

INTERCOMP TWENTY FOUR (PTY)LTD

T/A BP NORTH WEST

ALLOCATION MECHANISM FOR THIRD PARTY ACCESS TO
PETROLEUM STORAGE FACILITIES

NO	LICENCE NUMBER	FACILITY ADDRESS
1.	PPL.sf.F3/1/1/2006	9 Witteberg Road, Bethlehem, Freestate
2.	PPL.sf.F3/1/2/2006	2 Strydom Street, Schweizer Renek, N/West
3.	PPL.sf.F3/1/3/2006	13 Railway Road, Klerkindustria, Klerksdorp, N/West
4.	PPL.sf.F3/1/4/2006	2 Station Street, Ottosdal, N/West

1. Tariff Schedule
 - The tariff proposal were submitted to NERSA on the 29th of July 2011 for approval. We are awaiting their decision and will include the approved tariff in the allocation mechanism once received
 - Tariffs charged will be exclusive of Value Added Tax.
 - See attached Tariff Application

 2. Contractual terms and conditions for use
 - 2.1 Storage capacity scheduling and planning
 - a) Three months advance notice is required for indicative order planning purposes. Storage capacity will only be made available to third parties if it is not taken up by our own storage requirements
 - b) Order planning – Seven working days notice is required before confirmation of order.
 - Product will only be received at our depots during time periods stated in section D below. 24 hours notice of the date and time on which product will arrive at the relevant depot.
 - Only road deliveries can be accepted and shipped
 - Product that arrive earlier or later than planned/agreed upon will stay on the delivery vehicle until such time that it can be accommodated into storage during normal operating hours as stated in section D below.
 - All documentation must be done in both paper and electronic format. E.g. orders to be e-mailed and hard copies send with the truck.
 - Delivery and dispatch schedules must be strictly adhered to too ensure the smooth running of the daily activities of our storage facilities.
 - Petroleum can only be stored at any of our four facilities from the 7th of each month until the 21st of each month. Petroleum must be stored at the facility at the exact quantity and period applied for in the application. No deviations or transgressors will be liable to penalties up to double the daily tariff as approved by NERSA. We reserve the right to hire tankers to remove the product from storage and charge the lessee with the cost thereof.
 - c) Notice of 24 hours is required before product is picked up from the facilities. All the product must be picked up as per the daily pick-up schedules agreed Intercomp 24 and the lessee of the storage capacity.
 - d) Product will only be accepted during normal operating hours. The depot Manager must be present during the loading and off-loading of the vehicle.
 - e) Office hours at all our facilities 08h00 – 16h30 Monday to Friday
- The allocation mechanism applies the first come, first serve and use-it-or-lose-it principles. (Regulations 3(9) © and (d)).

2.2 Volume to be stored

Klerksdorp

The depot consist of the following bulk storage facilities

1 x 23 cubic meter aboveground diesel storage tank

1 x 9 cubic meter underground HMF petrol tank

Meters and flow rates on each individual drawing (Addendum 1.1)

Bethlehem

The depot consist of the following bulk storage facilities

2 x 83 cubic meter above ground diesel tank

Meters and flowrates on each individual drawing. (Addendum 1.2)

Ottosdal

The depot consist of the following bulk storage facilities

1 x 84 cubic meter above ground diesel storage tank

Meters and flowrates on each individual drawing. (Addendum 1.3)

Schweizer-Renke

The depot consist of the following bulk storage facilities

3 x 84 cubic meter above ground diesel tank

1x 23 above ground diesel storage tank

Meters and flowrates on each individual drawing. (Addendum 1.4)

Petroleum will be measured and reported at a temperature of 20 degrees Celcius and a density of .820. The relevant SANS Standard will apply to all temperature and density measurements.

Any differences in temperature and density will be the responsibility of Intercomp 24. The 3rd party will have access to the exact volume pumped through our meters into storage. 3rd party will not have any claim to gains or losses due to fluctuations in temperature or density.

2.3 Petroleum type and quality control

The following standards are applicable to the petroleum quality that all 3rd parties must adhere to:

- All the applicable South African National Standards (SANS) including SANS 342.
- All the Oil Industry Petroleum Exchange Standards (OIPES).
- Any other industry or National Standards that might apply to Intercomp 24 operational requirements for storage facilities.

Samples will be obtained from each compartment of the 3rd party vehicle for quality testing. Analysis of all samples will be done according to SANS 342 specifications. Testing will be done by Spectracare or any other SANAS approved laboratory. The cost of the analysis will be for the 3rd party. Samples will be kept for 30 days after the party's petroleum has left our storage facility. The 3rd party will be responsible for the cleanup and removal of spilled and contaminated product. The 3rd party will also be responsible for the cost of the cleanup and must use an accredited environmental cleanup agent.

2.4 Custody of petroleum

Petroleum from a 3rd party will have passed into the custody of Intercomp 24 once the total volume has been pumped into storage. Petroleum will pass out of the custody of Intercomp 24 once the total volume has been loaded onto the 3rd party vehicle. All of the above will be done through our metering system to ensure quantity compliance.

All orders must be e-mailed, faxed and confirmed by telephone. The transporter must present the original order document when delivering or collecting the product. Intercomp 24 must be provided with a list of transporters, vehicles and drivers from the 3rd party. We will require certified copies of identity documents and of the registration documents of the vehicles of the transporter. Intercomp 24 reserves the right to refuse to load or to off load a 3rd party vehicle if we cannot establish the authenticity of any order or transporter.

The following remedial action will be taken if there is a loss of or deterioration in petroleum quality during the storage licensee's period of custody:

- Intercomp 24 will be responsible to replace the quantity of 3rd party product lost due to incorrect operation of equipment or due to leakage, faulty equipment or faulty maintenance of any equipment that is owned by Intercomp 24.
- Intercomp 24 will be responsible to replace 3rd party product lost due to theft or fire only if Intercomp 24 was negligent in providing the necessary fire safety and security measures. The 3rd party is responsible for their own theft and fire insurance to cover the full amount of product stored.

- 2.5 Once an order for storage or dispatch has been received by Intercomp 24, no amendments will be allowed to any documentation. No changes will be allowed to documentation after a delivery has been discharged into our storage facility. Due to the fact that no changes to documentation will be allowed, there will be no impact on tariffs. If there is a technical problem with the vehicle or illness of the driver specified on the order, and changes must be made due to safety reasons, Intercomp 24 may charge an administration fee to affect any changes to the documentation.
3. Contractual Terms and condition for payment
- The invoice format will state the 3rd party address and details, product, quantity, tariff, number of days of storage and total amount owing to Intercomp 24. The details of Intercomp 24 will also be displayed on the invoice. The invoice will be a valid tax invoice in compliance with SARS requirements.
 - The invoice will be issued once the order from the 3rd party is received and the quantity and number of storage days have been confirmed.
 - Payment must be made by electronic transfer only
 - Payment must be made on the same day of receipt of the invoice.
 - Intercomp 24 will only take receipt of product into storage when the payment has been confirmed by our bank.
 - Payment for storage will be upfront with NO exceptions made.
- It is the responsibility of the 3rd party to arrange their own cover for insurance liability and other cost.
- Any party seeking to utilize the storage facilities of Intercomp 24 must provide written proof that it is registered as a Wholesaler. A contract will be set up between a 3rd party seeking storage an Intercomp 24.
4. Technical requirement for access to the storage facility
- The vehicle delivering or collecting product to or from the storage facility must comply with – SANS 10231:2010; SANS10187-8:206 SANS 1518:182008; National Road Traffic Act Regulations: BP fleet vetting protocols to obtain a safe loading pass; Any other local or National standard required by law not stated above.
 - The driver delivering or collecting product to or from the storage facility must comply with - National Road Traffic Act No.93 of 1996. Road Traffic Act Regulations; SANS 10231:2010; Hazardous Substances Ac,1973; Be trained in the handling of Dangerous Goods: Have a valid Hazchem certificate: Be in possession of a valid and correct license code and PDP for the class of vehicle he is driving. Have a valid medical certificate. Be trained at a Department of Transport approved training body. Any other local or National standard required by law not stated above.

- Other requirement – SANS 10232-1:2007; SANS 10232-3:2007; SANS 10232-4:2004; SANS 10228:2010 Hazardous substances Act 1973; Occupational Health and Safety Act 85 of 1993; National Road Traffic Act No 93 of 1996. Any other local or National standards required by law not stated above.
 - Drivers must provide proof of training done in accordance with the law on transportation of dangerous goods. Training must be done by a training body approved by the Department of Transport. This training is requirement by law.
 - o Training required by Intercomp 24
 - Valid Medical certificate
 - Code EC license with PDP
 - Dangerous Goods training on Unit Standard 123259: Comply with legal documentation: Apply Safety Standards: Fire Fighting and Protective Equipment.
 - The driver must be in possession of the National Certificate in Professional Driving: Convey Dangerous Goods: in terms of Chapter VII – Regulation 280 of the National Road Traffic Act 93 of 1996
 - Task Procedure –Vehicle filling at a bulk depot
 - Task Procedure – Bulk depot delivery
 - Fatigue Management
 - Hijack Awareness training.
 - Defensive Driving – Theory and Practical.
 - Spill Reduction Intervention
- The driver must sign an indemnity and agreement to abide by the rules and regulations of the relevant depot before entering the storage facility.
5. Process to be followed by third parties when requesting access
- a) Applications must be done in writing on a letter head of the 3rd party applying for storage and by completing the application form
 - b) The application must include the volume, period of storage and the grade of fuel to be stored.
 - c) Intercomp 24 require certified copies of the following documents for their records, vetting and screening purposes:
 - a. Wholesale License
 - b. Certificate of Registration
 - c. Close Corporation –CK1
 - d. Company – Certificate of Incorporation
 - e. Trust – Trust Master’s Certificate
 - f. Sole Trader- Copy of identity document
 - g. Identity Document
 - h. Vat Registration Document

i. Tax Clearance Certificate

d) Sonja Fourie

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- e) Correspondence can be done via e-mail, fax, registered mail or telephone
- f) Applications will be answered within 21 days of receipt thereof

Intercomp 24 reserves the right to make changes to this document from time to time as procedures and circumstances change.