

## **ALLOCATION MECHANISM FOR LICENSE No: PPL.SF.F3/130/2013**

### **THE ALLOCATION MECHANISM AND REQUIREMENTS FOR ACCESS FOR THE SASOL OIL ALRODE DEPOT**

#### **1. PREAMBLE**

Sasol Oil (Pty) Ltd (registration number: 1981/007622/07 herein referred to as Sasol Oil) and BP Southern Africa (Pty) Ltd (registration number: 1924/002602/07 herein referred to as BP) owns and operates fuel storage depot facility situated at Alrode, Sasol Oil operates this facility under Nersa license PPL.SF.F3/130/2013, issued in 2013.

#### **2. BACKGROUND**

The methodology to determine the capacity utilization for the depot is based on the "Theory of Constraints".

This methodology is based on a principle that, like a chain with its weakest link, in any complex system at any point in time, there is only one aspect of that system that limits its capability. The whole system bottleneck is then defined by that particular constraint.

The Alrode depot was considered to consist of three systems, i.e. Inbound, Storage and Outbound systems.

#### **3. ALLOCATION MECHANISM**

##### **3.1. ALRODE FACILITY NETWORK SYSTEM**

###### **3.1.1. Inbound System**

The facility has the capacity to receive 4 (ULP93, ULP95, Diesel 50 and Diesel 500ppm) products handled via the Transnet Pipeline network at a rate of about 10,000 litres per minute. This is the only mode of transport of replenishing product into the depot.

###### **3.1.2. Storage System**

The facility has the following aggregate storage capacities for each of the products handled.

Product	Operating Capacity m <sup>3</sup>
ULP 93	17 378
ULP 95	11 040
Diesel 500	4 065
Diesel 50	6 853

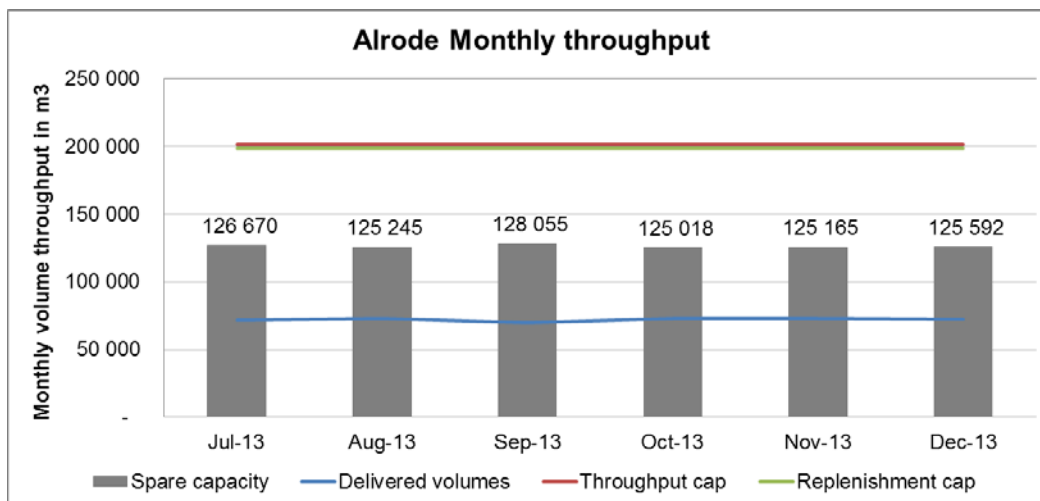
\*Operating Capacity is tank capacity less dead and safety and stock

### 3.1.3. Outbound system

The Alrode depot consists of five loading bays equipped with loading arms in the following configuration

	ULP 93	ULP 95	Diesel 500	Diesel 50
Bay 1	X	X	X	X
Bay 2	X	X	X	X
Bay 3	X	X	X	X
Bay 4	X	X		X
Bay 5	X	X		

The following graph depicts the depot capacity utilization. This is based on the current throughput/demand and an average of 40 000litre/vehicle. The average time to load a vehicle is thirty minutes. The gantry operates 6 days a week, 22 hours per day.



## 4. ALLOCATION OF UNCOMMITTED CAPACITY

### 4.1. "First come, first served" Principle

Sasol Oil will consider applications for accommodation on a first come, first served basis. This implies that all applications from a 3<sup>rd</sup> party that comply to all

requirements as stipulated in this document will be approved, if there is still uncommitted available capacity.

#### 4.2. “Use it or lose it” principle

In order to ensure the facility capacity is optimized, Sasol Oil will implement monitoring systems to ensure that tenant/s utilize capacity as set out in the agreement. A tenant that defaults on this arrangement by failing to utilize its share of allocated capacity shall forfeit it to a qualifying applicant whose requirement may not have been met due to capacity unavailability.

### 5. QUALITY AND TECHNICAL SPECIFICATIONS

All fuels have to meet the following specifications as set out and amended by Sasol Oil Technical Services.

Product	Petrol ,Unleaded,Automotive,Grades 93& 95		
Property	Units	Turbo (R93)	Turbo (R95)
Density @ 20°C	kg/m <sup>3</sup>	700 to 750	700 to 750
Initial Boiling Point	°C	35	35
Final Boiling Point °C	°C	215 max.	215 max.
Lead Content as Pb	g/λ	0,003 max.	0,003 max.
Research Octane Number		93 min.	95 min.
Sulphur Content	% m/m	0,05	0,05
Vapour Pressure @ 37,8°C	kPa	45 to 75	45 to 75
Alcohol Content	% v/v	< 2 %	< 2 %
Ether Content	% v/v	See note below	See note below
Fuel Volatility Index		84 to 89	93 to 100

Product Properties	Diesel 500	
Property	Units	Typical
Density @ 20°C	kg/m <sup>3</sup>	800 to 850
90% Volume Recovery	°C	330 to 362*
Cetane Number		45 to 52*

<b>Flash Point (PMCC)</b>	°C	55 to 70
<b>Cold Filter Plugging Point:</b>	°C	
<b>In Summer</b>		0 to -2
<b>In Winter</b>		-7 to -12
<b>Viscosity @ 40°C</b>	Mm <sup>2</sup> /s	2,2 to 3,3*
<b>Lubricity (HFRR)</b>	microns	<460
<b>Sulphur Content</b>	% m/m	0 to 0,05*
<b>Water Content</b>	Mg/kg	180

<b>Product Properties</b>	<b>Petrol ,Unleaded Automotive ,Grades 93 &amp; 95</b>		
<b>Property</b>	<b>Units</b>	<b>Lead replacement (R93)</b>	<b>Lead Replacement (R95)</b>
<b>Density @ 20°C</b>	kg/m <sup>3</sup>	730 to 750	700 to 740
<b>Initial Boiling Point</b>	°C	35	35
<b>Final Boiling Point °C</b>	°C	210 max	210 max
<b>Lead Content as Pb</b>	g/λ	0.003 max	0.003 max
<b>Research Octane Number</b>		93 to 96	95 min
<b>Sulphur Content</b>	% m/m	0.05	0.05
<b>Vapour Pressure @ 37,8°C</b>	kPa	40 to 75	40 to 75
<b>Alcohol Content</b>	% v/v	0 or 8 to 12	0
<b>Ether Content</b>	% v/v	15 max	15 max
<b>Fuel Volatility Index</b>		84 to 89	93 to 100

<b>Product Properties</b>	<b>Diesel 50</b>	
<b>Property</b>	<b>Units</b>	<b>Typical</b>
<b>Density @ 20°C</b>	kg/m <sup>3</sup>	820
<b>90% Volume Recovery</b>	°C	345
<b>Cetane Number</b>		49
<b>Flash Point (PMCC)</b>	°C	58
<b>Cold Filter Plugging Point:</b>	°C	-7
<b>Viscosity @ 40°C</b>	mm <sup>2</sup> /s	2,3
<b>Lubricity (HFRR)</b>	microns	<460
<b>Sulphur Content</b>	% m/m	<0.005
<b>Water Content</b>	mg/kg	100

## 6. ADHERENCE TO APPLICABLE LAWS AND REGULATIONS

The third party warrants that it is and will always be in compliance with all laws and policies applicable to the distribution and handling of petroleum products,

including, but not limited to, all South African Revenue Service (SARS), Department of Energy (DoE), Nersa (National Energy Regulator of South Africa) and Department of Trade and Industry (DTI) requirements.

The third party must at all times adhere to site HSEQ (Safety, Health, Environmental and Quality) rules.

## **7. TIMELINES FOR APPLICATIONS AND PLANNING**

Any third party will need to form part of a six month rolling plan and therefore will need to present its requirements well in advance. The notice period should at least be four months, but preferably six months. The following planning process will be required:

M-6: Indication of ullage requirements and replenishment plan

M-3: Indicative receipt and dispatch plans

M-1: Firm receipt and dispatch plans for month M. The third party must supply this information to the Sasol Oil supply Chain Planning Management before the 20th of month M, so that the latter may collate these into a daily stock rights progression and feasibility report for the licensees.

The site operator will be responsible for communicating 12 months maintenance schedules that may influence capacity to all tenants. In cases of unplanned interruptions (breakdowns), the operator will communicate to all tenants immediately.

## **8. PROCESS FOR APPLICATION**

Contact details

All applications for spare capacity allocation shall be addressed to the following

Attention: General Manager SC: P&SM

Sasol Oil (Pty) Ltd

32 Hill Street

Ferndale

Randburg,

The applicant must provide the following information on the application:

Full name, registration number and contact details of the company.

Depot(s) and capacity per product required.

The applicant must also provide confirmation of their capacity to procure, handle and distribute petroleum products and must comply with, but not limited to, the following criteria:

Applicants must be registered as Wholesalers of Petroleum Product as set out in the Petroleum Products Act 120 of 1977 (as amended).

Applicants must be in a position to prove financial stability and Sasol Oil reserves the right to verify the details provided.

Applicants must prove and provide certificates confirming their BEE status as per the Liquid Fuels Charter.

Applicants must be willing and able to submit the information to Sasol Oil as stipulated under the License Conditions as imposed by NERSA.

Preference will be given to historically disadvantaged South Africans, who meet the criteria.

## **9. CUSTODY OF PETROLEUM PRODUCTS**

Sasol Oil as the host, shall manage stock at the depot as such, risk for product losses shall pass from Guest to Host when the product passes the inlet valve at the depot. The volume of product received shall be measured by the mass flow meters at the depot. Dispatch quantities will also be measured via the flow meters at the gantry.

Sasol Oil shall report on the host's product movement and stock balances on a monthly basis.

## **10. TARIFF TO BE CHARGED AT THE DEPOT**

Sasol Oil submitted the tariff to Nersa in January 2014. NERSA approved the tariff in September 2014

## **11. TECHNICAL REQUIREMENTS FOR ACCESS TO STORAGE FACILITY**

Transport contractors/owners delivering and/or uplifting product from a Sasol facility have to first pass a SQAS assessment. This process is meant to ensure all fleet operators have management systems in place.

The SQAS questionnaire covers the following areas Management policy (regarding SHERQ)

- Training
- Recruitment
- SHE procedures
- Safety equipment
- Emergency response
- Customer focus
- Operational instructions
- Security
- Risk Management
- Occupational Health
- Preventative Maintenance
- Environmental Protection
- Security
- Site Facilities

### **Assessment process**

In general, the SQAS assessment process consists of the following steps:

- Initial SQAS Assessment
  - Evaluation of assessment documentation
  - Report (including improvement program) to service provider
  - A service provider will obtain approval status if at least 90 % is achieved during the audit
  - Provisional status is given between 60% and 89.9%
  - In progress, service provider not yet at 60% level

To achieve Approval Status can take up-to two years. The Senior Transport Advisor can spend between 8 and 10 days with a Service Provider to achieve Approval Status.

- Re-audits is done every two years and can take up 2-3 days per audit of the Senior Transport Advisor
- A full SQAS audit is done every four years, which can consume up to 4/5 days per audit

### **Vehicle Vetting Process**

Individual vehicles for transporters that meet SQAS requirement will also be assessed as per the following checklist: Vehicles that meet the requirements will be issued with a Safe Loading Pass (SLP) which will be valid for a period of 12 months. The SLP is issued per unit for vehicles with trailers.





<b>SASOL</b>			
<b>VEHICLE/DRIVER HAZCHEM SAFETY CHECKLIST</b>			
<b>ROAD TANKERS/ISOTAINERS/FLATBEDS</b>			
<b>SECTION A: THE DRIVER</b>			
Is the driver in possession of a valid ID document/Passport	Yes	No	N/A
Is the driver's license valid	Yes	No	N/A
Relevant PrDP-G for Goods and D for dangerous goods (SABS0231)	Yes	No	N/A
Is the medical certificate valid (Check expiry date) (SABS0231)	Yes	No	N/A
Is the Hazchem training/Product certificate valid(Check expiry date)	Yes	No	N/A
Certificate of cleanliness/Proof of previous load where applicable (multi-loads only)	Yes	No	N/A
The correct P.P.E	Yes	No	N/A
Delivery documents	Yes	No	N/A
Is there any signs of substance abuse	Yes	No	N/A
<b>SECTION B: THE VEHICLE</b>			
Tanker clean and no visible leaks	Yes	No	N/A
Truck tractor no oil/water leaks	Yes	No	N/A
Roadworthy certificate valid (COF)	Yes	No	N/A
Operators disc valid	Yes	No	N/A
Fire extinguishers: Hazardous products: 1 x 9 Kg on each vehicle Non-hazardous products:1 x 9Kg for truck tractor			
Extinguisher must be sealed and have a valid service date (SABS1398)	Yes	No	N/A
Mudguards and mud flaps	Yes	No	N/A
Tyres that comply with the legislation. (Thread at least 1mm over 100% of contact surface, no deep cuts, no lump or bulge, fabric or cord not exposed. (Use thread depth gauge)			
	Yes	No	N/A
Appropriate Hazchem labels for Hazardous products (Multi-loads only)	Yes	No	N/A

An orange warning diamond on Truck tractor (SABS0231) when transporting dangerous goods	Yes	No	N/A										
Is battery cover in place	Yes	No	N/A										
General items required by the Road Traffic Act													
Reflective tape	Yes	No	N/A										
Lights and indicators	Yes	No	N/A										
Rear chevron board	Yes	No	N/A										
Fuel tank secure and undamaged	Yes	No	N/A										
<b>SECTION C: EQUIPMENT FOR FLATBEDS</b>													
Corner plates	Yes	No	N/A										
Net or canvas	Yes	No	N/A										
Straps	Yes	No	N/A										
<b>SECTION D: ACTIONS BEFORE DEPARTURE</b>													
Checked for leaks	Yes	No	N/A										
Hazchem and other relevant stickers are in place	Yes	No	N/A										
Checked for correct Emergency numbers: Operator: _____ Number on truck Specialist: _____ 0800 112 890	Yes	No	N/A										
Tremcard issued	Yes	No	N/A										
Check G.M.V not exceeding weight as indicated on loading instruction	Yes	No	N/A										
Compare seal numbers on documentation against seals	Yes	No	N/A										
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;"><b>INSPECTED BY</b></td> <td style="width: 35%;">NAME _____</td> <td style="width: 15%;">C/ NO _____</td> <td style="width: 15%;">DATE _____</td> <td style="width: 20%;">TIME _____</td> </tr> <tr> <td><b>DRIVER</b></td> <td>NAME _____</td> <td>SIGNATURE _____</td> <td colspan="2"></td> </tr> </table>				<b>INSPECTED BY</b>	NAME _____	C/ NO _____	DATE _____	TIME _____	<b>DRIVER</b>	NAME _____	SIGNATURE _____		
<b>INSPECTED BY</b>	NAME _____	C/ NO _____	DATE _____	TIME _____									
<b>DRIVER</b>	NAME _____	SIGNATURE _____											

## **12. Contractual Terms & conditions for payments**

Contractual terms and payment processes shall be handled according to the attached draft document. This document outlines the framework for the Throughput Agreement to be entered into between Sasol Oil, as the host and a third party tenant.

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**THROUGHPUT AGREEMENT**

entered into between

**SASOL OIL (PROPRIETARY) LIMITED**

Registration No. 1981/007622/07

and

**TENANT**

Registration number .....

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1. **INTERPRETATION AND DEFINITIONS**

1.1. In this Agreement unless the context otherwise indicates:

- 1.1.1. "**Agreement**" means this Agreement and any annexures hereto;
- 1.1.2. "**BFP**" means the basic fuel price, which is the official formula prescribed and used by the South African Government to determine the prices of regulated petroleum products sold in the South African market. The BFP formula is as described in the document "*Working Rules to Administer the Basic Fuels Price Methodology Effective Date: 2 March 2003 (Revised on 28 October 2005)*" as further revised in January 2009, as published on the DE website and as may be amended by DE from time to time ("the Working Rules");
- 1.1.3. "**TENANT A**" means TENANT A (Registration No.....), of ..... (Contact: Supply Manager);
- 1.1.4. "**Business Day**" means any day other than a Saturday, Sunday or Public Holiday officially gazetted as such in South Africa;
- 1.1.5. "**Buyer**" means either Sasol or TENANT ATENANT A whichever is applicable to the specific transaction;
- 1.1.6. "**Charge**" means the fee charged by the Host to the Tenant for the Services;
- 1.1.7. "**Depot**" means the bulk storage and supply facility owned and/or operated by TENANT ATENANT A in areas as per addendum.....
- 1.1.8. "**EDI**" means Electronic Data Interchange;
- 1.1.9. "**Effective Date**" means [•], notwithstanding the Signature Date;
- 1.1.10. "**Entitlement Balance**" means the quantity of Product that a Host or a Tenant has entitlement to at a Depot, where the aggregate of the Entitlement Balances for all companies is equivalent to the physical volume in the tank;
- 1.1.11. "**Host**" means the Party operating the Depot;
- 1.1.12. "**HSSE Standards**" means Health, Safety, Security and Environment Standards;
- 1.1.13. "**Non-performing Party**" has the meaning given to that term in clause 15.1 below;

- 1.1.14. **"Operating Requirements"** means the Host's standard operational procedures and processes relating to the handling of Product at a Depot, as attached at Annexure A hereto and as may be amended from time to time by the Host in writing;
- 1.1.15. **"Party"** means Sasol or TENANT A respectively and "Parties" mean Sasol and TENANT A;
- 1.1.16. **"Prime Rate"** means the publicly quoted prime rate of interest of ABSA Bank, per annum, compounded Monthly in arrear and prima facie proven, in the event of there being a dispute in relation thereto and in the absence of manifest error, by a certificate by any general manager of ABSA Bank (whose qualification or authority need not be proven) or, in the absence of the prime rate of interest of ABSA Bank, the publicly quoted prime rate of interest of the largest domestic bank by market capitalization (excluding ABSA Bank) in South Africa;
- 1.1.17. **"Product"** means the petroleum products stored at the Depot from time to time;
- 1.1.18. **"PoD"** means the documentation confirming proof of delivery of Product to a Depot bearing the signature of the duly authorised representative of the Host to receive the Product, save in respect of deliveries of Product ex rail tank cars where the PoD shall be in the form of an Intac rail document bearing the description of the Product and the rail tank car number with a freight rail seal impressed on it;
- 1.1.19. **"Sasol"** means Sasol Oil (Proprietary) Limited (Registration No. 1981/007622/07), of [●]. Facsimile Number: [●], (Contact: [●]);
- 1.1.20. **"Seller"** means either Sasol or TENANT A as the context requires;
- 1.1.21. **"Services"** means the provision for replenishment, storage, and upliftment of Product by a Tenant;
- 1.1.22. **"Signature Date"** means the date of signature of this Agreement by the last Party signing;
- 1.1.23. **"Tenant"** means a Party to whom the Services are provided at a Depot by the Host; and
- 1.1.24. **"VAT"** means value-added tax levied in terms of the Value-Added Tax Act, No. 89 of 1991.

- 1.2. Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include female and neuter genders and words importing persons shall include partnerships and bodies corporate.
- 1.3. Use of the word "including" followed by a specific example/s shall not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording or such specific examples/s.
- 1.4. The head notes to the clauses in this Agreement are inserted for reference purposes only and shall not affect the interpretation of any of the provisions to which they relate.
- 1.5. This Agreement shall be binding on and enforceable by the administrator, permitted assigns or liquidators of the Parties as fully and effectually as if they had signed this Agreement in the first instance and reference to any Party shall be deemed to include such Party's administrators, permitted assigns or liquidators, as the case may be.
- 1.6. If any provision in this clause 1 is a substantive provision conferring rights or imposing obligations on a Party, then notwithstanding that such provision is contained in such clause, effect shall be given thereto as if such provision were a substantive provision in the body of this Agreement.
- 1.7. If any term is defined within the context of any particular clause in this Agreement, the term so defined shall, unless it appears clearly from the clause in question that such term has limited application to the relevant clause, bear the meaning ascribed to it for all purposes under this Agreement, notwithstanding that the term has not been defined in this clause 1.
- 1.8. When any number of days (including Business Days) is prescribed in this Agreement, same shall be reckoned exclusively of the first and inclusively of the last day.
- 1.9. If the day for performance of any payment obligation under this Agreement falls on a day which is not a Business Day, such obligation shall be performed on the next day which is a Business Day.
- 1.10. Save for where clearly indicated to the contrary, expressions defined in this Agreement shall bear the same meanings in any schedule and/or annexure hereto unless such schedule and/or annexure contains an alternative definition for the expression.
- 1.11. The rules of interpretation that an agreement will be interpreted against the Party responsible for the drafting thereof, and any similar rules of interpretation, shall not apply to this Agreement and the Parties waive any rights they have to rely on such rules.



- 1.12. Any reference to any statute, regulation or other legislation shall be a reference to that statute, regulation or other legislation as at the Effective Date, and as amended or substituted from time to time.

2. **AGREEMENT**

2.1. **INTRODUCTION**

Sasol and TENANT A have entered into this Agreement in order to specify the terms and conditions upon which Depots operated by one Party may be used for replenishment, storage and upliftment of bulk Product by the other Party.

2.2. **DURATION**

This Agreement shall commence on the Effective Date and shall endure indefinitely, provided that either Party may terminate this Agreement upon 12 (twelve) months written notice to the other Party and provided further that in respect of the provision of the Services at any particular Depot pursuant to this Agreement:

- 2.2.1. the Tenant may terminate the provision of the Services on 3 (three) month's written notice to the Host to such effect; and
- 2.2.2. the Host may terminate the provision of the Services on 6 (six) month's written notice to the Tenant to such effect.

2.3. **SUPERSESSION**

This Agreement cancels and supersedes all prior negotiations and agreements entered into between the Parties relating to the matters set forth herein.

2.4. **RELATIONSHIP OF THE PARTIES**

The relationship of the Parties *inter se* shall be governed by the terms of this Agreement and nothing contained herein shall be deemed to constitute a partnership between the Parties, or entitle or authorize either Party to incur liability on behalf of the other.

2.5. **REVIEW**

- 2.5.1. The Parties shall conduct an annual review of performance not later than October of each year. The reviews shall always include, but shall not be limited to:
  - 2.5.1.1. HSSE reports;

- 2.5.1.2. Service standards;
- 2.5.1.3. Operational requirements and operational changes;
- 2.5.1.4. Charges and tariffs.
- 2.5.2. Both Parties shall ensure that:
  - 2.5.2.1. an agenda is prepared for the aforesaid meetings;
  - 2.5.2.2. discussions at the meetings shall be limited to those items on the agenda; and
  - 2.5.2.3. the agenda is approved by each Party's legal counsel.
- 2.5.3. Parties may come together at any other time to revise terms and definitions if prompted by industry market or regulatory changes.

3. **HEALTH SAFETY SECURITY AND ENVIRONMENT (HSSE)**

3.1. **STANDARDS**

- 3.1.1. The HSSE standards of the Host shall be the applicable standard for each Depot, save where the prevailing industry norm is higher, in which case the industry norm shall be complied with. A copy of the Host's relevant HSSE standards are attached hereto as Annexure B and as may be amended by the Host in writing from time to time. **<d/n: Sasol wishes the HSSE Standards to be attached as an annexure to the Agreement>**
- 3.1.2. The Host shall be entitled at its sole discretion to amend and vary the relevant HSSE standards from time to time. If there are any amendments to the Host's HSSE standards, the Host shall notify the Tenant in writing of such amendment and shall make same available to the Tenant.
- 3.1.3. In addition, the Parties shall adhere to the HSSE standards set out below. If there is a conflict between any of the Host's HSSE standards and the HSSE standards set out in this clause 3, the standards set out in this clause shall prevail.

3.2. **VEHICLES**

The Tenant shall ensure that all its vehicles are compliant with the HSSE standards in terms of the safe loading pass and if it is not so compliant, the Host may prohibit entry of such non-

compliant vehicle at the Depot. A Party appointing a third party contractor shall ensure that the contractor attends regular meetings and workshops in relation to the management and operation of the Depot and HSSE standards.

### 3.3. **DEPOT AND EQUIPMENT**

The Host shall ensure that it complies with all relevant legal requirements, local oil industry practice and its own HSSE standards.

### 3.4. **OPERATIONS**

The Host shall ensure that all operations carried out in fulfilling the handling of bulk fuels are in accordance with all applicable legislative requirements, codes, standards and procedures relating to HSSE or where there is no applicable legislation, its own HSSE standards and procedures.

### 3.5. **PERSONNEL**

The Host shall ensure that all its employees, the Tenant's employees, all contractor personnel and authorized agents are fully trained in the HSSE aspects in regard to the usage of all Depots and equipment. The Host shall maintain records of training and competence and produce such records if required during an inspection or audit.

### 3.6. **INCIDENT REPORTING**

In accordance with the incident reporting procedures implemented by the Host at the Depot (as advised by the Host to the Tenant in writing from time to time), any incidents shall be reported in the following time frames:

- 3.6.1. Fatalities – immediately;
- 3.6.2. Lost time injuries – within 24 hours;
- 3.6.3. Medical treatment cases – within 24 hours; and
- 3.6.4. Spillages – within 24 hours.

### 3.7. **CONTAMINATION AND SPILLAGES**

Clean up costs and other liabilities resulting from the contamination of soil or ground water shall be borne by the Host, except where and to the extent that the contamination results

from the wilful default or negligence of the Tenant or its authorized personnel or agents, in which case such cost or other liabilities shall be the sole responsibility of the Tenant.

#### 4. **OPERATING REQUIREMENTS**

##### 4.1. **COMPLIANCE**

- 4.1.1. The Parties shall comply with the Operating Requirements.
- 4.1.2. If there is a conflict between the Operating Requirements and this Agreement, the provisions of this Agreement shall prevail unless such requirement is an HSSE procedure, in which event the Host's HSSE procedure or requirement shall take precedence and be binding on the Parties.
- 4.1.3. If the Parties wish to deviate from any of the Operating Requirements, the representatives of each Party shall meet and decide whether such deviation shall be implemented, and once agreed, such deviation shall be recorded in writing.
- 4.1.4. The Parties record that, save as expressly provided for in this Agreement, the standards and procedures applicable in respect of the use and provision of the Services at each of the Depots shall be the standards and procedures of the Host. On commencement of the use of each Depot and not less than once every 12 (twelve) months thereafter, the Host shall advise the Tenant in writing of the said standards and procedures and provide the Tenant with copies thereof.
- 4.1.5. Whenever there is a major change to infrastructure or a change of road transport contractors, the Parties shall jointly sign a Management of Change.
- 4.1.6. The Parties shall ensure that load rack meters at the Depots comply with the Trade Metrology Act No. 77 of 1973 and regulations thereto.

##### 4.2. **OBLIGATIONS OF THE HOST**

The Host shall:

- 4.2.1. be responsible for the management and operation of the Depot;
- 4.2.2. test Product for quality, measure and receive Product into storage in the Depot;
- 4.2.3. in the case of any Product stock-out (being an unavailability of Product to the Tenant to which the Tenant is entitled pursuant to the application of the Banking Principle) for a Tenant due to use of this Tenant's stock by the Host and not excused by the Force

Majeure provisions of this Agreement, the Host shall be responsible for alternate sourcing of the affected Product and all related costs. Should the Host fail to source the affected Product, the Tenant shall be entitled to procure the Product at its cost and recover direct incremental and reasonable costs from the Host on written request;

- 4.2.4. be responsible to ensure that the Product does not deteriorate or become contaminated as a result of storage and handling of the Product by the Host;
- 4.2.5. ensure that additive doping standards are met and that mandatory reporting takes place at the prescribed schedule;
- 4.2.6. after a formal handover process by the Tenant to the Host of the additive injection systems on completion of an agreed management of change, maintain and repair the additive injection systems in order to minimize downtime; and
- 4.2.7. ensure that no manual additive injection is allowed.

#### 4.3. **OBLIGATIONS OF THE TENANT**

The Tenant shall in respect of each Depot at which it receives the provision of the Services:

- 4.3.1. ensure that all drivers and vehicles, either employed by the Tenant, its agents, sub-contractors or distributors, comply with and are trained in the Host's safe working procedures and safe loading requirements applicable at the Depot concerned, as notified in writing by the Host to the Tenant from time to time;
- 4.3.2. ensure the safety and health of its employees utilizing the Depot and protection of the environment, including compliance with the statutory requirements imposed by, but not limited to, the Occupational Health and Safety Act No. 85 of 1993; the Atmospheric Pollution Prevention Act No. 15 of 1973, the Environmental Conservation Act No. 73 of 1989, the National Environmental Management Act No. 107 of 1998, and all other applicable legislation, by-laws and regulations;
- 4.3.3. ensure that all of its vehicles and those of its agents, contractors and distributors together with the associated equipment meet all legislative requirements and the HSSE standards of the Host;
- 4.3.4. ensure that all drivers and vehicles, either employed by the Tenant, its agents, contractors or distributors are trained in accordance with the Host's HSSE standards;
- 4.3.5. attend monthly safety meetings and participate in emergency drills; and

- 4.3.6. ensure that vehicle, compartmentation changes on its TAS system are only made by its staff using the centralized data application process within Sasol and that no changes to data are made without the approval of this channel Central scheduling TAS administration.

4.4. **PRODUCT QUALITY CONTROL**

Both Parties shall have standard quality procedures at Depots. If it is suspected that a Product is not to specification, the Host shall provide a quality certificate for the Product to the Tenant.

4.5. **ADDITIVES**

The Host shall be responsible for:

- 4.5.1. the storage and handling of the Tenant's additives and, where applicable, this shall include offloading drums;
- 4.5.2. injecting the additives into the Products as per the Tenant's instructions;
- 4.5.3. submitting a monthly spreadsheet showing the additive stocks and usage to the Tenant; and
- 4.5.4. submitting doped fuel samples as required by the Tenant to the Tenant's laboratory at the Tenant's cost.

The Tenant shall:

- 4.5.5. ensure that sufficient additives are available at the Depot at all times;
- 4.5.6. notify the Depot Owner in writing of the applicable dosage rates;
- 4.5.7. provide the material safety data sheets to the Depot Owner; and
- 4.5.8. notify the Host of any amendments or variations to Product specifications and the material safety data sheets within 14 (fourteen) days prior to such amendment or variation.

4.6. **NEW PRODUCTS**

- 4.6.1. A Tenant introducing a Product not previously stored at a Depot may only do so with the prior written approval of the Host and shall, before doing so, provide full details in the form of material safety data sheets and other relevant documents in advance to the Host

to enable the Host to comply with all legal obligations, HSSE procedures and codes of practice, including the Occupational Health and Safety Act No. 85 of 1993.

4.6.2. Both Parties agree that such new Products shall be subject to a management of change process covering systems and business processes.

#### 4.7. ADDITIVE INJECTION SYSTEM/S

4.7.1. Ownership of any equipment or machinery forming part of the additive injection system/s for Sasol Product at the Depot (the “**equipment**”) shall vest in Sasol.

4.7.2. TENANT A shall be responsible, at its own cost, for the installation of the additive injection system/s, provided that Sasol shall, upon the completion of such installation, reimburse such costs as are incurred by TENANT A as a result of the installation.

4.7.3. Sasol shall be responsible for the repair and maintenance of the equipment, and all costs arising therefrom shall be for Tenant’s account.

4.7.4. Upon termination of this Agreement, Sasol shall be responsible, at its own cost, for the removal of the equipment from the Depot.

4.7.5. If this Agreement is terminated within 12 (twelve) months of the Effective Date, TENANT A shall be entitled to purchase the equipment from Sasol at the actual net book value of such equipment, or such other value as the Parties may agree in writing; provided that TENANT A shall notify Sasol in writing within [•] days of termination of the Agreement whether TENANT A intends to purchase such equipment and, failing receipt of such notice, Sasol shall be entitled to deal with or dispose of such equipment at its discretion.

**<dn: Parties to confirm>**

#### 4.8. PRODUCT SUPPLY

4.8.1. Subject to the Entitlement Balance of the Tenant, the Host shall supply the Tenant's requirements of Products from the Depot.

4.8.2. If a stock-out at a Depot occurs due to circumstances beyond the control of the Host or Tenant, or as a result of Force Majeure, the Host shall notify the Tenant of such stock-out as soon as reasonably possible.

## 5. **PRODUCT OPERATIONS**

### 5.1. **PLANNING**

For all Depots covered under this Agreement, the Parties shall abide by a planning procedure agreed between Host and Tenant on a Depot-by-Depot basis. Details of this procedure are as set out in the Annexures to this Agreement.

### 5.2. **CONFIDENTIALITY**

It is agreed that in undertaking the business processes referenced under clause 5.1 above both Parties shall comply in full with applicable confidentiality principles.

## 6. **PRODUCT RISK AND TRANSFER VOLUME**

### 6.1. **REPLENISHMENTS BY PIPELINE**

6.1.1. Where Tenant replenishes Product by pipeline, the risk in the Product passes from the Tenant to the Host at the designated pipeline entry point.

6.1.2. For Product movements by Transnet Pipelines, the transfer volume shall be the volume confirmed by the Transnet Pipelines docket showing the volume of Product received at the inlet flange.

### 6.2. **REPLENISHMENTS BY RAIL (Applicable to Waltloo Facility only)**

6.2.1. If a Tenant replenishes Product by rail, the risk in the Product passes from the Tenant to the Host at the flange of the rail tank car.

6.2.2. The transfer volume shall be as per the Transnet duly stamped and signed bill of lading from the sending Depot.

### 6.3. **REPLENISHMENTS BY ROAD**

6.3.1. If a Tenant replenishes Product by road, the risk in the Product passes from the Tenant to the Host at the flange from bridging vehicle.

6.3.2. The transfer volume shall depend on the confirmation of installation of temperature compensated meters at the Depot. The list of Depots which have temperature compensated meters is set out in the Annexures hereto.

6.3.3. Metered Road Receipt: If the receiving Depot has temperature compensated meters at the discharge location, then the discharge volume shall be used as the transfer volume.



6.3.4. Meter-less Road Receipt (Seals Intact): If the receiving Depot does not have temperature compensated meters at the discharge location, and if the seals on the bridging vehicle are intact and the seal numbers correspond to the seal numbers on the bill of lading, then the load volume on the bill of lading at the supply dispatch point shall be the transfer volume.

6.3.5. Meter-less Road Receipt (Seals Not Intact): If the receiving Depot does not have temperature compensated meters at the discharge location, and if the seals on the bridging vehicle are not intact, then the Product shall not be accepted by the receiving Depot. The Host shall immediately inform the replenishing party of the non-compliance, and the Tenant shall advise the relevant transporter what to do with the load.

6.4. **UPLIFTS BY ROAD**

6.4.1. If a Tenant uplifts Product by road, the risk in the Product passes from the Host to the Tenant at the flange of vehicle.

6.4.2. The transfer volume shall be the volume loaded into the vehicle, as measured by the gantry meter.

7. **PRODUCT UNPLANNED MOVEMENTS**

Under certain circumstances, a Tenant may require to return Product to a Host Depot from a vehicle.

8. **PRODUCT LOSSES**

8.1. **REPLENISHMENT LOSSES**

All Product replenishment losses shall be borne by the Party responsible for arranging or contracting the Product replenishment transport.

8.2. **STORAGE LOSSES**

Product tank storage losses and gains are for the Host's account.

8.3. **DELIVERY LOSSES**

All Product delivery transport losses and gains are for the Party responsible for arranging or contracting the delivery transport.

9. **STOCK ACCOUNTING**

9.1. **MEASUREMENT**

- 9.1.1. All road gantry Product pick-ups shall be measured at 20°C (twenty degrees Celsius) at automated gantries.
- 9.1.2. All metered sales for customer own collections shall be processed at ambient temperature.
- 9.1.3. All non-metered vehicles' (SPD) measurement procedures shall be based on vehicle compliance.
- 9.1.4. The gantry meters through which Product is supplied to the Tenant shall be calibrated according to Trade Metrology Act, No 77 of 1973 or applicable SABS code.

9.2. **IN-TANK TRANSACTIONS**

- 9.2.1. The Parties agree that certain "In-tank" transactions may take place from time to time.
- 9.2.2. An in-tank transaction between the Parties shall always be treated as two separate transactions, and shall be recorded at the Depot of the Host.
- 9.2.3. In the Host book of accounts, these transactions shall be:
  - 9.2.3.1. a Sale/Purchase for a volume of Product;
  - 9.2.3.2. a Throughput Receipt/Issue for an equivalent volume of Product.
- 9.2.4. In the Tenant book of accounts, these transactions shall be:
  - 9.2.4.1. a Purchase/Sale for a volume of Product;
  - 9.2.4.2. a Throughput Issue/Receipt for an equivalent volume of Product.

10. **STOCK RECONCILIATION**

10.1. **DAILY**

- 10.1.1. The Host shall provide an electronic data file and a pdf type report to the Tenant specifying the movements of the Tenant for day-1, for each Depot, detailing Product grade, volumes and method of transport. This report shall be delivered by the Host to

the Tenant by 12h00 on the day following the transactions. Transactions for the week-end shall be included in the Monday report.

- 10.1.2. The Host shall ensure that all picks up are recorded daily on the report, based on liftings at gantry. There shall be accurate and timely recording of transactions for Tenant's account by the Host, and timely corrective actions taken on errant transactions when identified.

10.2. **MONTHLY**

- 10.2.1. The Host and the Tenant shall submit a computer transaction file to the SOMSYS programme for matching to take place.
- 10.2.2. The monthly SOMSYS reconciliation shall be signed off by both Parties as agreement of monthly balances. The sign-off shall meet audit requirements at quarter ends.

10.3. **ANNUALLY**

The annual sign-off for December Product movements shall be concluded in time for the audit review of both Parties.

11. **PRICING, CHARGES, BILLING AND PAYMENT**

11.1. **PRICING OF IN-TANK PURCHASES AND SALES**

Pricing of Product for in-tank purchases and sales transactions shall be negotiated on a spot basis by mandated deal negotiators under separate terms and conditions.<dn: **Parties to decide whether such “separate terms and conditions” should be attached to the Agreement as suggested by Sasol. Query – do such terms and conditions exist in document form?>**

11.2. **STORAGE AND HANDLING CHARGES**

- 11.2.1. In consideration for the throughput Services, the Tenant shall pay storage and handling charges to the Host.

11.3. **INVOICING**

- 11.3.1. By the 5th (fifth) Business Day of each Month, the Host shall issue to the Tenant a tax invoice in respect of the buy/sell delivered transactions and Services rendered during the immediately preceding Month.

- 11.3.2. Each buy/sell delivered transaction from the selling Party to the buying Party shall contain the following information:
- 11.3.2.1. Depot name;
  - 11.3.2.2. Product volume, price and applicable excise duties;
  - 11.3.2.3. customer purchase order number; and
  - 11.3.2.4. VAT owing for such Products.
- 11.3.3. Each Service invoice shall contain the following information:
- 11.3.3.1. Depot name;
  - 11.3.3.2. Service rendered;
  - 11.3.3.3. the amount for the Service rendered;
  - 11.3.3.4. customer purchase order number; and
  - 11.3.3.5. VAT owing for such Services.
- 11.3.4. Each tax invoice shall be supported by a detailed calculation based on actual transactions during the period. This calculation shall serve as the basis to validate the Charges by the Tenant.

11.4. **PAYMENT TERMS**

- 11.4.1. The Tenant shall pay the invoiced amounts due on the 15th calendar day of the Month following the Month of invoicing.
- 11.4.2. Payment of all amounts due under this Agreement shall be made in South African currency, without any set-off, deduction or counter claim, by electronic bank transfer directly into an account nominated by the Host/Seller.
- 11.4.3. Any amount falling due for payment by any Party pursuant to this Agreement and not paid on due date, including any amount which may be payable as damages, shall bear interest at the Prime Rate.
- 11.4.4. The Buyer shall not withhold payment of any amount due to Seller or claim set-off, or seek to withhold payment pending resolution of a counterclaim, on any ground other than the Seller has failed to deliver Product or has failed to deliver Product to

specification, and then only to the extent of the amount of the price for the Product not delivered, or for Product which is claimed to be not to specification, to the extent of the price which would have been payable in respect of such Product had it been to specification.

12. **IT SYSTEMS**

The Parties shall use the EDI system or any future replacement system to communicate with one another, including but not limited to, for ordering Product and for confirming receipt and dispatch of such Product. **<d/n: Sasol has requested that TENANT A is to provide for a manual procedure in the event of the EDI system not functioning. TENANT A to advise whether it would prefer to formulate such a system for the specific purposes of this Agreement, or whether it has a system in place currently which it would apply>**

13. **AUDIT**

13.1. **HOST AUDIT**

The Host shall audit its own Depots. Such audits shall comply with the Host company requirements, and shall cover subjects including HSSE, Product quality procedures, vehicle inspections, and stock reconciliations.

13.2. **TENANT AUDIT**

The Host shall allow HSSE and Product Quality audits to be conducted by the Tenant from time to time. The Tenant's internal audit unit may inspect the Depot and visit Depots accompanied by the Host's internal audit unit, or other authorized personnel of the Host.

13.3. **DOCUMENT RETENTION**

The Host shall retain all relevant documentation relating to this Agreement for a period of 3 (three) years, unless a longer retention period is prescribed by any law, regulation or policy. This shall include all documents relating to the replenishment or upliftment of Product, including;

- 13.3.1. Product receipt documents;
- 13.3.2. Product uplift documents;
- 13.3.3. customer proof of collection documents; and
- 13.3.4. Services rendered.

14. **LIABILITY**

14.1. **LIMITATION OF LIABILITY**

Notwithstanding anything to this contrary in this Agreement, neither Party shall have any liability to the other Party at any time for indirect losses, consequential damages and/or loss of profit and/or loss of market share.

14.2. **PERFORMANCE**

14.2.1. The liability of the Host to the Tenant in respect of the performance or non-performance of the Host's duties hereunder shall be limited to the performance or re-performance thereof together with a claim for damages but shall exclude an entitlement to terminate this Agreement other than pursuant to clause 16 below.

14.2.2. Save as may arise pursuant to a breach of an obligation imposed on either Party under this Agreement, no Party shall have any claim for damages against the other pursuant to the terms of this Agreement. Other liabilities relating to the Services and the implementation of this Agreement shall be borne in accordance with clauses 14.3, 14.4 and 14.5.

14.3. **PROPERTY**

14.3.1. A Party shall not be liable for any loss or damage to the property of the other Party except where such loss or damage results from the negligence or wilful default of the first-mentioned Party or its authorized personnel or agents.

14.3.2. Each Party shall assume responsibility for insurance for loss or damages to its own property and where jointly owned property exists, their portion of such property.

14.4. **PERSONNEL**

Liability for claims arising as a result of death, injury or disease to personnel shall be borne:

14.4.1. in the case of a Party's own employees or sub-contractors by that Party; and

14.4.2. in the case of other personnel, by the Host or alternatively equally by both Parties.

**14.5. THIRD PARTY**

Liability to any third party shall be borne by the Host, provided that, if the damage or injury is caused by a Tenant's vehicle or Tenant's personnel inside the Depot property then this liability shall be borne by the Tenant.

**15. FORCE MAJEURE**

15.1. "Force Majeure" for the purposes of this Agreement means any event or condition (whether affecting a Party or any other person), which has prevented or delayed or will prevent or delay a party from performing any obligation hereunder (except obligations to make payments when due, to which obligations in respect of Force Majeure shall not apply), in whole or in part, if such event or condition and such prevention or delay, is beyond the reasonable control of the Party relying thereon as justification for not performing any such obligations (the "Non-Performing Party") and such event or condition, and such prevention or delay, could not have been prevented or overcome by exercise of reasonable care by the Non-Performing Party.

15.2. Such events or conditions shall, provided always that they meet the requirements set forth in this clause, include but shall not be limited to circumstances of the following kind:

15.2.1. acts of governments(s), acts of public or foreign enemy, war declared or undeclared, hostilities (whether or not war has been declared), blockades, embargoes, military action, civil disturbances, public demonstrations, insurrection, riots, acts of terrorism, acts of sabotage, vandalism, aircraft crashes, chemical or biological contamination, nuclear incidents or similar occurrences;

15.2.2. acts of God, landslides, lightning, earthquakes, fires, explosions, storms or storm warnings, floods, extreme weather conditions, washouts, epidemics or similar occurrences;

15.2.3. strikes, boycotts, lockouts, and other similar industrial or labour disputes and disturbances; and

15.2.4. inability to obtain the grant or renewal of any licence or approval necessary for operation of a refinery, the necessity for compliance with any court order, law, statute, ordinance or regulation promulgated by a governmental entity having jurisdiction.

15.3. If the Non-Performing Party is prevented, hindered or delayed from performing any of its obligations under this Agreement by reason of Force Majeure, the non-Performing Party shall be relieved from performance of such obligations to the extent that it is unable to deliver or

receive the agreed quantities of Products or to perform any of its other obligations under this Agreement. Such obligations of the Non-Performing Party and any corresponding or related obligations of the other Party shall be of no effect, without liability, for a period equal to the duration of the Force Majeure event. The Non-Performing Party shall notify the other Party of the nature, extent, effect and the likely duration of the circumstances constituting Force Majeure or expected to constitute Force Majeure as soon as reasonably possible.

- 15.4. As soon as reasonably practical after the end of the event or condition of Force Majeure the Non-Performing Party shall notify the other Party in writing that the event or condition of Force Majeure has ended and it shall resume performance of its obligations under this Agreement.
- 15.5. Neither Party shall be released from its obligations or liabilities under this Agreement arising prior to an event or condition of Force Majeure, and this Agreement shall remain in effect for the duration of the event or condition of Force Majeure.
- 15.6. The Non-Performing Party shall use all reasonable efforts to mitigate the impact of Force Majeure and to remedy its inability to perform as quickly as is reasonably possible.

16. **TERMINATION**

- 16.1. If either Party commits a material breach of this Agreement and fails to remedy such breach within 14 (fourteen) days of notice being given to it by the other Party requiring the same to be remedied, then the other Party may, by notice in writing, terminate this Agreement without prejudice to any other rights or remedies available to such Party.
- 16.2. Notwithstanding anything to the contrary herein contained, this Agreement may be terminated forthwith by notice in writing by a Party if:
  - 16.2.1. the other Party commits a material breach of the Agreement which is not capable of being remedied on notice as contemplated in clause 16.1;
  - 16.2.2. an order is made by any Court of competent jurisdiction whether provisional or final, for the winding up or the judicial management of the other Party;
  - 16.2.3. the other Party passes a resolution for the voluntary winding up of such Party;
  - 16.2.4. the other Party ceases to carry on business or disposes of its business or changes the fundamental nature of its business and/or disposes of the major portion of its assets other than for value;



16.2.5. the other Party compromises generally with its creditors otherwise than in the course of the re-structuring of its capital or the merger of such Party with a third party; or

16.2.6. the business of the other Party is nationalized.

16.3. The termination of this Agreement shall not affect any rights of either Party, which accrued prior to the date of termination.

## 17. **GENERAL**

### 17.1. **CONDITIONS**

17.1.1. This Agreement constitutes the whole of the agreement between the Parties relating to the matters dealt with herein and save to the extent otherwise provided herein no undertaking representation, term or condition relating to the subject matter of this Agreement not incorporated in this Agreement shall be binding on the Parties.

17.1.2. No variation, addition, deletion, or agreed cancellation of this Agreement shall be of any force or effect unless agreed in writing between the Parties.

17.1.3. No waiver of any of the terms and conditions of this Agreement shall be binding or effectual for any purpose unless in writing and signed by the Party giving the same. Any such waiver shall be effective only in the specific instance and for the purpose given. No failure or delay on the part of either Party in exercising any right, power or privilege hereunder shall constitute or be deemed to be a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

17.1.4. Neither this Agreement nor any part, share or interest therein nor any rights or obligations hereunder may be ceded, assigned, or otherwise transferred by either Party without the prior written consent of the other, provided that such consent shall not be required in the event that the rights and obligations of either Party are ceded, assigned or otherwise transferred to any affiliate company of such Party.

17.1.5. Any consent or approval required to be given by any Party under this Agreement shall not be unreasonably withheld or delayed.

17.1.6. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement as at the date of signature of the Party last signing one of the counterparts.

The Parties undertake to take whatever steps may be necessary to ensure that both counterparts are duly signed by each of them.

- 17.1.7. Subject to the provisions of this Agreement, the Parties hereto hereby consent and submit to the non-exclusive jurisdiction of the Cape of Good Hope Provincial Division of the High Court of the Republic of South Africa in respect of any dispute arising from or in connection with this Agreement. The Parties agree that any costs awarded shall be recoverable in accordance with the High Court tariff, determined on an attorney-and-own-client scale.

17.2. **SEVERABILITY**

Each provision of this Agreement is severable from the other provisions. Should any provision be found by a court of competent jurisdiction to be invalid or unenforceable for any reason, the Parties shall consult with one another in good faith in order to agree, if possible, an alternative provision in accordance with the intent and tenor of this Agreement. The remaining provisions of this Agreement shall nevertheless remain binding and continue with full force and effect.

17.3. **MEDIATION AND ARBITRATION**

- 17.3.1. In the event of any dispute or difference arising between the Parties relating to or arising out of this Agreement, including the validity, implementation, execution, interpretation, rectification, termination or cancellation of this Agreement, the said dispute or difference shall be referred to the Party's supply managers for urgent mediation.
- 17.3.2. If no resolution is reached and recorded in writing within 20 (twenty) Business Days of referral to the supply managers, such dispute may, on written demand by any Party to the dispute, be submitted to arbitration in accordance with the rules of the Arbitration Foundation of Southern Africa ("AFSA") by an arbitrator or arbitrators appointed by AFSA and agreed to by the Parties.
- 17.3.3. If the Parties fail to agree on an arbitrator within 10 (ten) Business Days after arbitration has been demanded, the arbitrator shall be nominated at the request of any Party to the dispute by AFSA.
- 17.3.4. The Parties irrevocably agree that the submission to arbitration under this clause is subject to the Parties' rights of appeal set out hereunder.
- 17.3.5. Any Party to the arbitration may appeal the decision of the arbitrator within 20 (twenty) Business Days after the arbitrator's ruling by giving written notice to that effect to the

other Party. The appeal shall be dealt with in accordance with the rules of AFSA by a panel of three arbitrators appointed by AFSA.

- 17.3.6. The decision of the arbitrator shall be final and binding on the Parties after the expiry of 20 (twenty) Business Days from the date of the arbitrator's ruling if no appeal has been lodged by any Party. A decision which becomes final and binding in terms of this clause may be made an order of court at the instance of any Party to the arbitration.
- 17.3.7. Nothing herein contained shall prevent or prohibit any Party from applying to the appropriate court for urgent relief.
- 17.3.8. The provisions of this clause shall continue to be binding on the Parties notwithstanding any termination or cancellation of the Agreement.

#### 17.4. **EXPERT**

- 17.4.1. If under this Agreement any matter is to be referred to an expert, and if during the term of the Agreement the Parties agree that a point of difference between them shall be resolved by an expert, the provisions of this clause shall apply unless modified by any other express provision.
- 17.4.2. The procedure for the appointment of an expert shall be as follows:
  - 17.4.2.1. the Party wishing the appointment to be made shall give notice to that effect to the other Party and such notice shall give details of the matter which it is proposed shall be resolved by the expert;
  - 17.4.2.2. the Parties shall meet in order to agree upon an expert; and
  - 17.4.2.3. if within 5 (five) Business Days from the service of the said notice the Parties have failed to meet or failed to agree upon an expert, then the matter may forthwith be referred by either Party to the chairman of the South African Petroleum Industry Association ("SAPIA") who shall be requested to select an expert within 5 (five) Business Days and in so doing take such independent advice as he or she thinks fit.
- 17.4.3. The expert shall specify the procedure to be adopted by the Parties in the hearing of the dispute.

- 17.4.4. The expert shall be entitled to obtain such independent-professional and/or technical advice as he or she may reasonably require.
- 17.4.5. The expert shall give full written reasons for his/her determination and shall furnish the Parties therewith within 5 (five) Business Days after the conclusion of the hearing.
- 17.4.6. The expert shall be deemed not to be an arbitrator but shall render his/her determination as an expert and any law relating to arbitration shall not apply to such expert or his/her determination or the procedure by which the expert reaches his/her determination.
- 17.4.7. The final determination of the expert shall be conclusive and binding upon the Parties, save in the event of fraud, manifest error, or failure by the expert to disclose any relevant interest.

17.5. **COSTS**

Save as may be otherwise provided herein, each Party shall bear and pay its own costs of and incidental to the negotiation, drafting and preparation of this Agreement.

18. **NOTICES AND DOMICILIA**

- 18.1. Each Party chooses *domicilium citandi et executandi* ("*domicilium*") for the purposes of the giving of any notice, the payment of any sum, the serving of any process and for any other purposes arising from this Agreement at their addresses set forth in clause 1 hereof.
- 18.2. Each Party shall be entitled from time to time, by written notice to the other, to vary its *domicilium* to any other address within South Africa which is not a post office box or *poste restante*.
- 18.3. Any notice given and any payment made by a Party to the other ("the addressee") which:
  - 18.3.1. is delivered by hand during the normal business hours of the addressee at the addressee's *domicilium* for the time being shall be presumed, unless the contrary is proven by the addressee, to have been received by the addressee at the time of delivery;
  - 18.3.2. is posted by prepaid registered post from an address within South Africa to the addressee at the addressee's *domicilium* for the time being shall be presumed, unless the contrary is proven by the addressee, to have been received by the addressee on the 10th (tenth) day after the date of posting.

18.4. Where, in terms of this Agreement any communication is required to be in writing, the term "writing" shall include communications by facsimile or electronic mail. Communications by facsimile shall, unless the contrary is proven by the addressee, be deemed to have been received by the addressee 24 (twenty-four) hours after the time of transmission. Communications by electronic mail shall, unless the contrary is proven by the addressee, be deemed to have been received by the addressee 24 (twenty four) hours after the time of transmission.

**Sasol Oil (Proprietary) Limited**

Signature: \_\_\_\_\_  
who warrants that he / she is duly authorised thereto

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_

Witness: \_\_\_\_\_

Witness: \_\_\_\_\_

**TENANT A**

Signature: \_\_\_\_\_  
who warrants that he / she is duly authorised thereto

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_

Witness: \_\_\_\_\_

Witness: \_\_\_\_\_

