



KUSILE POWER STATION

Employer Policies and Procedures

Section 4

Shipping Policy & Procedure

Part 8

Rev 0_0109

1. Qualifying Sea Vessels and Sea Vessel Age Limitation

1.1 The Employer-procured Marine Insurance Policy (herein “the Marine Policy”) extends only to subject matter carried by mechanically self propelled vessels of steel construction which are classed in accordance with the requirements of the Institute Classification Clause as per the Marine Policy, provided such vessels are:

1.1.1 not Bulk Carriers, Combination Carriers nor Mineral Oil Tankers (as per the Marine Policy) exceeding **50,000** GRT, over **15** years of age;

1.1.2 not over **25** years of age.

1.2 Subject matter carried by mechanically self propelled vessels not falling within the scope of the above are (to the extent covered by the Marine Policy) subject to additional premium and must accordingly be notified promptly to the Employer so that additional rates and conditions under the Marine Policy can be agreed. Subject matter so carried will accordingly only be covered by the Marine Policy if, and only to the extent:

1.2.1 the resultant additional insurance premium (if any) is agreed; and

1.2.2 either the Employer or the Contractor (as applicable) accepts liability for such additional premium in writing.

1.3 The Contractor will abide by any additional insurance warranties and conditions in this regard.

1.4 The Contractor shall, absent such written agreement, be solely responsible for and shall separately insure cargoes and/or interests carried by non Classified Vessels.

2. Marine Shipping Survey for Break-Bulk Cargo

The Contractor shall submit a completed Marine Shipping Survey (in the form attached hereto) to the Employer for all Break-Bulk cargo where any one or more of the following apply:

2.1.1 the shipment value is US\$ 5,000,000 or greater;

2.1.2 the individual item value is US\$ 4,000,000 or greater;

- 2.1.3 the weight of the item is 75mt or greater;
- 2.1.4 the size of the item is greater than a 40 foot container in any direction and the value of the item is greater than US\$ 250,000; or
- 2.1.5 the cargo is carried on deck.

The Contractor shall submit the required Marine Shipping Survey not less than 3 weeks (but preferably not less than 4 weeks) prior to shipment. In the absence of such Marine Shipping Survey, the insurance coverage under the Marine Policy could, at the discretion of insurers, be restricted (at the risk of the Contractor).

For the purpose hereof, "Break-Bulk Cargo" means general goods, plant, materials, commodities or wares which are customarily shipped in boxed, bagged, crated or unitized form, held in the vessel's general holding areas, and handled by the piece, unit or in separate lots. Without limiting the generality of the foregoing definition of Break-Bulk Cargo, the term shall include road motor vehicles and other odd-size cargo, but shall not include containerized cargo or bulk cargo. This definition is, however, inserted for convenience only and if there is a conflict between this definition and the definition of "Break-Bulk Cargo" under the Marine Policy, the definition under the Marine Policy shall prevail.

3. Notifications

Marine Shipping Surveys and all other notifications to be given to the Employer under these Shipping Policies & Procedures shall be submitted to the Employer's Shipping Manager (Vonani Ntlhabyane: cell +27 82 773 4987; tel +27 (0)11 800 3944; e-mail: vonani.ntlhabyane@eskom.co.za) and at least one of the following personnel from Eskom Insurance Management Services (or such other persons as may be notified by the Engineer from time to time):

Contact Person	Contact Number	E-mail address
Ms Thembi Maganga	+27(0)11 800 6509	thembi.mabanga@eskom.co.za
Ms Eugenia Katane	+27(0)11 800 6380	KataneE@eskom.co.za
Ms Beverly Jemaine-Cain	+27(0)11 800 3331	Beverley.jemaine-cain@eskom.co.za
Mr Krishan Chaithoo	+27(0)11 800 4455	Krishan.chaithoo@eskom.co.za
Mr Sammy Koma	+27(0)11 800 5321	sammy.koma@eskom.co.za
Mr Velaphi Mabaso	+27 (0)11 800 3836	velaphi.mabaso@eskom.co.za

Only a written acknowledgement of a shipment notification or of a Marine Shipping Survey, as the case may be, shall constitute proper receipt thereof under the Contract. Marine Shipping Surveys and all other notifications addressed to the Employer under these Shipping Policies & Procedures shall also be copied to the Engineer.

- 4. These Shipping Policies & Procedures reflect the Employer's procedures to deal with additional premium or other risk issues in connection with the Marine Policy but shall not be construed or interpreted so as to extend or modify the terms of the Marine Policy itself. The Contractor shall be liable for any additional premium or other cost incurred by the Employer under the Marine Policy by reason of the Contractor's failure to comply with these Shipping Policies & Procedures.



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Shipping Policy & Procedure Attachment: Pro-Forma Shipping Survey

Part 8

	Question	Details	Comments
1.	Description of cargo:		
2.	Value of the cargo:		
3.	Packaging of the cargo and method of lifting / securing:		
4.	Weight / dimensions of cargo and number of units:		
5.	Indicate if any part of cargo is second hand:		
6.	Indicate if cargo containerized or Break-Bulk		
7.	Contract reference (Eskom assigned Contract number):		
8.	Designated Point(s) of survey (warehouse, factory or storage facility, as applicable. Address, telephone, telefax and e-mail details to be specified):		
9.	Contact person at designated point(s) of survey (address, telephone (mobile and land line), telefax and e-mail details to be specified):		
10.	Anticipated date cargo will leave designated point(s) of survey:		
11.	Shipping Route and method of shipment (road / rail / barge / ocean):		
12.	Date & port of departure:		
13.	Estimated date and port of discharge:		
14.	Name of vessels or IMO number:		
15.	Age and particulars of vessel:		
16.	Identity of carriers' P&I Club and extent of cover:		
17.	Specify INCO terms if NOT 'ex-works':		
18.	Details of shipping agent (operator of vessel) (address, telephone (mobile and land line), telefax and e-mail details of contact person to be specified):		
19.	Cargo forwarding / clearing agent (address, telephone (mobile and land line), telefax and e-mail details of contact person to be specified):		
20.	Approximate duration of transit:		