

Engen Petroleum Limited's Allocation Mechanism for Third Party Access to Petroleum Storage Facilities

March 2012



ENGEN

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SCHEDULE OF ANNEXURES

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1. Nature and purpose of this document

- 1.1. This document records the terms on which the Company would in general be willing to allow third parties access to Uncommitted Capacity in its Facilities, subject to negotiation of a satisfactory agreement, for storage of that third party's Products.
- 1.2. To the extent that it is a condition of the Licence for a Facility that third parties must have such access to that Facility, this document records the Company's allocation mechanism issued pursuant to section 3 of the regulations made in terms of the Act by GNR.342 of 4 April 2008.
- 1.3. This Allocation Mechanism complies with sub-regulation 3(8) of the Regulations, and it includes:
- (a) a tariff schedule;
 - (b) contractual terms and conditions regarding use and payment;
 - (c) technical requirements for access to the storage facility; and
 - (d) the process to be followed by a third party when requesting access.
- 1.4. The allocation mechanism described in this document is based on the "Allocation Mechanism Guidelines for Third Party Access to Petroleum Storage Facilities" as published by NERSA, dated 26 November 2009.
- 1.5. The annexed subsidiary documents, listed in clause 12 hereof, form part of this document, and (except to any extent that the context indicates a contrary intention) references to "this document" include all such annexures.

2. General principles

- 2.1. All Product received is required to be fit for purpose and fungible with all Product in storage at any time to allow the Company to meet its obligation to ensure that all Product withdrawn from any Facility can be sold in compliance with the Product specifications in force at any time and place
- 2.2. To ensure compliance with sub-clause 2.1, Engen requires all Product delivered to a Facility to comply with Engen's Pipeline Delivery Specification (EPDS) or Distribution Depot Specification (EDDS) (as appropriate), attached as Annexures 6 and 7. Note that there may be a unique specification value for each Product for each Facility, failing which the EPDS or EDDS applies.
- 2.3. Subject to the other provisions of this document, the Company will not discriminate unfairly against any Applicant regarding access, tariffs, conditions or service.

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- 2.4. Where more than one Applicant seeks access to a Facility at any time, the Company will in general give priority to Applicants according to the order in which they have made application to the Company for such access and paid for the storage applied for.
- 2.5. Notwithstanding the provisions of sub-clause 2.2, the Company may depart from the queuing principle there mentioned to the extent that objectively justifiable considerations of fairness and equity or of operating efficiency may otherwise require.
- 2.6. Without limiting the scope of sub-clause 2.3, an Applicant who does not utilise the storage applied for (even if paid for) may lose its place in the queue to later Applicants who have paid for the storage for which they have applied and are ready to utilise that storage.
- 2.7. No right of access to a Facility granted by the Company to a User may be ceded or otherwise transferred by the User to anyone else, nor may the User use such access for the storage of Product belonging to anyone other than the User exclusively.
- 2.8. The Company shall not be obliged to grant any third party access to a Facility—
- (a) if that third party has previously breached any agreement with the Company for access to any Facility;
 - (b) unless that third party is the holder of a valid wholesale licence issued under the Petroleum Products Act, No 120 of 1977.
- 2.9. The Company may reasonably limit or prescribe—
- (a) the quantity of any Product that may be stored for a third party at any Facility, including minimum and maximum volumes, by Product;
 - (b) the frequency of retrievals and/or minimum and maximum quantity of any retrieval of any Product;
 - (c) the frequency of supply and/or minimum and maximum quantity of any supply of any Product;
 - (d) acceptable modes of supply and withdrawal of any Product;
 - (e) the quantity of any Product that may be supplied or withdrawn in any hourly, daily, weekly, monthly or other period.

3. **Alterations and additions**

- 3.1. The Company may at any time and from time to time alter or add to the provisions of this document.

3.2. Every such addition or alteration shall be binding on actual or prospective Applicants and Users: Provided that no such alteration or addition shall have the effect of varying any contractual provisions then in force between the Company and any such party which the parties thereto have in writing agreed will not be affected by changes to this document.

4. **Applications**

4.1. An Applicant must furnish such written particulars and documentary evidence, and must sign such forms and other documents, as the Company may for the time then being reasonably required.

4.2. The Company will furnish any Applicant with its then current requirements for applications for access.

5. **Definitions**

5.1. Unless defined otherwise hereunder, any word or words used in this document take the meaning defined in the Petroleum Products Act, No 60 of 2003.

5.2. In this document, except to the extent that the context indicates a contrary intention, the following expressions shall have the meanings respectively ascribed to them:

- (a) "Act" means the Petroleum Pipelines Act, No 60 of 2003 and (where consistent with the context) includes the Regulations made under the Act;
- (b) "Applicant" means a third party applicant for access to a Facility;
- (c) "Authority" means the National Energy Regulator established by section 3 of the National Energy Regulator Act, 2004;
- (d) "Company" means Engen Petroleum Limited, company registration number 1989/003754/06;
- (e) "Facility" means a storage facility as defined in the Act (including its auxiliary equipment) that is or is intended to be used by the Company for the bulk storage of Products and for which the Company holds a Licence;
- (f) "Licence" means a licence issued by the Authority to the Company for any Facility;
- (g) "Party" means individually the Applicant and the Company and "Parties" means the Applicant and the Company jointly;
- (h) "Products" means—

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- (i) petrol and diesel grades permitted in terms of the Regulations regarding Petroleum Products Specifications and Standards published as Government Notice R.627 of 23 June 2006;
 - (ii) illuminating paraffin;
 - (iii) Jet A-1;
 - (iv) Avgas;
 - (v) Bulk lubricants;

and "Product" means any of them;

- (i) "Uncommitted Capacity" in relation to any Facility and any Product means uncommitted capacity for that Product in that Facility that is not required to meet the Company's own operational requirements or its contractual obligations to others, as determined by the Authority pursuant to the Act, and failing such determination by the Authority, as determined by the Company;
- (j) "User" means a third party that has been granted, and is for the time then being, utilising storage capacity in a Facility.

6. **Tariff Schedule**

6.1. Company Storage Facility Tariffs

- (a) The Company applied for a maximum tariff for each of its storage Facilities (refer Annexure 1 - attached tariff sheet). These tariffs are subject to approval by the Authority, and will be charged according to total throughput volume. Tariff reduction tables are applicable at selected licenced Facilities.
- (b) Tariffs charged by the Company are exclusive of Value Added Tax (VAT).

6.2. Subject to the provisions of sub-clauses 3.2 and 6.3, the Company's charges for third party storage shall be as set out in the tariff annexed hereto as Annexure 1.

6.3. Notwithstanding the provisions of sub-clause 6.2, to the extent that it is a condition of the Licence for a Facility that third parties must have access to that Facility, and that the Authority has approved a mandatory tariff for that Facility and the Product concerned, the charges set out in that mandatory tariff shall apply.

7. Contractual Terms and Conditions for Use

This Allocation mechanism consists of conditions of use, *which include*:

- storage capacity scheduling and planning;
- volume to be stored;
- petroleum type and quality;
- custody of petroleum; and
- amendments to documentation.

7.1. Storage capacity scheduling and planning

The Company shall produce a set of rules for the planning and scheduling of third party deliveries and retrievals, the particulars of which shall depend on the operational requirements of the Applicant concerned and the extent to which the Company can accommodate such requirements. Such rules shall be specific to each Applicant, and be part of the contract between the Parties.

All scheduling and planning details, including amendments to delivery documentation, shall be specified in the separate agreement as per sub-clause 10.6. "Amendments" mean changes to documentation of a planned delivery or changes to documentation after a delivery to a storage facility.

Where an Applicant requires access at more than one Facility, the rules for planning and scheduling at different Facilities may be integrated into a combined procedure.

(a) Delivery of Products to a Facility

- (i) Where a Facility is served by a Transnet pipeline for Products, no User's Product shall be taken into storage at that Facility except by a Transnet pipeline.
- (ii) To the extent that a Facility is not served by a Transnet pipeline for Products, no User's Product shall be taken into storage at that Facility unless and until the User proves to the reasonable satisfaction of the Company that the Product complies with EDD (Receiving). For the avoidance of doubt, the User's quality assurance system must be capable of demonstrating that Product in each compartment of every road or rail delivery vehicle, or sea-going vessel, complies with the relevant specification.
- (iii) The provisions of sub-clause 7.1(a)(ii) are for the benefit of all Users and the Company, and failure by the Company to detect contamination of a Product or its failure to meet specifications shall in no way affect the indemnification promised by the Applicant in sub-clause 7.3(a)(ii).

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- (iv) The Company shall specify a reasonable window within which a particular quantity of a Product that it has agreed to store may be delivered. The Company shall have no obligation to accept any delivery in respect of any quantity outside that window or materially different from the agreed quantity. For the avoidance of doubt, all costs incurred in ensuring delivery takes place (during the delivery window, or at all, and inclusive of waiting time) are for the account of the User.
 - (v) The Company shall not be obliged to accept delivery of any Product—
 - (A) except by such means as are to its reasonable satisfaction and in accordance with the Company's standard procedures for receipt of that Product in effect for the time then being;
 - (B) unless the Applicant has concluded an agreement in writing with the Company for the delivery, storage and retrieval of the Product concerned.
 - (vi) Should an Applicant fail in whole or part to deliver the agreed quantity of any Product for storage at a Facility, it shall not be entitled to any refund or credit in respect of the unutilised storage. Nevertheless, the Company shall use reasonable efforts to make the unutilised storage available to others, and shall credit the Applicant with the amount so recovered in respect of the unutilised storage less a reasonable share of that amount.

(b) Capacity allocation rules

The allocation of Uncommitted Capacity will be based on the following principles:

- (i) 'First come, first serve' principle: Engen will consider applications by third parties for access to Uncommitted Capacity on a first come, first serve basis.
- (ii) 'Use it or lose it' principle: Third parties will be expected to utilise the granted capacity, as per the agreed contract. Failure to do so will result in the third party losing the capacity and it being allocated to another party.
- (iii) High volume customers: Preference will be given to high volume customers when allocating capacity.

7.2. Volume to be stored

(a) Uncommitted capacity

(i) Uncommitted capacity refers to the available volume and throughput per product tank group that is not:

(A) Used by the facility owner and co-owners;

(B) Contracted out Users in respect of tank or tank capacity.

(ii) Uncommitted Capacity in a facility can change in the short, medium and long term due to:

(A) Increase / decrease in the Product demand from the facility owner/co-owners/existing contracted non-owners;

(B) Tank changes / requirements due to new and/or additional Products (new grades);

(C) Infrastructure, including tanks taken out of commission for maintenance;

(D) Supply chain infrastructure changes:

Inbound into the facility;

Outbound loaded through various modes of transport.

(E) Seasonality in supply and demand on all product grades;

(F) Delays / interruptions in the Product supply chain that will impact on the cycle and safety inventory;

(G) Regulatory changes.

(iii) Product from non-owners of the Facility must adhere to:

(A) Facility access specifications requirements;

(B) Product technical specifications;

(C) HSEQ requirements.

(b) Products to be stored at Facility (Table 1)

The Products listed below are those Products currently available at the relevant licenced Facilities. Please be aware that the Product range may, at the time of application for third party access, be subject to change.

NERSA License no.	Engen Storage Facility (Depots and Terminals only)	Products to be stored	Applications to be addressed to:
PPL.sf.F3/13/20/2006	Bethlehem Pipeline Terminal	LRP93, ULP93, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/6/2006	Bloemfontein Depot	LRP93, ULP93, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/7/2006	Cape Town Terminal (Montague Gardens)	LRP95, ULP95, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/8/2006	Durban Terminal (Wentworth)	LRP93, ULP93, LRP95, ULP95, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/1/2006	East London Ocean Terminal	ULP93, LRP95, ULP95, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/9/2006	Johannesburg Pipeline Terminal (Langlaagte)	LRP93, ULP93, ULP95, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/2/2006	Klerksdorp Pipeline Terminal	LRP93, ULP93, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/3/2006	Kroonstad Pipeline Terminal	LRP93, ULP93, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/10/2006	Makhado Depot	LRP93, ULP93, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/42/2006	Mokopane Depot	ULP93, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/11/2006	Port Elizabeth Harbour (Dom Pedro Jetty)	LRP95, ULP95, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/12/2006	Pretoria Pipeline Terminal (Waltloo)	LRP93, ULP93, ULP95, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/13/2006	Upington Depot	ULP93, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/6/2006	Witbank JV Pipeline Terminal	ULP93, ADO, IK	Operations Strategic Manager
PPL.sf.F3/13/34/2006	Hoedspruit Depot		Operations Strategic Manager
PPL.sf.F3/13/16/2006	Aliwal North Agency	Petrol, Diesel, IK	National Sales Manager 3 rd Party Marketing
PPL.sf.F3/13/18/2006	Bela-Bela Agency	Petrol, Diesel, IK	National Sales Manager 3 rd Party Marketing
PPL.sf.F3/13/19/2006	Benoni Agency	Petrol, Diesel, IK	National Sales Manager 3 rd Party Marketing
PPL.sf.F3/13/21/2006	Bloemhof Agency	Petrol, Diesel, IK	National Sales Manager 3 rd Party Marketing
PPL.sf.F3/13/22/2006	Bothaville Agency	Diesel, IK	National Sales Manager 3 rd Party Marketing
PPL.sf.F3/13/23/2006	Bultfontein Agency	Diesel, IK	National Sales Manager 3 rd Party Marketing
PPL.sf.F3/13/24/2006	Caledon Agency	Petrol, Diesel	National Sales Manager 3 rd Party

			Marketing
PPL.sf.F3/13/25/2006	Cedarville	Petrol, Diesel, IK	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/26/2006	Citrusdal	Diesel	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/27/2006	Coligney	Diesel	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/28/2006	Creighton	Petrol, Diesel, IK	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/29/2006	Delareyville	Diesel	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/30/2006	Elliot	Petrol, Diesel, IK	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/31/2006	Empangeni	Petrol, Diesel, IK	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/32/2006	Ficksburg	Not currently operational	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/33/2006	Frankfort	Not currently operational	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/35/2006	Hopetown	Diesel	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/36/2006	Komatipoort	Not currently operational	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/37/2006	Koppies	Diesel, IK	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/38/2006	Leslie	Diesel	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/39/2006	Lichtenburg	Petrol, Diesel, IK	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/40/2006	Lutzville	Diesel, IK	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/41/2006	Mafikeng	Petrol, Diesel, IK	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/43/2006	Malmesbury	Diesel	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/44/2006	Marquard	Not currently operational	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/45/2006	Middelburg	Petrol, Diesel, IK	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/46/2006	Moorreesburg	Petrol, Diesel, IK	National Manager 3 rd Party Sales Marketing
PPL.sf.F3/13/48/2006	Musina	Not currently operational	National Manager 3 rd Party Sales Marketing

PPL.sf.F3/13/49/2006	Petrus Steyn	Diesel	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/52/2006	Queenstown	Petrol, Diesel, IK	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/53/2006	Schweizer Reneke	Petrol, Diesel	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/54/2006	Senekal	Diesel	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/55/2006	Standerton	Petrol, Diesel, IK	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/56/2006	Thabazimbi	Petrol, Diesel, IK	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/57/2006	Viljoenskron	Diesel	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/58/2006	Vrede	Diesel	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/59/2006	Vredenburg	Diesel	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/60/2006	Vryburg	Petrol, Diesel, IK	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/61/2006	Vryheid	Diesel, IK	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/62/2006	Welkom	Petrol, Diesel, IK	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/63/2006	Wolmaranstad	Petrol, Diesel, IK	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/64/2006	Worcester	Petrol, Diesel, IK	National Manager 3 rd Party Marketing	Sales
PPL.sf.F3/13/65/2006	Cape Town Distribution Centre	Lubricants	Supply Chain Manager: Lubes & Special Products	
PPL.sf.F3/13/66/2006	Isando Distribution Centre	Lubricants, Avgas	Supply Chain Manager: Lubes & Special Products	
PPL.sf.F3/13/69/2006	Bloemfontein Airport	Avgas	Aviation Manager	
PPL.sf.F3/13/70/2006	Kimberly Airport	IK	Aviation Manager	
PPL.sf.F3/13/71/2006	Upington Airport	Avgas	Aviation Manager	

Where:

LRP93	Lead Replacement Petrol 93 Octane
ULP93	Unleaded Petrol 93 Octane
LRP95	Lead Replacement Petrol 95 Octane
ULP95	Unleaded Petrol 95 Octane
ADO	Automotive Diesel
IK	Illuminating Kerosene

(c) Temperature and density

- (i) The Company may apply its usual procedures at the Facility concerned for the adjustment of volumes based on temperatures and densities of Products delivered to the Facility or retrieved and dispatched from the Facility.

7.3. Petroleum type and quality

(a) Quality warranty

- (i) The Applicant warrants that any Product delivered to a Facility for storage on its behalf will be free from contamination and will comply with the applicable EDDS for that Product in effect at the time of delivery of that Product to the Facility. The foregoing is subject to, and shall in no way derogate from, the provisions of sub-clause 7.4(a)(iii). For more information regarding the different Product specifications, please refer to the attachments, named 'ENGEN Distribution Depot Specifications.
- (ii) The Applicant shall keep the Company indemnified against all losses and liabilities sustained or incurred in consequence of any defect in the quality of the Product delivered to a Facility by or on behalf of the Applicant. The Applicant shall bear the burden of proof that a defect in the quality of any Product in storage in that Facility, with which Product delivered by or on behalf of the Applicant was mixed, was not caused by a defect in the quality of the Product delivered by or on behalf of the Applicant.

7.4. Custody of petroleum

(a) Products

- (i) Product delivered by or on behalf of a User, which is stored with other Product in storage in a Facility (whether in the same tank or not), becomes the property of the Company. The User acquires a right to receive a quantity of that Product equivalent to the quantity delivered by or on behalf of the User, less a reasonable allowance for storage losses and, if applicable, less a reasonable allowance for unpumpables, calculated in accordance with the Company's usual practice.
- (ii) A User shall bear the risk of loss or contamination of or other damage to the Product stored by the Company, in the proportion that the quantity so delivered by it or on its

behalf bears to the total quantity of Product, and its right to receive a quantity of that Product in terms of sub-clause 7.4(a)(i) shall be reduced or extinguished accordingly.

- (iii) The Company shall not be obliged to take any Product into storage at a Facility for any User that is not fungible with the relevant Product or does not meet the EDDS.

(b) Retrieval of Product

- (i) A User shall not be entitled to require retrieval of any quantity of any Product except in accordance with a written agreement concluded with the Company.

- (ii) The Company shall retrieve all Product on behalf of the User in accordance with mode(s), frequency and quantities agreed with the User in the agreement.

- (iii) The Company shall on request by a User test Product about to be retrieved at the cost of the User. The request by the User must specify the Product quality tests which must be performed. If the required test cannot be performed at the Facility, for whatsoever reason, such test shall be performed by an agreed outside testing facility at the cost of the User. Should the Product not comply with EDDS the User shall have no obligation to take delivery of it. Should the User decline to take such Product, the Company shall, at its discretion, either provide the User with the same quantity of the same Product from another source, or credit the User with an amount equal to the value of the Product concerned calculated at the Company's wholesale list price at the Facility.

- (iv) Should the User not have retrieved its entitlement of the Product concerned prior to expiry of the agreed storage period for that quantity of that Product—

- (A) and should the capacity taken up by that quantity (or any of it) be required by the Company for its own operational requirements or be committed contractually to anyone else, the Company may dispose of that quantity to the extent necessary in such reasonable manner as it deems fit;

- (B) the User forfeits all entitlement to the quantity not so retrieved.

(c) Security

- (i) The right of a User to retrieve any stored Product (including the right to receive a quantity of Product in terms of sub-clause 7.4(a)(i) is ceded to the Company as security for whatever claims the Company may have against the User.
- (ii) The Company shall be entitled to take reasonable steps to realise such security without recourse to the courts should a claim by the Company against the User become due but not be paid promptly.

8. Contractual Terms and Conditions for Payments

8.1. Payments

- (a) Save to any extent to which the Company may in its absolute discretion have granted an Applicant applicable credit facilities, payment for storage must be made in advance of utilisation of any storage applied for.
- (b) All payments to the Company must be made by transfer of funds into the following bank account:
Bank: Standard Bank
Branch and code: Adderley Street Branch 020009
Account number: 070192847
Account name: Engen Petroleum Ltd
- (c) The User shall ensure that each payment is identified in such manner as the Company may from time to time require. Unless and until otherwise required, the User shall use the customer account number allocated by the Company to the Applicant as the reference for such payment.

9. Technical Requirements for Access to the Storage Facility

9.1. Technical requirements

- (a) Every User undertakes to ensure that he and all of his employees, agents, contractors (and their employees) and sub-contractors (and their employees) comply with the following standards as per the Company policy:
 - (i) Correct use of personal protective equipment as set out in Annexure 2;
 - (ii) bulk load rack training on the loading of bulk vehicles as set out in Annexure 3;

- (iii) vehicle safe loading standards as set out in Annexure 4;
 - (iv) All training must be documented. The User will sign acknowledgement of the training as well as the fact that they understand the training.
- (b) All bulk vehicle drivers must have the following information on them at all times when entering the Facility, failing which they may be denied access to the Facility. Any bulk vehicle driver not in possession of the following documentation when in a Facility is liable to be expelled from it:
- (i) a current medical certificate indicating that the driver is fit to drive the vehicle;
 - (ii) a valid driver's licences with a Public Driving Permit (Dangerous Goods);
 - (iii) a valid and current Facility Induction Card issued by the Company after the driver has satisfactorily completed an induction course required by the Company.
- (c) No parking will be provided for any Users' vehicles outside of the loading rack area or queuing for the loading rack.
- (d) An User is required to sign an acknowledgement of the Occupational Health and Safety Act schedule annexed as Annexure 5.

9.2. Engen Petroleum Limited Facility Induction Process

- (a) All bulk vehicle drivers will undergo the following induction at the Company's facilities. The induction process will include the following, but can be changed from time to time to adhere to the Company HSEQ policy:
- (i) Facility emergency procedures;
 - (ii) Use of cellular phone, including fixed vehicle phones, in the Facility;
 - (iii) Occupational Health and Safety Act information on regarding:
 - (A) Persons under the influence of alcohol;
 - (B) General safety; and
 - (iv) Loading procedures at the gantry (Bulk Load Rack)

- (b) Bulk vehicle drivers that have completed the Facility Induction Process will then be issued with an Induction Card that is valid for 24 months.
- (c) The carrying of fire arms and any other dangerous weapons is strictly prohibited.

10. Process to be followed by Third Parties when requesting access

- 10.1. All enquiries to be directed to the Company's Customer Call Centre;
- 10.2. All applications to be in writing and directed to the relevant persons as per sub-clause 7.2(b);
- 10.3. The application must include, but not limited to, the following information:
 - Applicant's full name;
 - Trading Name;
 - Registration Number;
 - Contact details;
 - Facilities that the Applicant is requesting access to;
 - Product detail;
 - Volume throughput capacity required;
 - Duration of access required;
 - The Applicant must provide at no cost to the Company sufficient information to show that it:
 - Has a quality assurance process (acceptable to the Company) that will ensure that all Product it has procured and has delivered to each Facility will comply with the EPDS or EDDRS (as appropriate);
 - Can procure the Product(s) to the relevant specification;
 - Has secured in principle a means of delivering (at a rate acceptable to the Company) the Product to each Facility in the application;
 - Has secured in principle a means of removing the Product from each Facility in the application within the anticipated storage period requested.
- 10.4. The Company may request the following additional information:
 - Applicants must be in a position to prove financial stability and the Company reserves the right to verify the details provided;
 - Applicants must prove and provide certificates confirming its BEE status as per the Liquid Fuels Charter;
 - Applicants must be willing and able to submit the information to the Company as per the License Conditions imposed by the Authority.
- 10.5. The Company will respond to the Applicant within 15 (fifteen) working days of date of submission of the complete application.

10.6. The successful Applicant will then enter into a separate agreement for the storage of that Applicant's products;

10.7. An Application will only be considered once all the relevant information has been provided.

11. Conclusion

11.1. Waivers and variations

(a) No alteration of or addition to the contents of this document shall be of any force or effect at any time unless then published on the Company's Internet website.

(b) No alteration of or addition to any agreement between the Company and any Applicant or User shall be of any force or effect unless in writing and signed by the Company.

(c) No conduct of the Company not recorded in writing and signed by the Company shall constitute a waiver or novation of any of its rights under this document or any agreement with any Applicant or User.

11.2. Exemption from liability

(a) The following sub-clauses of this clause 11.2 shall be terms of any grant by the Company to any third party of access to any Facility, except to any extent inconsistent with the express provisions set out above or with the provisions of any written agreement between the Company and that third party.

(b) The third party exempts the Company from all liability to it from any cause whatsoever arising out of or in connection with the grant to the third party of access to any Facility, including fault of or in law attributable to the Company.

(c) The third party undertakes to keep the Company indemnified against all liability to anyone else from any cause whatsoever arising out of or in connection with the grant to the third party of access to any Facility, including fault of or in law attributable to the Company.

(d) Notwithstanding the foregoing, such terms shall not exempt the Company from or keep it indemnified against any liability arising out of the own wilful misconduct of the Company.

12. Schedule of Annexures

12.1. Annexure 1 Engen Petroleum Ltd Tariff Schedule

12.2. Annexure 2 Personal Protective Equipment (SI306)

- 12.3. Annexure 3 Loading Procedures for Bulk Delivery Vehicles (SI417A)
- 12.4. Annexure 4 Vehicle Safe Loading Standards (SI426)
- 12.5. Annexure 5 Compliance with Occupational Health & Safety Act, 1993 and Associated Legislation (SI072)
- 12.6. Annexure 6 Pipeline Delivery Specifications
- 12.7. Annexure 7 Distribution Depot Specifications

END OF DCOUMENT