



## **ANNEXURE A**

### **TRANSACTION DOCUMENT**

#### **Service Order**

#### **1. SCOPE OF WORK (LOCAL)**

##### **1.1 SERVICES**

The quality and quantity inspection of PetroSA cargoes for the following operations:

1. Road tanker loadings (delivered customer only)
2. Loading into Isotainers for exporting and local deliveries
3. Inter-company transfers (between Voorbaai (VB) depot and Shell Depot for customer upliftments);
4. Ship loadings (coastal Oil company and CBM exports)
5. Ship offloading operations (for imports of feedstocks, blendstocks and finished products)

The Services to be rendered by the Supplier shall be of the highest standard & in compliance with the applicable regulations and standards applicable to the South African Petroleum industry and to be conducted by a competent team dedicated to performing the requisite tasks.

##### **1.2 THE FOLLOWING IS A BRIEF DESCRIPTION OF THE ACTIVITIES TO BE PERFORMED:**

###### **1.2.1. SINGLE POINT MOORING (SPM) - COASTAL SHIPMENTS**

Fuels to the South African Oil Industry are either cross-pumped from the PetroSA Voorbaai Tankfarm to the Shell Depot for further distribution by the Oil Companies or transferred from VB to Oil Industry ships calling at the SPM. Approximately 1000 kt p.a. of fuel is transferred to the Shell Depot and

approximately 550kt is shipped annually. Petrol, diesel and kerosene are currently shipped from Mossel Bay. Sales are on Ex Tank or Free on Board basis. The Supplier shall:

- a) Gauge shore tanks for both ship loadings as well as for transfers to the Shell Depot;
- b) Certify the quantities reflected in the Bills of Lading Certification;
- c) Issue Certificates of Quality on behalf of PetroSA for each tank batched outside Mossel Bay;
- d) Drawing and retention of samples of each batch. Samples are to be sealed and retained by the Supplier for three months.

### 1.2.2 SINGLE POINT MOORING (SPM) IMPORTS

PetroSA imports approximately 600,000 Metric tons of Feedstocks, Blendstocks and final products per annum. These are imported via the SPM and received at onshore storage tanks at Voorbaai. The Supplier is required to:

- a) Draw composite samples for retention and quick release tests from each ship tank before discharge commences.
- b) Prepare a volume-weighted average tank composite sample. The Supplier will analyse (quick release tests) this composite sample for specified key properties before discharge.

The Supplier's quick-release tests include the following:

- Diesel: The Supplier will test the **appearance, density and electrical conductivity** of each of the ship's diesel tanks.
  - Petrol: The Supplier will test **appearance, colour, density and Doctor Test** of each of the ship's petrol tanks and the Reid Vapour Pressure (**RVP**) of each of the 3 x 500 ml ship's petrol tank samples especially taken for this purpose.
  - Reformate: The Supplier will test the **appearance, colour, density and Doctor Test** of each of the ship's reformate tanks.
  - Toluene: The Supplier will test the **appearance, colour and density** of each of the ship's toluene tanks.
- c) Perform in-line sampling operations during discharge to check for water content.
  - d) Gauge the shore tanks before and after discharge to certify the quantity of product exported from the ship and the quantities received in a tank.

### 1.2.3 CONVENTIONAL BUOY MOORING (CBM) EXPORTS

Alcohols and distillates exports are to be certified on quantity and quality shipped out from Voorbaai via the CBM. The Supplier must:

- a) Perform and certify quality tests as well as tanks.
- b) Witness tests and issue Certificates of Quality for each tank batched in Mossel Bay
- c) Gauge Tanks before and after discharge.
- d) Ship tank inspections are to be done and certified on cleanliness in accordance with PSA and industry practise
- e) Drawing and retention of samples of each batch. Samples are to be sealed and retained by the Supplier for three months.

### 1.2.4 TRUCK CLEANLINESS INSPECTIONS AND SEALINGS

Product is stored and loaded onto road tankers and rail tanker wagons both at the Mossel Bay Plant as well as other depots around the country. The monthly testing and certifying of the product is required and to also report on the product quality of the tanks for month-end purposes.

#### **Specific requirements by location are as follows:**

##### *Bloemfontein and Tzaneen*

- Witness Monthly dips (month end stock accounting)
- Monitor dipping procedure and calculations (sign off)
- Provide documentation (P201)
- Tzaneen Depot – Product samples to be tested every quarter with QC reports supplied to PetroSA, Bloemfontein Depot not required.

##### *Mossel Bay (Rail & Road)*

- Witnessing of sealing
- Provide documentation (P201)

##### *Cape Town*

- Witnessing of sealing
- Provide documentation (P201)

## **2. LABORATORY SERVICE**

### **2.1 LOCAL**

The Supplier requires facilities to conduct all required testing and certification of products. The facilities shall comply with standard laboratory, storage and safety requirements outside Mossel Bay.

## **3. ADVISORY SERVICE**

The Supplier shall:

- Provide input to the compilation of documented PetroSA procedures for product handling down the logistical chain. This input is to be based on intimate knowledge and intrinsic characteristics of the products that PetroSA trades in.
- Advise PetroSA on the compatibility of previous cargoes with PetroSA products to be loaded.
- Advise on wall wash programmes and analyses to establish tank cleanliness.
- Advise or assist on optimisation of tank allocation in storage facilities process as may be requested or arranged.

## **4. REPORTS**

The Supplier shall provide detailed reports regarding all loading and discharge activities, which will include time, logs, all certification on quality and quantity, Bill of Lading splits and letters of protest. Information required for customs clearance shall be provided to the clearing and forwarding agent by the Supplier. The Supplier to provide Outturn report 12hrs to 24hrs after vessel completed discharge operations.

## **5. SAMPLE DESPATCH**

The Supplier shall in conjunction with the PetroSA laboratory ensure the despatch of samples on a door-to-door basis. All despatch arrangements and tracking are to be processed by the Supplier. Testing capabilities should be in line with SANS 1599, SANS 342, and SANS 1913.

## **6. QUALITY ASSURANCE**

The Supplier shall ensure that the Services (including all workmanship) and all products, materials, documentation, tools and equipment used or required for the rendering of the Services, comply with PetroSA's Quality Assurance and Certification Requirements Standard Document Ref. QAL/PO/COR/001. A copy of this document shall be made available upon request. The supplier shall be registered as an active participant of the SABS MAP correlative scheme, for

at least the following products: Automotive Diesel (ADO), Unleaded Petrol (ULP), and Jet Fuel (JF).

## **7. LOSS CONTROL**

The service provider is to provide PetroSA with assistance in performing investigations relating to product losses and quality issues as and when required. PetroSA will rely on the service provider for advice relating to areas of risk relating to product losses.

## **8. CHANGES TO THE SCOPE OF SERVICES**

The Scope of Services shall be subject to changes by additions, deletions or revisions thereto by PetroSA. The Supplier shall be advised of any such changes by written notification from PetroSA describing the change. The Supplier shall promptly perform and strictly comply with each such change when so instructed by PetroSA. Any extra services resulting from such changes will be charged at the Supplier's normal or agreed rates at a mutual agreement.

## 9. PRICING

### 9.1 GENERAL

No payment or reimbursement shall be due by PetroSA to the Supplier unless otherwise specifically provided for in this Agreement.

The Supplier's rates are fully inclusive of all the Supplier's costs and expenses for rendering the Services pursuant to this Agreement, including protective and safety clothing, mobilisation and demobilisation costs, compliance with laws, including but not limited to, the Supplier's portion of any employee insurance and social security benefits, payroll and income taxes, levies, premiums for insurance and all other contributions and benefits and the costs to the Supplier for its personnel, unless otherwise specifically provided for in this Agreement.

PetroSA Standard Terms and Conditions will apply.

### 9.2 PRICE

MOSSEL BAY - (ZAR per Metric Ton)				Cape Town	Durban	Bloemfontein	Tzaneen
Volumes	Operation	Operation	Rate (Rand)	Rate (ZAR)	Rate (ZAR)	Rate (ZAR)	Rate (ZAR)
Up to 1500mt	CBM	Out					
1501 - 2000mt	CBM	Out					
2001 - 5000mt	CBM	Out					
> 5001 mt	CBM	Out					
Up to 5000mt	SPM	In					
5001 - 10000mt	SPM	In					
10001 - 20000mt	SPM	In					
> 20001 mt	SPM	In					
Up to 30,000 mt	SPM	In					
30001 - 40 000mt	SPM	In					

1. Indicate cost for witnessing certification tests and issuing of CoQ per product exported via CBM and for loading of vessels at SBM.

2. Costing structure to be used for sample despatch to be included

MOVEMENTS EX REFINERY MOSSEL BAY (ZAR per Transaction)			Cape Town	Durban	Bloemfontein	Tzaneen
Movement Type	Operation	Rate (ZAR)	Rate (ZAR)	Rate (ZAR)	Rate (ZAR)	Rate (ZAR)
Chemicals	Road					
Chemicals	Rail					
Chemicals	Drumming					
Chemicals	Isotainers					
Fuels	Road					
Fuels	Rail					
Fuels	Drumming					
Fuels	Isotainers					
Specialities (LPG/C3)	Road					
Specialities (LPG/C3)	Rail					

VOORBAAI TRANSFERS (ZAR per Metric Ton)			Cape Town	Durban	Bloemfontein	Tzaneen
	Volumes	Rate (ZAR)	Rate (ZAR)	Rate (ZAR)	Rate (ZAR)	Rate (ZAR)
Cross Pumps to Oil Industry	Up to 1500mt					
Cross Pumps to Oil Industry	1501 - 2000mt					
Cross Pumps to Oil Industry	2001 - 5000mt					
Cross Pumps to Oil Industry	> 5001 mt					
Tank Analysis	Up to 1500mt					
Tank Analysis	1501 - 2000mt					
Tank Analysis	2001 - 5000mt					
Tank Analysis	> 5001 mt					
Investigations	Up to 1500mt					
Investigations	1501 - 2000mt					
Investigations	2001 - 5000mt					
Investigations	> 5001 mt					