



## ANNEXURE "A"

### TRANSACTION DOCUMENT

ENQUIRY NO: CTT24557

DESCRIPTION: SUPPLY OF TOOLS AND EQUIPMENT FOR PetroSA IN MOSSEL BAY

#### 1. SCOPE OF WORK

##### 1.1 INTRODUCTION

The Petroleum Oil and Gas Corporation of South Africa (SOC) Ltd, herein after called PetroSA, operate a Gas to Liquid Processing Refinery and related facilities in Mossel Bay, FA Platform and the Orca.

PetroSA requires a capable Supplier to undertake and provide the following services at the above-mentioned PetroSA facilities on an as and when required basis which shall include the following:

- Provision of equipment and tool hire services as specified in this agreement
- Adhoc equipment and tool hire services not specified in this contract only to be supplied with prior approval of the Contract Owner. No payment shall be processed without prior approval and complete PetroSA Works Order
- Provision of all the required personnel which shall include but not limited to management, supervision, administration, storage personnel and all other required labour associated with equipment and tool hire services at no additional cost to PetroSA (Costs to be included in rental costs).

It is expected from the Supplier to provide Service expertise, advanced techniques, reliable equipment, tools, manpower, and experienced project management, including a preparation and execution plan of the works in accordance with and **within the time frames** defined by PetroSA.

The Supplier will be expected to have sufficient personnel on site to administer the rental of equipment and tool hire services at all times. The Supplier will be expected to obtain and mobilise any equipment specified / unspecified in this agreement and within 24 hours upon being instructed to do

so by PetroSA. If the Supplier cannot supply as required PetroSA will have the right to obtain resources and equipment from other Suppliers.

All work shall be performed in strict accordance with PetroSA's specifications, standards, procedures, drawings and other documents, which by reference are made part of this contract.

All equipment that is provided by the Supplier should be in a good and acceptable working condition. PetroSA shall not pay for equipment / tools that are not in a good working condition.

## **1.2 SERVICES**

The Supplier shall supply all equipment and tools listed/not listed in this Agreement as per the following conditions:

- The Supplier will be fully responsible to supply all equipment to the area at the PetroSA site as specified on the PetroSA Works Order.
- All equipment will be subject to an intensive inspection by a competent person appointed by PetroSA and will have full authority to declare the applicable item of equipment unsafe for use.
- All diesel or petrol driven equipment shall be supplied empty. The equipment shall be returned empty to the Supplier.
- The Supplier will be committed to replace any item of equipment within 2 (two) hours if declared unsafe for use by PetroSA at the Supplier's own cost.
- Any breakdowns of hired equipment will be for the account of the Supplier, where it cannot be proven to be the fault of PetroSA.
- If the repair work is of such a nature that it will exceed one hour to complete, a replacement shall be supplied within an hour.
- The Supplier will be fully responsible for the maintenance and servicing of its own equipment.
- The Supplier shall be committed to render the Services on a 24 (twenty four) hour per day, 365 (three hundred and sixty five) days per annum basis.
- In case of an emergency the Supplier will be required to supply equipment within 24 hours of receipt of the Works Order and to facilitate the collection of the equipment requested by PetroSA, if necessary.

### 1.2.1 Standard Equipment Requirements

A comprehensive list of equipment is listed in the pricing section of this agreement. This list demonstrates a typical list of Equipment that is commonly used by PetroSA and which the Supplier must own / have access to.

Additional equipment and tool requirements shall be agreed between PetroSA and the Supplier and the cost thereof shall be agreed upfront before equipment/tool mobilisation.

### 1.2.2 Supplier's responsibilities

In rendering the service, the Supplier shall provide for:

- All requirements to render the services on a 24 hour basis.
- All required equipment, tools and auxiliaries associated with the provision of this service and as required by PetroSA
- Manpower
- Supervision
- Management
- Office and storage Personnel
- Supply of transport.
- Calibration Certificates when required for equipment
- Standby, emergency and overtime jobs to be performed when required at no additional cost to PetroSA the for equipment utilised.

### 1.2.3 Procedures (Available on Request)

The Supplier shall comply with the following PetroSA Procedures, codes, and legislation codes listed in the reference table below:

DOCUMENT NUMBER	DESCRIPTION
ELR/WI/GEN/005	Use of Portable Electrical Equipment
ISO 9001	Quality Management System
Act No.85 of 1993	Occupational health & Safety Acts
21.3.1 and 21.7.3 of the Minerals Act, 1991 (Act 50 of 1991)	To comply with the provisions of Regulations
HSE/GL/000/021	COVID 19 - guiding principles for return to office and workplace plans
HLT/ST/GTL/009	Mandatory code of practice for the prevention, mitigation and management of the COVID 19 outbreak - GTL refinery (mine 1858)

### 1.2.4 Demand

PetroSA's demand for this service varies considerably and no minimum turnover can be guaranteed.

The Supplier must have sufficient reserve capacity to mobilise immediately should the service be required on an emergency basis.

#### **1.2.5 Delivery of Offshore Equipment/Tools**

The Supplier shall deliver Offshore equipment and tools to the PetroSA warehouse as per Offshore requirements. Gang-boxes may be used, however, the sizes thereof are to be confirmed with PetroSA warehouse as these will be required to fit into the Offshore containers.

#### **1.2.6 Expertise and technical support**

The Supplier shall have the technical support and expertise to provide professional service and advice.

#### **1.2.7 New technologies, products, trends and best practices**

It will be expected from the Supplier to keep up to date with the latest national and international new technologies, products, trends and practises in its field of operation and share any information with PetroSA that could positively contribute to product performance, reliability, productivity, safety and costs.

### **1.3 BUSINESS PROCESS**

#### **1.3.1 Normal operating conditions**

The Supplier will at the commencement of the Agreement receive a Purchase Order against which all Supplier invoices shall be paid. The Supplier shall ensure that this Purchase Order number is reflected on all their invoices.

Before commencing with any job the Supplier shall be issued with a Works Order/Job Card, and the Works Order number shall also be reflected on the Supplier's invoices and the job card attached as one of the invoice supporting documents.

All payments to the Supplier shall be based on the approved rates tendered by the Supplier.

Any changes to an official Works Order must be authorised by means of a new or supplementary Works Order.

The Supplier shall have no authority to change any conditions in a Works Order and any work performed in excess of the approved scope shall be for the account of the Supplier.

#### **1.3.2 Projects (Turnarounds, Outages)**

Turnarounds, Projects and Outages are included in this Agreement.

### **1.3.3 Shutdowns**

Shutdown scope of work is included in this contract and PetroSA will negotiate shutdown rates with the Supplier, provided that they have the capacity and all the necessary resources required for the execution thereof. PetroSA reserves the right to remove the scope of any shutdown from this contract should the Supplier not perform as expected in their normal day to day activities. Before the commencement of the Shutdown, PetroSA will discuss and agree all Shutdown specific requirements with the Supplier.

### **1.3.4 Prerequisites**

All work shall be performed in accordance with the approved PetroSA procedures, standards and specifications and it will be the responsibility of the Supplier to fully acquaint itself with the contents thereof prior to commencement.

The Supplier shall be responsible to obtain the necessary permits to work prior to the commencement of the services specified on the Works Order.

The Supplier shall submit proof of calibration and certification of all equipment used to perform the service.

The Supplier shall not acquire the service of any sub-contractor without the prior written approval from PetroSA.

The Supplier shall be responsible for ensuring that the workforce of the approved sub-contractor(s) is competent and fully equipped to perform the service safely, when applicable.

### **1.3.5 Abnormal operating conditions (breakdowns and emergencies)**

Similar conditions are in force as under normal operating conditions except that work may proceed without the receipt of the official Works Order.

The work must be confirmed to be a genuine priority or breakdown by a PetroSA representative.

The Supplier will be held responsible for recording such instances in a logbook and acquire the signatures of the relevant PetroSA representative.

The official Works Order shall be submitted to the Supplier within 24 hours of the initial request.

### **1.3.6 Site Establishment**

PetroSA will supply a Contractor's Yard and an office building for the Supplier and the Supplier must maintain the building for the duration of the Agreement and return it to PetroSA in the same condition it was received in, excluding normal wear and tear.

The cleanliness of the Yard and buildings must comply with the PetroSA Safety and Housekeeping Policy.

PetroSA reserves the right to conduct safety inspections at random of the premises, buildings and equipment on site.

PetroSA will not provide fuel for Supplier's vehicles.

### **1.3.7 Labour**

The Supplier shall supply all labour, supervision, and management and other overhead and specialist personnel to perform the services.

The Supplier shall give preference to suitable labour from the Mossel Bay area.

All personnel shall be suitably qualified and have the necessary experience to perform the Services.

The Contractor's Site Manager shall ensure that only qualified and competent people will be allowed to work on Site.

Proof of training must be submitted before any personnel will be allowed on site.

PetroSA will have the right to evaluate, test and interview all personnel designated to perform the Services.

PetroSA reserves the right to object to any personnel who in terms of this agreement or any of PetroSA's policy is deemed to be incompetent, negligent, guilty of misconduct or unsuitable.

The Supplier shall immediately remove such personnel from the premises and provide a satisfactory replacement if required, at the Supplier's own cost.

All personnel, including casual labour, must be able to read, and understand safety signs and participate in on the job safety talks.

### **1.3.8 Key Personnel required on site:**

<b>Personnel</b>	<b>Experience</b>	<b>Minimum Qualification</b>
Site Manager	5 years' experience in the managing of tools and equipment hire	Matric or equivalent
Technician	3 years' experience in tool and equipment repair	Grade 10/Standard 8 or equivalent

### **1.3.9 Plant, Equipment and Tools**

The Supplier shall provide all the necessary equipment and tools of trade necessary for the performance of the Services, excluding consumables.

### **1.3.10 Identification**

The Supplier shall clearly mark all its equipment and tools for ease of identification. PetroSA shall not be responsible for any loss thereof.

## **1.4 SAFETY EQUIPMENT/APPAREL**

The Supplier shall ensure that all its personnel engaged in the performance of the Service are provided as a minimum with the following safety equipment/apparel in good condition:

- Safety shoes
- Overall with long sleeves
- Hard hat
- Rain suit
- Safety gloves
- Hearing protectors
- Safety glasses
- Safety belt

All safety equipment to bear the SABS mark and be approved by the PetroSA Safety Department.

PetroSA will supply any other safety equipment, which is a specific area requirement, to the Supplier's personnel free of charge. The safety equipment will remain the property of PetroSA and will only be replaced due to normal wear and tear. The Supplier shall replace any safety equipment damaged as a result of abuse, neglect, misuse, etc.

## **1.5 SUPPLIED BY PetroSA**

### **1.5.1 Utilities and facilities free of charge**

PetroSA will provide the following utilities and facilities free of charge to the Supplier, unless specifically excluded elsewhere:

- Suppliers lay down area (yard) and suitable office, workshop and store facilities which must at all times be in compliance with the PetroSA Safety Policy. PetroSA reserves the right to execute safety inspections at random on the premises, buildings and equipment on site.
- Ablution and shower facilities on site.
- Cranes and scaffolding where required assisting in the performance of the Services.

- Water, steam and compressed air and electricity at various points on site.
- Water and Electricity in the Supplier's lay down area.

### **1.5.2 Utilities and facilities at charge**

PetroSA will provide the following utilities and facilities to the Supplier for which the Supplier shall be charged:

- Telephone and Fax lines (activation deposit of R1,000.00 is required)
- Supplier will be charged for all calls made and faxes sent.
- Medical Fitness for Contractor employees to be obtained at own cost and verified and monitored according to PetroSA requirements

## **1.6 WORKING HOURS**

The Supplier shall ensure that the Services are available on a 24 hours per day, seven days a week basis.

Primarily, work is performed during normal hours of work, unless the Supplier is specifically instructed differently by PetroSA.

### **1.6.1 Normal Working Hours**

#### Onshore:

- Monday to Friday: 08:00 to 16:30 - with half hour lunch break
- Saturday & Sunday: Normal day off.

#### Offshore:

- Monday to Sunday: 12 hours (06h00 to 18h00) - with an hour lunch break

### **1.6.2 Public Holidays**

In general, all Public Holidays are observed by PetroSA but this is fully dependent on PetroSA Production and Maintenance operational requirement.

## **1.7 GENERAL**

Any activity, work or condition not covered in this Agreement shall be negotiated and agreed on in advance with PetroSA before implementation.

The Supplier shall be responsible for the proper protection of surrounding equipment against damage whilst performing the services.

The Power supply on site is 220V and 525V.

## **1.8 QUALITY ASSURANCE**

The Supplier shall ensure that the Services, including workmanship, products, materials, documentation, tools and equipment used or required for the



rendering of the Services, comply with PetroSA's Quality Assurance, Control & Certification Requirements for Manufacture, Fabrication & Erection of Pipework for Offshore Operations **Ref EP/SHE/SD001**.

## **1.9 SAFETY PLAN**

The Supplier's Safety Plan shall be specific to this Agreement and shall contain details of the following: (The Plan will be updated on a regular basis).

- Standards and Procedures to be followed to ensure Supplier personnel safety in the execution of the works and in compliance with PetroSA SHEQ requirements, including procedures for identifying protective equipment for specific jobs and procedures for confined space entry.
- Accountability of Supplier's key personnel with regards to safety at the work site.
- Responsibility of Supplier's Safety Officers and number of Safety Officers to be used.
- Supplier safety file plan document must have all the personnel working on site and safety meeting frequency.
- Procedures to ensure safety hazards are identified through proper planning and continuous monitoring.
- Preparation of risk assessments to identify hazards and the control measures to be used to eliminate or reduce the risk
- Emergency procedures and first aid
- Housekeeping
- Basic personal protective equipment; compliance with PetroSA requirements
- Accident / incident reporting
- COVID compliance file according to PetroSA requirements

The Supplier shall describe in this plan how they will comply with environmental regulations of PetroSA.

## **1.10 ACCOMMODATION AND TRANSPORT**

No accommodation or transport will be provided by PetroSA. The Supplier shall provide all necessary daily transport for its personnel to and from work, to the Heliport and for equipment movement on site. No costs will be refunded by PetroSA.

The Supplier shall deliver all materials, tools and equipment necessary for this assignment to the Main Warehouse at PetroSA's GTL Refinery site Mossel Bay from where PetroSA will transport it to the harbour.

The Supplier shall be responsible for all costs in relation to transport of tools, equipment and materials to and from the harbour and PetroSA's Main Warehouse at Mossel Bay. The cost of transport to the FA Platform will be borne by PetroSA.

### **1.11 SERVICE LEVEL AGREEMENT**

A service level agreement shall be signed between the Supplier and PetroSA detailing the level of service expectations. This service level agreement shall be jointly drafted and agreed upon by both parties and shall be binding. Failure to adhere to the agreed service levels shall constitute a breach of contract by the Supplier.

### **1.12 CHANGES TO THE SCOPE OF SERVICES**

The scope of the 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.