNET TM1 CUTLER SITE OFFICES AND CONSTRUCTION SITE ON THE NEW MULTI PRODUCT PIPELINE PROJECT


The following penalties shall apply to the sites for non-compliance with the obligations of the Service Provider: ITEM			PENALTY		
	Low Risk Site	Medium Risk Site	High Risk Site	Average Risk Site Penalty	Frequency
The security officer is on duty without a contracted GSM device or contracted cell phone or this is not in working condition	R50	R75	R100	R 75	Per Incident
Possession of private cell phone by a security officer whilst on duty	R50	R75	R100	R 75	Per Incident
The security officer is on duty without a pocket book and pen	R50	R75	R100	R 75	Per Incident
Pocket book of a security officer written up in advance	R50	R75	R100	R 75	Per Incident,
Pocket book not written up hourly	R20	R50	R75	R 48	Per Incident
The security officer is on duty without an identity disc / name tag	R50	R75	R100	R 75	Per Incident
The security officer is on duty without any instrument to determine time or such instrument is not in working condition	R50	R75	R100	R 75	Per Incident
The security officer is on duty without a flashlight in working order	R50	R75	R100	R 75	Per Incident
The security officer is on duty without a spotlight in working order, where patrol vehicles are not equipped with a spotlight	R50	R75	R100	R 75	Per Incident
There is no operational base radio on Site where required	R50	R75	R100	R 75	Per shift
The security officer is without a hand-held radio for communication and/or this is not in working order	R50	R75	R100	R 75	Per Incident
A vehicle is without radio communication or the radio communication is not in working order	R50	R75	R100	R 75	Per Incident
Possession of private firearm by security officer whilst on duty	R500	R750	R1000	R 750	Per Incident
Vehicle not as specified / un-roadworthy / inoperable / unavailable	R250	R350	R500	R 367	Per Incident
Self-posting and/or no parade or inspection of a security officer	R250	R350	R500	R 367	Per Incident
Late posting of a security officer	R250	R350	R500	R 367	Per Incident
Late submission or non-submission of vet reports	R250	R350	R500	R 367	Per month
Late submission or non-submission of Health & Safety minutes	R50	R75	R100	R 75	Per month
No visit from off-Site Supervisor to Site	R50	R75	R100	R 75	Per Incident
Non-attendance of weekly meeting by the <i>Service Provider</i>	R250	R350	R500	R 367	Per week
Non-attendance of monthly meetings by managing member or director of the <i>Service Provider</i>	R250	R350	R500	R 367	Per month

The following penalties shall apply to the sites for non-compliance with the obligations of the Service Provider: ITEM			PENALTY		
	Low Risk Site	Medium Risk Site	High Risk Site	Average Risk Site Penalty	Frequency
Unavailability of, and non-submission or late submission of any relevant documentation, sheets or failure to complete or keep all relevant documents up to date	R100	R150	R200	R 150	Per Incident
Failure to hand in or late submission of feedback report on the occurrence of an Incident	R100	R150	R200	R 150	Per Incident
Security officer sleeping on duty	R250	R500	R750	R 500	Per Incident
Security officer under the influence of alcohol/drugs	R250	R500	R750	R 500	Per Incident
Security officer absent from duty/no security officer deployed	R250	R500	R1000	R 750	Per Incident

13.6 In addition to the above and in the event of the following security officers not being posted or posted late or being absent from his/her place of duty after being posted or under the influence of alcohol or drugs or found sleeping on duty the following penalties shall apply which shall be deducted by the Employer from the fees payable to the Service Provider, as set out in this document.

SECURITY OFFICIAL	PENALTY
Shift Supervisor	R1000 per Incident
National Key Point Security Officer	R1000 per Incident

13.7 Notwithstanding any other provision, the penalty deduction shall be limited to a maximum of 50% (fifty percent) of the monthly contract value payable to the Service Provider in respect of any particular site.

13.8 Any penalty imposed in terms of the offset against the invoiced (vatable) amount, as declared in the Service Provider's Tax Invoice, to which the penalty is attached, and the VAT payable by the Employer to the Service Provider shall be calculated on the invoiced amount less the service-related penalty imposed.

14 DUTIES OF THE SERVICE PROVIDER

14.1 The Service Provider shall exercise the necessary care and diligence in fulfilling its obligations and rendering its Security Services.

14.2 The Service Provider shall ensure that the security officers provided in terms of the Contract observe the Employer's safety rules and regulations, operating methods, policies and procedures whilst providing the Security Services.

- 14.3 The Service Provider shall require its security officers to attend and, if necessary, to testify in court proceedings. The Service Provider shall ensure that its employees are made available to be interviewed and/or line investigation as well as in disciplinary and arbitration proceedings should the Employer deem it necessary, provided that the Employer has notified the Service Provider within 48 (forty-eight) hours before the start of the proceedings that the presence and co-operation of the Service Provider's security officer(s) is required by the Employer. This requirement will survive termination for pending or outstanding cases existing at that time.
- 14.4 Should a security officer be required to testify during his/her shift, a replacement security officer of the same grade must be provided by the Service Provider. The Employer shall be liable for the costs of the replacement security officer.
- 14.5 The Service Provider shall ensure that the security officers provided by the Service Provider:
- a) work shifts and/or overtime as and when required by the *Employer* and agreed upon by the Parties from time to time, and in compliance with relevant legislation and/or sectoral determination for the Private Security Sector;
 - b) are in a physically fit and mentally sound condition to perform their duties in terms of the Contract;
 - c) are continuously trained and retrained as prescribed by the *Service Provider* relevant legislation during the term of the Contract;
 - d) are subject to the code of conduct as agreed upon between the Parties on or before the Contract Award Date. Subject to the Contract of the Parties herein, this code of conduct may be amended from time to time; and
 - e) comply with all the requirements of any applicable legislation, including the Code of Conduct for Security Contractors / Service Providers, 2003 in terms of the Private Security Industry Regulation Act, 56 of 2001.
- 14.6 The Service Provider shall ensure that the security officers deployed at the Employer's Sites in terms of the Contract:
- a) daily sign on and off duty as required by the Parties in the Site's occurrence book and the security officer's pocket book. The pocket book must be signed by the Service Provider's Supervisor parading the security officers;
 - b) when on duty, wear the uniform clothing in accordance to, including personal protective equipment as agreed upon between the Parties, which shall be provided by the Service Provider at its own cost; and
 - c) are fully aware of the Service Provider's obligations with regard to the provision of Security Services.

- 14.7 The Service Provider shall on or before signature provide the Employer with certified copies of its current grievance and disciplinary procedures.
- 14.8 The Service Provider will be required to accept responsibility in writing for the facilities and/or assets at a particular Site for which it has been contracted to provide Security Services. It is therefore incumbent on the Service Provider to survey (inspect) the respective Sites for which it has been contracted to provide Security Services in order to identify any existing damage ("Current Damage") prior to accepting responsibility for such a Site. This record of Current Damage (two originals) must be signed by the Service Provider as well as by the Employer. The one signed original should be handed to the Employer's Service Manager. The Service Provider shall be liable for any subsequent loss or damage to such facilities or assets.
- 14.9 The Service Provider shall, before the commencement of the Contract, and throughout the existence of the Contract obtain and maintain at its own expense, insurances with an insurer approved in writing by the Employer insuring itself against any and all loss which it may suffer arising out of or connected with the implementation of the Contract. The Service Provider shall obtain Public Liability Insurance, Security Liability insurance and Third Party Liability insurance cover for not less than R5,000,000.00 (five million South African Rand) in respect of one Incident or a series of Incidents arising from the same cause and with an annual limit of cover not less than R30 000 000 (thirty million South African Rand).
- 14.10 The Employer reserves the right to inspect the Service Provider's insurance policy documents, in relation to its obligations and shall exhibit the relevant policies and premium receipts in respect of the insurance to the Service Manager, and shall provide copies of such policies and receipts to the Employer, and, in the event of a dispute, shall bear the onus to prove that it has done so.
- 14.11 Should any single claim by any party exceed the amount of R5 000 000 (five million) covered by the Service Provider's Liability Insurance Policy(s), the Service Provider shall be liable for the difference between the actual amount claimed and the amount insured. Likewise it is recorded that in the event that the annual limit of cover is exceeded the Service Provider shall be fully liable for any claims above those applicable limits.
- 14.12 The said insurance shall not be cancelled or materially changed, without prior written consent from the Service Manager.
- 14.13 The Service Provider shall at all times comply with all the terms and conditions of any policy of insurance effected and that it will not itself act or permit any act or omission that will or may have the effect of voiding or invalidating any policy of insurance or cover thereunder and shall implement the requirements thereof, and in particular (without limiting the generality of the foregoing and notwithstanding anything to the contrary), the Service Provider shall:

- a) notify the Employer promptly of the happening of an Incident or event in terms of the Service Provider any event which may give rise to a claim under any such policy of insurance;
- b) render to the Employer and/or the insurer whatever assistance may be necessary or required in connection with or arising out of any claims; and
- c) notwithstanding anything contained to the contrary in this Contract, it is specifically recorded that neither the Service Provider nor the Employer shall be precluded from instituting a claim against each other following an occurrence or event whether or not it is covered in terms of the insurance policy.

14.14 The Service Provider shall ensure that the security officers:

- a) co-operate with any member of the South African Police Service, the South African National Defence Force, the National Intelligence Agency or any other designated South African Government Security Agency in accordance with the provisions of Co-operation entered into between such entities and the Employer; and
- b) where no such Co-operation exist, the security officer shall allow a member of the security agencies mentioned above to enter any Site of the Employer only when such a member produces valid proof to the satisfaction of the Authorised Officer of such member's official identification documentation.

15 COMPLIANCE WITH STATUTES

15.1 The Service Provider shall comply with all relevant legislation as amended from time to time, including, but not limited to:

- a) the Private Security Industry Regulation Act, 56 of 2001;
- b) the Private Security Industry Levies Act, 23 of 2002;
- c) the National Key Points Act, 102 of 1980;
- d) Basic Conditions of Employment Act, 75 of 1997;
- e) the Compensation for Occupational Injuries and Diseases Act, 130 of 1993;
- f) Provincial ordinances and local authority by-laws, including all relevant regulations promulgated in terms thereof;
- g) the Occupational Health and Safety Act, 85 of 1993. The Service Provider specifically undertakes to carry out its obligations in accordance with the requirements of and to comply with all requirements of the relevant legislation, including the appointment of officials. This will include monthly minutes of Health and Safety meetings that were conducted or a certification in which the Service Provider confirms that such meetings did take place as per specific Sites in question;

- h) any other legislation and regulations and/or in-house specific policies, procedures, NOSA guidelines that govern some of the Employer's Business Units;
 - i) any other regulatory obligation such as the Railway Safety Regulation Act, 16 of 2002;
 - j) the National Ports Act, 12 of 2005 and all enabling legislation;
 - k) the Firearms Control Act, 60 of 2000.
 - l) Criminal Procedure Act, 51 of 1977;
 - m) Control of Access to Public Premises and Vehicles Act, 53 of 1985;
 - n) Codes of Good Practice issued under the Broad Based Black Economic Empowerment Act, 53 of 2003;
 - o) Independent Communications Authority of South Africa Act, 13 of 2000;
 - p) Security Officers Act, 1987;
 - q) Legal Succession to the South African Transport Services Act, 1989 (but excluding any tariff provided for in such Regulations);
 - r) the Income Tax Act, 58 of 1962;
 - s) the Value-Added Tax Act, 89 of 1991;
 - t) Electronic Communications Act, 36 of 2005; and
 - u) the Tax Administration Act, 28 of 2011.
- 15.2 Compliance with all applicable legislation shall be entirely at the *Service Provider's* cost.
- 15.3 The Service Provider shall be liable for any breach by any one or more of its security officers, employees, servants, permitted agents, and Service Providers (independent or otherwise) and hereby indemnifies and holds the Employer harmless against all claims, loss or damage which the Employer may suffer arising out of all such breaches.

16 ACCESS CONTROL

- 16.1 In respect of Security Services provided on the property (Sites) of the Employer that has been declared as National Key Points by the Minister of Defence, the Service Provider shall at all times comply and enforce the provisions of the National Key Points Act, 102 of 1980, and its directive as well as the provisions of the Control of Access to Public Premises and Vehicles Act, 53 of 1985, as amended, and all other applicable legislation.
- 16.2 Where Security Services provided on the property of the Employer that has been declared as a port in terms of the National Ports Act, 12 of 2005, the Service Provider shall at all times comply and enforce the provisions of the Port Rules as well as the provisions of the Merchant Shipping (Maritime Security) Regulations, 2004 or any legislation that may replace it.

- 16.3 The Service Provider must ensure that no person shall, without the permission of the Authorised Officer, enter any premises or any vehicle in respect of which a directive has been issued by the Employer in terms of section 2(1) (b) of the Control of Access to Public Premises and Vehicles Act, 53 of 1985, as amended.
- 16.4 For the purpose of the granting of that permission an Authorised Officer may require that the person concerned shall:
- a) furnish his name, address and any other relevant information required by the Authorised Officer;
 - b) produce proof of his identity to the satisfaction of the Authorised Officer;
 - c) declare whether he has a firearm or any potential dangerous object in his possession, custody or under his control;
 - d) declare what the contents are of any vehicle, suitcase, attaché case, bag, handbag, folder, envelope, parcel or container of any nature which he has in his possession or custody or under his control, and show those contents to the Authorised Officer;
 - e) subject himself and anything which he has in his possession or custody or under his control to an examination by an electronic or other apparatus in order to determine the presence of any potential dangerous object; and
 - f) in the case of premises or a vehicle or a class of premises or vehicles determined by the Minister of Police by notice in the Gazette, be searched by an Authorised Officer.
- 16.5 Where the Contract Owner grants permission, he may do so subject to conditions regarding the carrying or displaying of proof that the necessary permission has been granted, to visit a specific person, office or area, the duration of his presence on or in the premises or vehicle, the escorting of the person concerned while he is on or in the premises or vehicle, and such other requirements as he may consider necessary.
- 16.6 Subject to the provisions of the Trespass Act, 6 of 1959, an Authorised Officer shall at any time remove any person from any premises or vehicle if:
- a) that person enters or enters upon the premises or vehicle concerned without the permission contemplated;
 - b) that person refuses or fails to observe a condition contemplated; or
 - c) the Authorised Officer considers it necessary for the safeguarding of the premises or vehicle concerned or the contents thereof or for the protection of the people therein or thereon.
- 16.7 The search of a female shall only be carried out by a female security officer in private, and should at all times be done in a courteous and dignified manner.
- 16.8 The security officers shall:

- a) co-operate with any member of the South African Police Service, the South African National Defence Force, the National Intelligence Agency or any other designated South African Government Security Agency in accordance with the provisions of Co-operation entered into between such entities and the Employer; and
- b) where no such Co-operation exist, the security officer shall allow a member of the security agencies mentioned in 16.8a) above to enter any Site of the Employer only when such a member produces valid proof to the satisfaction of the Contract Owner of such member's official identification documentation.

17 HEALTH AND SAFETY MANAGEMENT

17.1 Health and Safety Standard

The Service Provider shall comply with the requirements of the Transnet Pipelines Service Provider Health and Safety Specification Guideline -TRNIMS-GRP-GDL-014.3, OHS Act 85 of 1993, its applicable regulations and any laws applicable in the terms of Health and Safety

17.2 Service Provider's General Requirements for Health and Safety

The Service Provider is solely responsible for carrying out the work under the Contract having the highest regard for the health and safety of its employees, Transnet's employees and persons at or in the vicinity of the Site, the Works, temporary work, materials, the property of third parties and any purpose relating to the Service Provider carrying out its obligations under this Contract. The Service Provider must initiate and maintain safety precautions and programs to conform to all applicable Health and Safety laws or other requirements, including requirements of any applicable government instrumentality and client corporate, business unit and site requirements. The Service Provider must, at its own cost, erect and maintain safeguards for the protection of workers and the public. The Service Provider must manage all reasonably foreseeable hazards created by performance of the work.

17.3 Service Provider's Health and Safety File (Minimum Requirement)

The Service Provider prior to entering the site must furnish the Employer with a Health and Safety file. The SHE file must include but not limited the following documents:

1. A valid Letter of Good Standing with the works man compensation.
2. And proof of relevant insurances to carry out work.
3. Service Provider Health & Safety Plan correlating with TPL Service Provider Health & Safety Guidelines -TRNIMS-GRP-GDL-014.3
4. Copies of TPL & Service Provider's health, Safety & Environmental Policies
5. Mandatory agreement as per section 37.2 of the OSHACT. Act 85 of 1993 and CR 5.1(K)

6. Legal Appointments of Employees
7. Risk Assessments , Method statements and Safe Working Procedures
8. Employee Induction packs shall include the following documents:
 - Employee scope of work;
 - Proof of site-specific induction (Service Provider);
 - Copy of ID Document;
 - Legal Letter of Appointment;
 - Abbreviated CV for the management and Legal appointees;
 - Proof of competence;
 - Valid entry medical certificate of fitness done by an Occupational Health Practitioner;
 - Saps clearance certificate
 - Criminal records for envisaged security officers.
9. Baseline Risk Assessment indicating the full scope of work and risk profile.
10. Copy of equipment registers to be used with copy of each item's inspection checklist.
Copy of nominated responsible person to conduct monthly inspections and proof of their competency.
11. Organogram of reporting structure: This document must provide all persons appointed in terms of OHS Act & Regulations (85 of 1993) including contact details. (rev, date, approval) All other statutory registers as required by the OHS Act No. 85 of 1993.
12. Copy of equipment registers to be used with copy of each item's inspection checklist.
Copy of nominated responsible person to conduct monthly inspections and proof of their competency. All other statutory registers as required by the OHS Act No. 85 of 1993.
13. The Service Provider will be issued with a starter kit at the kick-off Meeting; the starter kit will contain all the health and safety templates and procedures to be used throughout the contract.
14. All safety documents shall comply with the Project Document Control Procedure.
15. The Service Provider shall furnish the client with the Exit Medicals at the end of the contract

17.4 Covid 19 health regulations: Regulation and Guideline for the Coronavirus Covid 19

Service Provider to ensure the development, implementation, monitoring and enforcing of these regulations and guidelines

- A. Regulation: Covid 19 OHS measures in the workplace – Covid – 19 (C19 OHS), 2020

B. Guideline: Covid 19 Post Lockdown Construction site H/S Guidelines

Mandatory Controls:

- Risk Assessments
- Engineering Controls
- Administrative Controls
- Health and Safety Work Practices
- PPE – Masks, Gloves, Facial shield
- Provision of safe transport for employees

18 ENVIRONMENTAL MANAGEMENT REQUIREMENTS

All work is to be conducted in accordance with the principles of the National Environmental Management Act, 1998 (Act No. 107 of 1998) but not limited to other applicable regulations as well as acceptable environmental good practices. The following Project Environmental Specifications (PES) included in the Annexures of works information provide the minimum acceptable standards that shall be adhered to for this contract:

- Transnet Integrated Management System (TIMS) Policy Commitment Statement
- Project Environmental Authorisation (Reference Number 12/12/20/735)
- Project Environmental Management Plan (EMP) (Reference No. 2684358-J-AOO-EN-RP-005 Rev 5)

The Service Provider shall perform all activities within the site and working areas having due regard to the environment and to environmental management practices as more particularly described within the aforesaid Project Environmental Specifications.

All personnel will be required to attend the environmental induction prior to commencement with their services.

19 CONTRACT CHANGE MANAGEMENT

19.1 For ease of communication, standard templates shall be used for contract change management. The Service Provider shall forward all correspondence with respect to contract change management, i.e. early warnings and notifications of compensation events, on the standard templates provided.

19.2 Records of Time Charge, Payments & Assessments of Compensation Events to be kept by the Service Provider.

19.3 The Service Provider shall keep the following records available for the *Service Manager* to inspect:

- a) Records of Sub-Service Providers appointed by the Service Provider
- b) Records of people and equipment within the working areas

- c) Records of equipment used and people employed outside the Working Areas
- d) Records of quotations, invoices and pay slips.

20 PROCUREMENT

20.1 CODE OF CONDUCT

- a) The Employer aims to achieve the best value for money when buying or selling goods and obtaining services. This however must be done in an open and fair manner that supports and drives a competitive economy. Underpinning our process are several acts and policies that any supplier dealing with the Employer must understand and support.
- b) These are:
- c) The Transnet Detailed Procurement Procedure (PPP);
- d) Section 217 of the Constitution - the five pillars of Public PSCM (Procurement and Supply Chain Management): fair, equitable, transparent, competitive and cost effective;
- e) The Public Finance Management Act (PFMA);
- f) The Broad Based Black Economic Empowerment Act (BBBEE); and

20.2 THE ANTI-CORRUPTION ACT

- a) This code of conduct has been included in this contract to formally apprise the Service Provider of the Employer's expectations regarding behaviour and conduct of its Service Provider.
- b) Prohibition of Bribes, Kickbacks, Unlawful Payments, and Other Corrupt Practices
- c) The Employer is in the process of transforming itself into a self-sustaining State Owned Enterprise, actively competing in the logistics industry. Our aim is to become a world class, profitable, logistics organisation. As such, our transformation is focused on adopting a performance culture and to adopt behaviours that will enable this transformation.
- d) The Employer will not participate in corrupt practices and therefore expects its Service Provider to act in a similar manner.
- e) The Employer and its employees will follow the laws of this country and keep accurate business records that reflect actual transactions with and payments to our Service Provider.
- f) Employees must not accept or request money or anything of value, directly or indirectly, to:
- g) Illegally influence their judgement or conduct or to ensure the desired outcome of a sourcing activity;

- h) Win or retain business or to influence any act or decision of any decision stakeholders involved in sourcing decisions; or gain an improper advantage.
- i) There may be times when a supplier is confronted with fraudulent or corrupt behaviour of the Employer employees. We expect our *Service Provider* to use our "Tip-offs Anonymous" Hot line to report these acts (0800 003 056).
- j) The Employer is firmly committed to the ideas of free and competitive enterprise.
- k) Service Provider are expected to comply with all applicable laws and regulations regarding fair competition and antitrust.
- l) The Employer does not engage with non-value adding agents or representatives solely for the purpose of increasing BBBEE spend (fronting)
- m) The Employer's relationship with Service Provider requires us to clearly define requirements, exchange information and share mutual benefits.
- n) Generally, Service Provider has their own business standards and regulations. Although the Employer cannot control the actions of our Service Provider, we will not tolerate any illegal activities. These include, but are not limited to:
- o) Misrepresentation of their product (origin of manufacture, specifications, intellectual property rights, etc.);
- p) Collusion;
- q) Failure to disclose accurate information required during the sourcing activity (ownership, financial situation, BBBEE status, etc.);
- r) Corrupt activities listed above; and
- s) Harassment, intimidation or other aggressive actions towards the Employer employees
- t) Service Provider must be evaluated and approved before any materials, components, products or services are purchased from them. Rigorous due diligence is conducted and the supplier is expected to participate in an honest and straight forward manner
- u) Service Provider must record and report facts accurately, honestly and objectively. Financial records must be accurate in all material respects

20.3 **CONFLICTS OF INTEREST**

A conflict of interest arises when personal interests or activities influence (or appear to influence) the ability to act in the best interests of the Employer. Such as, for example:

- a) Doing business with family members; and
- b) Having a financial interest in another company in our industry.