



**GENERAL TENDER CONDITIONS - GOODS
FORM CSS5 (Revised August 2008)**

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PREVIEW COPY ONLY

1. GENERAL

All tenders and subsequent contracts and orders shall be subject to the following procedures as laid down by Transnet Limited (hereinafter referred to as "Transnet") and are to be strictly adhered to by any person or enterprise or company responding to this tender (hereinafter referred to as "Respondents" or the "Respondent").

2. LODGING OF TENDER

2.1 Tenders shall be lodged with Transnet no later than the closing date and time specified for the receipt thereof, in accordance with the directions issued with tender documents.

2.2 Tenders shall be transmitted in a sealed envelope and placed in the Tender Box at a venue stipulated in the Request for Tender (RFT) or Request for Proposal (RFP) or Request for Quotation (RFQ) (collectively "Tender Documents"), with the tender number and subject endorsed on the left hand bottom corner of the envelope.

3. USE OF TENDER FORMS

Where special forms are issued by Transnet for the submission of tenders, Respondents are required to submit their tenders by completion of the appropriate sections on such official forms and not on office stationery bearing their own special conditions of sale; non-compliance with this condition may result in the rejection of a tender.

4. THE RAISING OF A CHARGE FOR PLANS, SPECIFICATIONS, TENDER FORMS AND SAMPLES

4.1 A non-refundable charge may be raised for Tender Documents and samples depending on the nature, magnitude and value of technical information or samples supplied.

4.2 If any of the drawings and specifications referred to in Tender Documents are the official publications of recognised standardising bodies, copies of such drawings and specifications shall be acquired by Respondents at their own expense.

5. DEFAULTS BY RESPONDENTS

5.1 If the Respondent, after it has been notified of the acceptance of its tender/quotation, fails to -

5.1.1 enter into a formal contract when called upon to do so in terms of clause 14 (CONTRACT DOCUMENTS), within such period as Transnet may specify; or

5.1.2 accept an order in terms of the tender or quotation; or

5.1.3 when called upon to do so, furnish satisfactory security of the fulfilment of the contract in terms of clause 15 (SECURITIES);

Transnet may, in any such case, without prejudice to any other legal remedy which it may have, proceed to accept any other tender or quotation or, if it is necessary to do so, call for tenders or quotations afresh, and may recover from the defaulting Respondent any additional expense incurred by it in calling for new offers or in accepting a higher offer.

5.2 If any Respondent who has submitted a tender or quotation, concluded a contract with Transnet (hereinafter referred to as "the Supplier"), or in the capacity of agent or subcontractor has been associated with such tender or contract -

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- 5.2.1 has withdrawn such tender/quotation after the advertised date and hour for the receipt of tenders; or
- 5.2.2 has, after having been notified of the acceptance of its tender/quotation, failed or refused to sign a contract when called upon to do so in terms of any condition forming part of the tender documents; or
- 5.2.3 has carried out any contract resulting from such tender/quotation in an unsatisfactory manner or has breached any condition of such contract; or
- 5.2.4 has offered, promised or given a bribe in relation to the obtaining or the execution of such contract; or
- 5.2.5 has acted in a fraudulent or improper manner or in bad faith towards Transnet or any government department or towards any public body, company or person; or
- 5.2.6 has made any incorrect statement in the affidavit or certificate referred to in clause 11 (FORMAL NOTIFICATION REGARDING NAME OF SUCCESSFUL RESPONDENT) and is unable to prove to the satisfaction of Transnet that
- (i) it made the statement in good faith honestly believing it to be correct; and
 - (ii) before making such statement, it took all reasonable steps to satisfy itself of its correctness; or
- 5.2.7 caused Transnet damage, or to incur costs in order to meet the Supplier's requirements which could not be recovered from the Supplier;

then a tender from any such person or enterprise shall be disqualified and the person, enterprise or company (including any directors) shall, subject to clause 5.3 below, be disqualified from tendering for any Transnet business.

- 5.3 Any person or enterprise or company against whom a decision has been given under the provisions of sub-clauses 5.2.2, 5.2.4 or 5.2.5 above, may make representations to the Chief Operating Officer of Transnet Group, whose decision shall be final.
- 5.4 Any disqualification imposed upon any person or enterprise or company, unless Transnet determines otherwise, shall apply to any other enterprise under the same or different names of disqualified persons or enterprise or company (or associates thereof) and shall for avoidance of doubt also be applied to any agent or employee of the person or enterprise or company concerned.

6. CURRENCY

Prices must be quoted in the currency of the Republic of South Africa in respect of local supplies. Prices in any other currency may be rejected by Transnet save where such price is quoted for imported Goods only.

7. EXCHANGE AND REMITTANCE

The Respondent should note that where the whole or a portion of the contract or order value is to be remitted overseas, Transnet shall, if requested to do so by the Supplier, effect payment overseas direct to the principal or supplier of such percentage of the contract or order value as may be stipulated by the Respondent in its Tender Documents and any variation in the amount

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to be so paid, which may arise as a result of fluctuations in the rate of exchange involved, will be for the account of the Supplier.

- 7.1 The Respondent who desires to avail itself of the aforementioned facility must at the time of tendering furnish the information called for in the clause "Exchange and Remittance" of the Tender Documents and also furnish full details of the principals or suppliers to whom payment is to be made.
- 7.2 The Supplier shall at its own cost obtain forward exchange cover on foreign currency to protect itself against any currency rate fluctuation risks for the duration of any resulting contract or order. Transnet will NOT accept any fluctuations in the rate of exchange at the time when payments are made.
- 7.3 Should it be necessary for the Supplier to establish a letter of credit through a bank, where the whole or a portion of the contract or order value is to be remitted overseas by it against a contract or order, then such letter of credit must clearly stipulate that for payment purposes "one Original Custom-stamped Ocean Bill of Lading" will be the only recognised document as proof that the Goods have been delivered. Failure to comply with this requirement will result in delays in delivery and payment of the Goods.

Transnet will not recognise any claim for adjustment of the order and/or contract price under clause 7.1 above if the increase in price arises after the date on which the Goods were to be delivered, as set out in the order and/or contract, or any subsequent agreement between the parties.

8. ACCEPTANCE OF TENDER OR QUOTATION

- 8.1 Transnet does not bind itself to accept the lowest or any tender or quotation nor will it give any reasons for the rejection of a tender or quotation. Transnet reserves the right to accept any tender in whole or in part.
- 8.2 Upon the acceptance of a tender or quotation by Transnet, the parties shall be bound by these General Tender Conditions and the Standard Terms and Conditions of Contract (Form US7 - Goods, revised August 2008)
- 8.3 Where the acceptance by Transnet of the Respondent's offer/bid is delivered by letter, the South African Post Office shall be regarded as the agent of Transnet and delivery of such notice of acceptance to the South African Post Office shall be considered as delivery to the Respondent.
- 8.4 Where the Respondent has been informed by Transnet per facsimile message of the acceptance of its tender or quotation, the acknowledgement of receipt transmitted by its facsimile machine shall be regarded as proof of delivery to the Respondent.

9. LAW GOVERNING CONTRACT

The law of the Republic of South Africa shall govern the contract created by the acceptance of a tender/quotation. The *domicilium citandi et executandi* shall be a place in the Republic of South Africa to be specified by the Respondent in its tender/quotation at which all legal documents may be served on the Respondent who shall agree to submit to the jurisdiction of the courts of the Republic of South Africa. A foreign Respondent shall, therefore, state in its tender/quotation the name of its accredited agent in the Republic of South Africa who is empowered to sign any contract which may be entered into in the event of its tender/quotation being accepted and to act on its behalf in all matters relating to the contract.

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10. IDENTIFICATION

If the Respondent is a company, the full names of the directors shall be stated in the tender/quotation. If the Respondent is a close corporation, the full names of the members shall be stated in the tender/quotation. If the Respondent is a partnership or an individual trading under a trade name, the full names of the partners or of such individual, as the case may be, shall be furnished.

11. FORMAL NOTIFICATION REGARDING NAME OF SUCCESSFUL RESPONDENT

In the case of tenders submitted to the Secretary of a Divisional Acquisition Council, unsuccessful Respondents will be formally notified of the names of successful Respondent(s) as soon as possible after the closing date for receipt of the tender in question. In the case of tenders or quotations submitted to Transnet Acquisition Council, unsuccessful Respondents shall, upon application, be furnished with similar information.

12. UNAUTHORISED COMMUNICATION ABOUT TENDERS

Where tenders are submitted to the Secretary of an Acquisition Council, Respondents may at any time communicate with the Secretary on any matter relating to its tender but, in the absence of written authority from the Secretary, no communication on a question affecting the subject of a tender shall take place between Respondents or other potential suppliers or any member of the Acquisition Council or official of Transnet during the period between the closing date for the receipt of the tender and the date of the notification of the successful Respondent(s). A tender, in respect of which any such unauthorised communication has occurred, may be disqualified.

13. RESPONDENT'S SAMPLES

- 13.1 If samples are required from Respondents, such samples shall be suitably marked with the Respondent's name and address, the tender number and the tender item number and must be despatched in time to reach the addressee as stipulated in the Tender Documents on or before the closing date of the tender. Failure to submit samples by the due date may result in the rejection of a tender.
- 13.2 Transnet reserves the right to retain samples furnished by Respondents in compliance with tender conditions.
- 13.3 Payment will not be made for a successful Respondent's samples that may be retained by Transnet for the purpose of checking the quality and workmanship of Goods delivered in execution of a contract.
- 13.4 If unsuccessful Respondent's samples are retained and Respondents require payment therefor, Transnet will make payment at the tendered price of the Goods. If it is not desired to retain such samples and Respondents require their return, Transnet will accept responsibility for their return to the Respondent's nearest station or siding in South Africa.
- 13.5 Transnet will not accept liability for samples furnished by Respondents on their own initiative. If Respondents desire such samples returned it will be at their own risk and cost.
- 13.6 Should it be necessary to submit a pre-production sample for approval by Transnet prior to the commencement of delivery of the Goods against any resulting contract, Respondents are to note that for the purpose of calculating penalties for late delivery (if applicable) in terms of a contractual provision, the actual contractual delivery date will be considered to be -

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13.6.1 the period offered by the successful Respondent to submit the pre-production sample calculated as from the 7th (seventh) day after the date of the letter of acceptance;

PLUS

13.6.2 the period required by Transnet to approve the pre-production sample calculated as from the date of receipt thereof;

PLUS

13.6.3 the period offered to effect delivery of the Goods calculated as from the date of approval of the pre-production sample by Transnet.

Suppliers will not be held responsible for late delivery of the Goods resulting from delays on the part of Transnet to approve the pre-production sample.

14. CONTRACT DOCUMENTS

The contract documents will comprise these General Tender Conditions and the Standard Terms and Conditions of Contract (Form US7 - Goods, revised August 2008,) which will constitute the contract between the parties upon receipt by the Respondent of Transnet's letter of acceptance, subject to all additional amendments and/or special conditions thereto as agreed to by the parties.

15. SECURITIES

15.1 The successful Respondent, when called upon to do so, shall provide security to the satisfaction of Transnet for the due fulfilment of a contract or order. Such security shall be in the form of a deed of suretyship furnished by an approved bank, building society, insurance or guarantee corporation carrying on business in South Africa.

15.2 The security may be applied in whole or part at the discretion of Transnet to make good any loss or damage which Transnet may incur in consequence of a breach of the contract or any part thereof.

15.3 Such security, if required, shall be an amount which will be stipulated in the Tender Documents.

15.4 For the purpose of clause 15.1 above, Transnet will supply "Deed of Suretyship" forms to the successful Respondent for completion and no guarantee in any other form will be accepted. Copies of such forms will be supplied to Respondents on request. For this purpose "Deed of Suretyship" forms will be provided which shall be completed and returned to Transnet or a designated official by the successful Respondent within 30 (thirty) days from the date of the letter of acceptance. No payment will be made until the forms, duly completed, are delivered to Transnet. Failure to return the Deed of Suretyship within the prescribed time shall, save where prior extension has been granted, entitle Transnet without notice to the Respondent to cancel the contract with immediate effect.

15.5 Additional costs incurred by Transnet necessitated by reason of default on the part of the Supplier in relation to the conditions of this clause 15 will be for the account of the Supplier.

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16. PRICE AND DELIVERY BASIS FOR GOODS

- 16.1 Unless otherwise specified in the Tender Documents, the prices quoted for Goods must be on a delivered price basis in accordance with the terms and at the delivery point or points specified in Transnet's Tender Documents. Tenders for supply on any other basis of delivery are liable to disqualification. The lead time for delivery stated by the Respondent must be inclusive of all non-working days or holidays, and of periods occupied in stocktaking or in effecting repairs to or overhauling plant, which would ordinarily occur within the delivery period given by the Respondent.
- 16.2 Respondents must furnish their tender prices in the Price Schedule of the Tender Documents on the following basis:
- 16.2.1 Local Supplies - Prices for Goods to be manufactured, produced or assembled in the RSA, or imported supplies held in South Africa, to be quoted on a Delivered RSA named Destination basis.
- 16.2.2 Imported Supplies - Prices for Goods to be imported from all sources to be quoted on a DDU, delivered end destination RSA basis (Delivered, Duty Unpaid to named Destination, ICC Incoterms 2000), unless otherwise specified in the tender Price Schedule.
- 16.3 The Respondent must indicate whether the quoted prices include rates for, *inter alia*, the following:-
- transport to port of export
 - forwarding charges
 - ocean freight
 - marine insurance
 - landing charges
 - dock dues
 - surcharges
 - railage, where possible, otherwise road transportation from port of discharge
- Such rates are to be based on estimated weights and dimensions calculated by the Respondent. In the event of such estimations being exceeded by the actual weights and dimensions, Transnet shall not be liable to pay the Supplier the associated increase in costs.
- 16.4 The Respondent shall indicate whether the prices quoted are exclusive of customs, import and excise duties and VAT.
- 16.5 The attention of Respondents is drawn to the fact that should Transnet's departmental railage account numbers be used in respect of "Delivered Prices", Transnet reserves the right to cancel such contract/order with immediate effect and enforce the conditions of clause 15 headed "RIGHTS ON CANCELLATION" of Form US7 - Goods (Revised August 2008).

17. SHIPMENT OF IMPORTED GOODS

- 17.1 Where shipping is arranged by the Supplier:

The Supplier shall arrange directly with its freight forwarder or a shipping company for the Ocean Bill of Lading to be drawn in favour of Transnet, as consignee, or a designated Transnet official, at a port of entry.

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To ensure prompt clearance at the South African port of entry -

17.1.1 the first set of negotiable shipping documents shall be posted or couriered within a maximum period of 3 (three) days from date of shipment to Transnet or its designated official; and

17.1.2 within 24 (twenty-four) hours of mailing the first set of documents, the second set of negotiable documents shall be posted or couriered to Transnet or its designated official.

The Supplier shall be liable for all costs, including harbour storage charges, incurred in consequence of breach of any of the above-mentioned provisions.

17.2 Where the tender's stipulated purchase terms indicate that shipping is to be arranged by the forwarding agent appointed by Transnet:

Shipping arrangements by Transnet's nominated forwarding agent shall be made direct with a shipping company to allow the Ocean Bill of Lading to be drawn in favour of Transnet, as consignee, or its designated official at a port of entry.

17.2.1 It will be a condition that all Goods collected by or delivered to Transnet's forwarding agent against any resulting contract order must be accompanied by the foreign manufacturer's/supplier's commercial invoices (which must clearly reflect Transnet's contract / order number) and packing lists/specifications to be handed to Transnet's forwarding agent not later than 3 (three) days prior to the vessel's scheduled date of departure.

It is imperative that the above be strictly adhered to as Goods cannot be cleared by Transnet at a port of entry in South Africa without the required documentation.

Any demurrage charges applicable to the Goods which may become payable due to late or non-submission of the aforementioned documentation will be for the Supplier's account.

18. EXPORT LICENCE

The award of a tender/quotation for Goods to be imported may be subject to the issue of an export licence in the country of origin or supply. If required, the Supplier's manufacturer or forwarding agent shall be required to apply for such licence.

19. QUALITY OF MATERIAL

Unless otherwise stipulated the Goods tendered shall be **NEW** i.e. in the unused condition, neither second-hand nor reconditioned.

20. PRICES SUBJECT TO CONFIRMATION

20.1 A tender or quotation with prices which are subject to confirmation will not be considered.

20.2 Tenders where firm prices are quoted for the duration of any resulting order and or contract will receive precedence over prices which are subject to adjustment.

21. DELETION OF ITEMS NOT TENDERED FOR

The Respondent must delete items for which it has not tendered or for which the price had been included elsewhere in its tender.

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22. ALTERATIONS MADE BY THE RESPONDENT TO TENDER PRICES

All alterations made by the Respondent to its tendered price(s) prior to the submission of its Tender Documents must be done by deleting the incorrect figures and words where required and by inserting the correct figures and words against the items concerned. All such alterations must be initialled by the person who signs the Tender Documents. Failure to observe this requirement may result in the particular item(s) concerned being excluded in the matter of the award of the business.

23. VALUE-ADDED TAX

23.1 In respect of local supplies, i.e. Goods to be manufactured, produced or assembled in the Republic of South Africa, or imported supplies held or already in transit to South Africa, the prices quoted by the Respondent are to be exclusive of Value-Added Tax (VAT) which must be shown separately at the standard rate on the invoice.

23.2 In respect of imported supplies, i.e. Goods to be imported from all sources where Transnet is responsible for the clearance of the supplies at the port of entry, Value-Added Tax (VAT) will be paid by Transnet upon arrival of the Goods in the Republic of South Africa.

23.2.1 The invoicing by the Supplier on behalf of its foreign principal represents a supply made by the principal, which is not subject to VAT.

23.2.2 The Supplier's invoice(s) for the local portion only (i.e. the "commission" for the services rendered locally) must show the Value-Added Tax (VAT) separately at zero percent if the services are in compliance with section 11(2) of the VAT Act, 89 of 1991.

24. TERMS AND CONDITIONS OF TENDER

The Supplier shall adhere to the Standard Terms and Conditions of Contract as set out in Form US7 - Goods (Revised August 2008) a copy of which is attached hereto.

Should the Respondent find any conditions unacceptable, it should indicate which conditions are unacceptable and offer an alternative. Please note that any alternative offered shall be compared with acceptance of the Form US7 conditions or alternatives offered by other Respondents, except penalties for late deliveries, the exclusion of which may disqualify the tender, save where indicated otherwise by Transnet.

25. IMPORTANT NOTICE TO RESPONDENTS REGARDING PAYMENT

25.1 Method of Payment

25.1.1 The attention of the Respondent is directed to clause 8 (INVOICES AND PAYMENT) of Form US7 - Goods (Revised August 2008) which sets out the conditions of payment on which the tender price(s) shall be based.

25.1.2 However, in addition to the foregoing the Respondent is invited to submit offers based on alternative methods of payment and/or financing proposals.

25.1.3 The Respondent is required to give full particulars of the terms that will be applicable to its alternative offer(s) and the financial merits thereof will be evaluated and taken into consideration when the tender is adjudicated.

25.1.4 The Respondent must therefore, in the first instance, tender strictly in accordance with clause 25.1.1 above.

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25.1.5 The Respondent shall clearly indicate the terms of payment. Alternative terms of payment offered shall clearly indicate the manner in which the main offer is affected with respect to each country of origin.

25.1.6 Failure to comply with sub-clause 25.1.1 above may preclude a tender from further consideration.

NOTE: The successful Respondent (the Supplier) shall, where applicable, be required to furnish a guarantee covering any advance payments.

25.2 Conditional Discount

Respondents offering prices which are subject to a conditional discount applicable for payment within a specific period are to note that the conditional period will be calculated as from the date of receipt by Transnet of the Supplier's month-end statement reflecting the relevant invoice(s) for payment purposes, provided the conditions of the order or contract have been fulfilled and the invoice is correct in all respects as referred to in the contract or order.

Incomplete and/or incorrect invoices shall be returned and the conditional period will be recalculated from the date of receipt of the correct documents.

26. CONTRACT QUANTITIES AND DELIVERY REQUIREMENTS

26.1 Contract Quantities

26.1.1 It must be clearly understood that although Transnet does not bind itself to purchase any definite quantity/quantities under any contract which may be entered into pursuant to this tender, the successful Respondent nevertheless undertakes to supply against the contract such quantities as may be ordered against the contract, which orders are posted or delivered by hand or transmitted electronically on or before the expiry date of such contract.

26.1.2 It is furthermore a condition that Transnet will not accept liability for any material/stocks specially ordered or carried by the Respondent with a view to meeting the requirements under any such contract.

26.1.3 The estimated planned quantities likely to be ordered by Transnet per annum are furnished in relevant section of the Tender Documents. For avoidance of doubt the estimated quantities are estimates and Transnet reserves the right to order quantities sufficient for its operational requirements.

26.2 Delivery Period

26.2.1 Period Contracts and Fixed Quantity Requirements

It will be a condition of any resulting contract/order that the delivery period embodied therein will be governed by the provisions of clause 13 (DEFECTIVE GOODS), 14 (TOTAL OR PARTIAL FAILURE TO PERFORM THE SCOPE OF SUPPLY) and 15 (RIGHTS ON CANCELLATION) of Form US7 - Goods (Revised August 2008).

26.2.2 Progress Reports

The Supplier may be required to submit periodical progress reports in regard to the delivery of the Goods.

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26.2.3 Emergency Demands: As and When Required

If, due to breakdowns, derailments, storm damage or similar unforeseen circumstances, supplies of the material covered by the tender are required at short notice for immediate delivery, the Supplier will be given first right of refusal of such business. If it is unable to meet the desired delivery period, Transnet reserves the right to purchase such supplies as may be required to meet the emergency outside the contract if immediate delivery can be offered from any other source.

Clause 14 of Form US7 – Goods (TOTAL OR PARTIAL FAILURE TO PERFORM THE SCOPE OF SUPPLY) will not be applicable in these circumstances.

27. PACKING AND MARKING

27.1 Timber used for crating, packing and dunnage

Attention is directed to the Forest Act, 1968 (Act 72 of 1968), or any amendments thereto, or regulations promulgated in terms thereof.

27.2 Printing on container and packaging

Printing appearing on all containers and packing of South African manufactured Goods shall be in English.

27.3. Use of mobile containers and Sartainers

Mobile containers and Sartainers are not to be used for Goods which are to be despatched "FT" (Free Traffic).

28. PLANS, DRAWINGS, DIAGRAMS, SPECIFICATIONS AND DOCUMENTS

28.1 Copyright:

Copyright in plans, drawings, diagrams, specifications and documents compiled by the Supplier for the purpose of contract work shall be governed by the terms and conditions detailed in clause 22 of Form US7 - Goods (INTELLECTUAL PROPERTY RIGHTS).

28.2 Drawings and specifications:

In addition to what may be stated in any Tender Document in this connection, the Respondent should note that, unless notified to the contrary by Transnet or a designated official by means of an official amendment to the Tender Documents, it is required to tender for Goods strictly in accordance with the drawings and specifications supplied by Transnet, notwithstanding that it may be aware that alterations or amendments to such drawings or specifications are contemplated by Transnet.

28.3 Respondent's drawings:

Drawings required to be submitted by the Respondent must be furnished before the closing time and date of the tender. The non-receipt of such drawings by the appointed time may disqualify the tender.

28.4 Foreign specifications:

The Respondent quoting for Goods in accordance with foreign specifications, other than British and American standards, is to submit translated copies of such specifications

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with the tender. In the event of any departures or variations between the foreign specification(s) quoted in the Tender Documents, full details regarding such departures or variations must be furnished by the Respondent in a covering letter attached to the tender. If this condition is not complied with by the Respondent, the tender may be disqualified.

28.5 Use of SI (“Systeme International”) Units:

Where applicable, the Respondent must ensure that all capacities, physical dimensions and sizes of material and fasteners are in units complying with the SI unless otherwise specifically called for by Transnet.

29. VISITS TO FOREIGN COUNTRIES

29.1 Respondents must furnish details in a covering letter if it is considered necessary that employees of Transnet should carry out inspection and/or witness any tests at the premises of the successful Respondent or its subcontractors in the country of origin for the purpose of product demonstration and/or final acceptance or for any other reason.

29.2 If the Respondent considers overseas visits to be necessary it must provide the following information in a covering letter in respect of each visit.

29.2.1 countries and places to be visited;

29.2.2 number of employees and disciplines involved;

29.2.3 number of man-days involved; and

29.2.4 motivation for the visit.

29.3 Transnet will make all arrangements with regard to booking of air journeys, hotel reservations, transport to and from airports, places of inspection, etc. and all expenses will be for the account of Transnet.

29.4 Before a visit is undertaken, such as envisaged in this clause 29, Transnet and the successful Respondent will agree in writing on the number of employees of Transnet that should undertake the visit and the number of man-days involved in the visit.

30. TENDERS BY FOREIGN RESPONDENTS (PRINCIPALS) OR ON THEIR BEHALF

30.1 Tenders submitted by foreign principals may be forwarded directly by the principals to the Secretary of the Acquisition Council or to a designated official of Transnet according to whichever officer is specified in the Tender Documents, or may be so forwarded on the principal's behalf by its South African representative and/or agent provided that written proof is submitted that such representative/agent has been duly authorised to act in that capacity by the principal. Failure to submit such authorisation by the representative/agent shall disqualify the tender.

30.2 When legally authorised to prepare and submit tenders on behalf of their principals not domiciled in the Republic of South Africa, representatives and/or agents must compile the tenders in the names of such principals and sign them on behalf of the latter.

30.3 South African representatives and/or agents of successful foreign Respondents must when so required enter into a formal contract in the name of their principals and must sign such contracts on behalf of the latter. In every such case a legal Power of Attorney from their principals must be furnished to Transnet by the South African representative and/or agents authorising them to enter into and sign such contracts.

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Such Powers of Attorney must comply with Government Notice No. 1160 of 27 June 1930 (and any amendments thereto) - "Rules of the Supreme Court of South Africa for the authentication of documents executed outside the Republic for use within the Republic."

The Powers of Attorney must be signed by principals under the same title as used in the Tender Documents.

On arrival within the Republic of South Africa these Powers of Attorney are to be completed in terms of Section 8(2) of the Stamp Duties Act, 77 of 1968, or any amendment thereof.

If a Power of Attorney held by the South African representative or agent includes matters of a general nature besides provision for the entering into and signing of contracts with Transnet, a notarially certified copy thereof should be furnished.

The Power of Attorney must authorise the South African representative or agent to choose the *domicilium citandi et executandi* as provided for in clause 27 (ADDRESSES FOR NOTICES) of the Standard Conditions of Contract, Form JS7 - Goods (Revised August 2008).

30.4 If payment is to be made in South Africa, the Supplier (i.e. the principals or the South African agents or representatives) must notify Transnet in writing whether -

30.4.1 For payment by cheque –

- (i) cheques are to be drawn for payment to the credit of the foreign Supplier's account at a bank in South Africa, in which case the name and branch of such bank shall be furnished; or
- (ii) cheques are to be made out in favour of the foreign Supplier and forwarded to its South African agent or representative, in which case such agent or representative must be duly authorised to sign the receipt of the cheque and discharge it on behalf of its principal.

30.4.2 For payment by electronic funds transfer (EFT) –

- (i) funds are to be transferred to the credit of the foreign Supplier's account at a bank in South Africa, in which case the name and branch of such bank shall be furnished; or
- (ii) funds are to be transferred to the credit of its South African agent or representative, in which case the name and branch of such bank shall be furnished

30.5 The attention of the Respondent is directed to clause 15 above (SECURITIES) regarding the provision of security for the fulfilment of contracts and orders and the manner and form in which such security is to be furnished.

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Respondent's Signature

Date & Company Stamp