

SERVICE LEVEL AGREEMENT - PROVISION OF CARGO HANDLING SERVICES (INCLUDING MATERIAL HANDLING EQUIPMENT) FOR TRANSNET SOC LTD (REG. NO 1990/000900/30) OPERATING AS TRANSNET PORT TERMINALS AT THE PORT OF DURBAN, MAYDON WHARF & AGRIPORT TERMINALS FOR THE FOLLOWING COMMODITIES (I.E. FERROCHROME, CHROME, MANGANESE, METCOKE AND GRAINS) FOR A PERIOD OF THREE (3) YEARS.													
No.			PARTY		WHEN	FREQUENCY	KPI	MEASUREMENT	COMMUNICATION MODE / FORMAT	SENT TO	MEASUREMENT		COMMENTS
			Contractor	TPT							WEIGHT	MONTHLY RATING	
2	Health, Safety & Environmental Requirements	a) Ensure that all equipment operating within TPT C24 complies with Road, Operations and Port Authority Safety and Environmental regulations			Operation start date	Throughout the lease agreement period	Safety reports, safety briefing, risk assessment minutes reports	Safety Reports, Fleet Safety Assessment reports	Email	TPT	Eligibility	Compliant/ Not Compliant?	Non compliance will results in stop certificate, seize operation, and may lead to termination of contract.
		b) The contractor to ensure equipment is uniquely marked to ensure it is easily identifiable			On arrival to TPT site	ongoing	Clearly identifiable branding	Name and equipment number to be clearly visible on each piece of equipment at all times	list of all equipment to be captured in Annexure A to the Master Agreement	TPT			Non compliance will results in stop certificate, seize operation, and may lead to termination of contract.
		c) Contractor and TPT to ensure an equipment movement sheet is developed and Standard Operating Procedure on asset movement in and out of the terminal. All movement of equipment either in or out of the terminal is to be signed out and signed in by the operations supervisor on shift and handed to security on either exit or entry to the terminal			Equipment movement sheet to be developed within 30 days of signature of the Master Agreement	Each time equipment is moved into or out of the terminal	Log of equipment movement to be kept by operations on site and filed by the contracts manager.	Equipment movement log		TPT and Contractor			Non compliance will results in stop certificate, seize operation, and may lead to termination of contract.
		d) Contractor to provide two (2 ) sets of keys for each piece of equipment supplied to TPT. TPT shall ensure that both sets of keys are kept in a lockable cabinet with an access control procedure put in place			On delivery of equipment	ongoing	Access control procedure and equipment allocation procedure to be complied with at all times.	Compliance with access control procedures and equipment allocation procedure to be complied with and assessed by contracts manager.	SLA reports	TPT & Contractor			Non compliance will results in stop certificate, seize operation, and may lead to termination of contract.
		e) Ensure all Contractor technicians and all other personnel on TPT site are inducted and medically fit to be exposed and work at TPT Maydon Wharf & Agriport Terminal premises			Prior to site visit	Annually as per transnet procedure	Safety reports	100% number of employees inducted and fit to work at TPT premises vs. total number of actual employees for the job	N/A	N/A			No operator or employee shall start work without induction.
3	Maintenance (35% weight)	a) Contractor to generate a checklist of maintenance tasks, based on the specific requirements of each piece of equipment on TPT's site.			Acquisition date of Equipment	Once off	Maintanance task report	Available Maintenance Checklist vs. Required Maintenance Checklist	N/A		3%		Breakdowns affects operations KPI, nocompliance to equipment delivery can lead to contract termination
		b) Contractor to generate a maintenance plan as to when these tasks should be performed which is to be agreed with TPT engineering manager, Fleet, Ops and Planning Manager and signed off.			After every inspection report review	Contractor scheduled maintenance plan	Maintanance task report	Available Maintenance Checklist vs. Required Maintenance Checklist	N/A		3%		
		c) A contractor to generate a convenient system or checklist for operators to record inspection details and possible complaints about the equipment			Prior to commencement of operation	Once off	Maintanance task report	Available Maintenance Checklist vs. Required Maintenance Checklist	N/A		3%		
		d) Operators to conduct daily inspection according to check list and any possible fault. Operators to record any complaint regarding the equipment.			Per shift	Every shift	Number of shift per month vs. checklist conducted	%checklist documents submitted/number of operational shifts per month	Email /Hard Copy submission/collection		3%		
		e) Contractor to carry out Planned Maintenance on all equipment used at the TPT site as per the OEM planned maintenance schedule. Contractor to ensure that all planned maintenance does not interrupt business planned operation. Maintenance reports to be provided to TPT Project Manager on a monthly basis			OEM/Contractor scheduled planned maintenance	OEM/Contractor scheduled maintenance periods	Planned maintenance percentage	% time of planned maintenance activities carried out/unplanned maintenance activities carried out (breakdowns/corrective actions)	Email /Hard Copy submission/collection	TPT and contractor fleet and maintenance managers	5%		
		f) Contractor shall keep spares of all critical components on site to ensure breakdowns are dealt with within the turnaround time allowed.			At the biggining of the contract	As in and when required	Unplanned maintenance percentage	% ratio of time of unplanned maintenance activities carried out/ Estimated time (Any value estimated to be above needs a redundancy)	Email /Hard Copy submission/collection		5%		
		g) Contractor shall attend to all equipment leased to TPT, incidents or and accidents reported cases immediately, assess the equipment and the extent of damage, recommend whether the equipment can still be used for operation, subject to maintenance less than 2 hours or a redundancy plan needs to be put in place. Contractor to ensure that all incident and accident related issues shall be dealt with as so to minimize down time, and ensure that business operation resumes as soon as possible.			When required to do so	As in and when required	downtime of incident and corrective action.	% downtime/Allowable time downtime (2 hours allowable down time)	Email /Hard Copy submission/collection		5%		
		h) Contractor shall carry the responsibility of removal of any equipment leased to TPT in a case where failure has caused total shutdown of the equipment at maximum reasonable time of 2 hours			When required to do so	As in and when required	Min-time between incident and corrective action	% downtime/Allowable time downtime (2 hours allowable down time)	Email /Hard Copy submission/collection		5%		
		i) Contractor in consultation with TPT to generate overall effectiveness report of each piece of equipment and total effectiveness of the entire fleet. Reports shall be compared by material handling manager.			Commencement of operation	Monthly	Availability, Reliability, and Performance	% Availability x Reliability x Perfoamance	Email /Hard Copy submission/collection	Operations Manager	3%		
7	Damage & Claims (8% weight)	a) Report any accidents and notifiable incident on or to the equipment to the Contractor.			Immediately	As in and when required	Timeous notification of details of damages and/ or incidents	100% notification of damages and incidents	E-Mail	TPT Fleet Manager	2%		Failure to adhere to claims process may results in repudiation
		b) Provide Damage Report at the end of shift of the incident.			As per claims procedure	As and when required	Timeous notification of details of damages and/ or loss and countermeasures	100% accuracy and details pertaining damage	E-Mail / Text	Material Handling Contracts Manager	2%		
		c) Provide written notification of claims within twenty four (24) hours of the incident and within 30 days of the claim being lodged.			As per claims procedure	Monthly	Accurate Measuring of the damage ratio	100% accuracy and details pertaining damage ratio	E-Mail / Text	Service Provider - Claims Dept.	4%		

1	Planning (10% Weight)	a) Schedule and ensure attendance of Service Provider at all Pre-Plan meetings, as and when required			Per Shift	for every shift	Availability vs. Planned Actuals	vs.	%Planned/Available & %Actual/Planned per shift	Fax/Email	Contractor and Terminal operations planning team	5%		Abuse of adhoc may lead to contract termination
		b) For additional adhoc equipment, ensure the compliance to SOP			Per Shift	for every shift	Availability vs. Planned Actuals	vs.	%Planned/Available & %Actual/Planned per shift	Fax/Email		5%		
	Compliance Requirements (9% weight)	a) <b>Risk and Safety Management</b> - Safety and risk management programs to be conducted to reduce accidents, avoiding fines, higher insurance costs and legal fees. Proper repository must be created to contain essential details about drivers and particularr equipment assigned to them. Accurately collate and report on 'near incident misses' and other incidents which can support compliance by creating awareness and create an opportunity to review risk management and safety programs.			Start of each shift	Every shift	Risk meetings minutes, safety talks reports		quantity of reports submitted/ number of shifts per month	E-Mail and/or Hand delivery	Material Handling Contracts Manager	3%		
		b) <b>Fleet and Maintenance</b> - Any equipment used at TPT sites for business operation purposes must be properly inspected and mainted regularly. Service team to adhere to maintenance schedules and required replacement parts or spares			Planned Maintenance period	OEM/Contractor scheduled maintenance periods	Availability, Reliability, and Performance		% Availability x Reliability x Perfoamance	E-Mail and/or Hand delivery	TPT Fleet Manager	2%		
		c) <b>Drivers and Operators</b> - Any employee who operates a vehicle or equipment for business (TPT Maydon Wharf & Agriport Terminal) purposes must be trained, certified and in good health. They also need to have a valid license and relevant driver training for the type of vehicle or equipment they are operating. Drivers or operators are required to comply with agreed company routes plans and work schedules to minimize risk and lower fuel costs unless otherwise stated.			At the inception of the contract	All the time	Rnil - Non comfirmances issued		Rnil - Non comfirmances issued	Safety Reports	Safety manager	1%		
		d) The Contractor shall ensure that they have a business continuity plan in place to be furnished to TPT on signature of the Agreement. This plan must ensure the following: i. Technicians are to be on site 24/7 ii. Equipment breakdowns are resolved within 8 hours, failing which replacement equipment is to be immediately provided to ensure continuous operation iii. As soon as TPT reports a breakdown the Contractor's technicians are expected to respond within a period of 60 mins failing which a non-conformance is to be issued			At the inception of the contract	All the time	Nil - Non conconformancy i. equipment availability at all times ii. Meeting of KPI's		Meeting of business targets	Perfomance reports	Termial manager and General Manager	3%		
	Reporting (12% weight)	a) Provide reports on downtime of equipment			Per shift	Ongoing	Reporting of all non-performance issues regarding individual performance or Equipment failure		Planned vs. Actuals, delays and resolutions	E-Mail/Fax	Material Handling Contracts Manager	4%		
		b) Report any potential damage or fault noticed on the equipment			Per shift	As in and when required	Asset care management		%checklist documents submitted/number of operational shifts per month		TPT Fleet Manager	4%		
		c) Provide feedback of disciplinary action and/or Corrective measures taken			5 days after reported date	Ongoing	Feedback reports on corrective action taken		100% feedback reports	E-Mail/Fax	Material Contracts Handling Manager	4%		
	6	Subcontract Commitments (6% Weight)	a) Ensure information is provided to ensure supplier development commitments are adhered to			SLA Meeting	Monthly	Service Provider to ensure that the supplier development commitments are adhered to		100% adherence	Email	Procurement	3%	
b) Ensure information is required to ensure the improvement of B-BBEE commitments are adhered to					SLA Meeting	Monthly	Service Provider to ensure that the supplier development commitments are adhered to		100% adherence	Email	Procurement	3%		
	Insurance 10%	a) The Contractor to ensure it has comprehensive All risk Asset insurance in place for the duration of the contract to cover damage to equipment			Certificate of insurance to be provided to the Project Manager within 30 days of signature of the Master Agreement	Insurance to be in place for the duration of the contract	Insurance to be in place for the duration of the contract		100% adherence	renewed annually	Project Manager	5%		
		b) The Contractor to ensure it has third party general liability insurance in place for the duration of the contract to cover any third party damages			Certificate of insurance to be provided to the Project Manager within 30 days of signature of the Master Agreement	Insurance to be in place for the duration of the contract	Insurance to be in place for the duration of the contract		100% adherence	renewed annually	Project Manager	5%		
	Cleaning of equipment ( 7%)	a) Contractor operators are to ensure that equipment is cleaned before movement of the different commodities			with movement of the different commodities	with movement of the different commodities	prevention of contamination		100% adherence	SOP adherence	Overseen by risk and compliance but day to day management by operations manager	7%		
8	Invoicing and Payments (3% weight)	a) Invoice TPT and submit with supporting documentation for all approved works covered and TPT to provide the contractor with the tonaages of cargo handled monthly			30 days	Monthly or After Delivery of Services	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.	Monthly statement and hard copy of invoice(s) with supporting documentation hand delivered monthly.	Relevant Finance Department	3%		
		b) Receive and check documentation, arrange electronic payment, and TPT Finance to advise Service Provider via remittance advice of payment details.			Documents submitted during the month will be paid, 30 days from date of statement	Monthly or After Delivery of Services	Authorization of invoices for payment within 30 days.		Monthly statement to confirm payment of invoices.	Telephonic and e-mail to facilitate payment queries.	Service Providers Finance Dept.			
Legends :				1 = Poor	2 = Not Acceptable	3 = Acceptable	4 = Excellent							

	100%	100%	
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