



General Conditions of Purchase

**BP Southern Africa (PTY)
LTD (Reg. No.
1924/002602/07)**

Dated May 2014

1. DEFINITIONS AND INTERPRETATION

1.1. In these General Conditions of Purchase as read together with the Purchase Order (collectively, “the Contract”), the following terms shall have the following meaning:

1.1.1. ‘BP’ and/or ‘BPSA’ shall mean BP Southern Africa (Pty) Limited Registration Number 1924/002602/07.

1.1.2. ‘BP Code of Conduct’ means BP’s code of conduct, as displayed at <http://www.bp.com/en/global/corporate/sustainability/our--people-and-values/our-code-of-conduct.html>), as may be amended from time to time.

1.1.3. ‘BP Policies’ includes but is not limited to BP’s policies as amended from time to time, on black economic empowerment, ethical conduct, health and safety, travel and information security and includes the BP Code of Conduct.

1.1.4. ‘Facilitation Payments’ shall include infrequent payments made to a Public Official to facilitate routine, non-discretionary governmental actions that: (i) the Public Official ordinarily performs; and (ii) BP is entitled to under the laws of the relevant country.

1.1.5. ‘General Conditions of Purchase’ means this document, together with all annexures, appendices and schedules, if any, thereto.

1.1.6. ‘Goods and/or Services’ shall mean any goods, services and other items to be provided by the Supplier as detailed in the Purchase Order.

1.1.7. ‘Governmental Body’ shall include, in relation to the Republic of South Africa or in any country where business will be conducted or services rendered in connection with this PO:

1.1.7.1. any government or any department, agency or instrumentality thereof;

1.1.7.2. any government-owned or controlled company, any company, agency, body, entity or of any enterprise in which a government owns an interest; and/or

1.1.7.3. any public international organization

1.1.8. ‘Public Official’ shall include (i) any minister, civil servant, director, officer or employee or other official of any government or any department, agency or body, and/or of any government-owned or controlled company, any company or enterprise in which a government owns an interest of more than thirty percent, and/or of any public international organization; (ii) any person acting in any official, legislative, administrative or judicial capacity for or on behalf of any government department, agency, body, or public international organization, including without limitation any judges or other court officials, military personnel and customs, police, national security or other law enforcement personnel; and (iii) any close family member of any of the foregoing. For avoidance of doubt, the term "Public Official" shall include all directors, officers and employees of the Department of Energy, Petroleum Oil and Gas Corporation of South Africa (SOC) Limited and Transnet SOC Limited.

1.1.9. ‘Purchase Order’ or ‘PO’ means the completed purchase order document issued by BP together with any documents referred to therein, which will be read together with these General Conditions of Purchase.

1.1.10. ‘Restricted Party’ means any person who is identified from time to time by any government or legal authority under applicable trade sanctions, export controls, anti-money laundering, non-proliferation, anti-terrorism and similar laws as a person with whom trade or financial dealings and transactions by BP and/or its affiliates are prohibited or restricted.

1.1.11. ‘Sales Tax’ means any applicable national, provincial and local sales and value added taxes and other similar taxes.

1.1.12. ‘Site’ shall mean the premises at which the Goods and/or Services are to be delivered, as notified by BP from time to time.

1.1.13. 'Supplier' or 'Contractor' means the person, partnership, close corporation or company named in the Purchase Order.

1.1.14. 'Withholding Tax' means any fee, tax charge or deduction of whatever nature imposed by the fiscal authorities in the country of tax residence of BP or the location where the Goods and/or Services are to be delivered on any sum payable by BP to the Supplier for the fees under this Contract.

1.2. In the event of any conflict between these General Conditions of Purchase and the provisions of the completed PO, the former shall prevail. Any amendment to the Contract shall only be valid and effective if implemented in writing by way of a contract amendment template signed by the parties, which contract amendment template shall be required to be in a format provided by and agreed to by BP from time to time.

1.3. Notwithstanding the termination of this Contract, the provisions that should naturally survive such termination, which shall include clauses 1, 5, 6, 11, 12, 18, 20, 21, 22, 23, 24, 25, 28, 29 and 31, shall survive the termination of this Contract.

2. AGREEMENT

BP agrees to purchase the Goods and/or Services from the Supplier, on a non-exclusive basis, and the Supplier agrees to supply the Goods and/or Services in accordance with the Contract. The Contract will commence on the date specified in the PO and shall endure for the period specified in the PO, subject to any early termination provisions contained in this Contract. If no commencement date is mentioned in the PO, the Contract will commence on the issuing of the PO by BP to the Supplier. Where no termination date has been specified in the PO, the Contract shall terminate once all the Goods and/or Services have been delivered or rendered, as the case may be, to BP's satisfaction.

3. PURCHASE ORDER PRICE

In full consideration of the satisfactory provision of the Goods and/or Services, BP shall remunerate the Supplier in accordance with the rates and prices stipulated in the PO. These rates and prices shall represent the Supplier's full entitlement for the Goods and/or Services supplied under this Contract. Extra charges submitted in respect of this Contract will not be accepted without the issue of a formal amendment to the Contract, as contemplated in clause 1.2 above.

4. INVOICING AND PAYMENT

4.1. BP shall pay for the Goods and/or Services upon receipt of a paper invoice in accordance with clause 4.2.

4.2. The Supplier shall, subject to the provisions of clause 4.5 below, submit valid tax invoices in respect of the Goods and/or Services delivered as appropriate, within no later than 5 days of the end of the calendar month to which the invoice relates.

4.3. All invoices shall be supported by the relevant substantiation document as appropriate to evidence the sums shown.

4.4. Invoices shall be submitted in the name of BP Southern Africa (Pty) Limited, bearing the PO number and addressed to:

Accounts Payable
PO Box 2002
Roggebaai
8012
Cape Town
South Africa

4.5. In respect of Goods, invoices shall accompany the delivery note. In respect of Services, invoices shall be submitted in accordance with the agreed payment schedule. The Supplier shall ensure that it submits all invoices to BP within the time period specified in in clause 4.2 above.

4.6. Subject to BP's approval, and unless stated to the contrary in the PO document, payment will be effected in the currency stated in the Contract, within thirty (30) days from the date of receipt of a valid invoice. Payment is deemed to have been made when the order of payment is received by the Supplier's bank.

4.7. Further reference should be made to full tax terms set out in clause 5, which shall apply to all charges invoiced under this Contract as if stated in full in this clause 4.7.

4.8. Statements covering all invoices submitted under this Contract shall be submitted monthly to:-

Accounts Payable
PO Box 2002
Roggebaai
8012
Cape Town
South Africa

4.9. Each invoice shall as a minimum contain the following information:

4.9.1. the name, address and VAT number of the Supplier;

4.9.2. The date(s) when the Services were rendered and a detailed statement of the hours or days worked for which payment is claimed;

4.9.3. The amount charged, including fees and disbursements in South African Rand denomination;

4.9.4. PO number; and

4.9.5. BPSA VAT number.

4.10. BP may, in good faith, dispute any charges and withhold payment of the disputed charge until the parties have settled the dispute. The Supplier may not suspend its performance if BP withholds payment in terms of this clause 4

5. TAX RESPONSIBILITIES AND INDEMNITY

5.1. The Supplier shall pay all taxes properly and lawfully assessed or imposed on the Supplier by any competent tax authority in connection with the performance of the Contract.

5.2. On request, the Supplier shall supply to BP such information as BP may reasonably require to comply with any tax laws (including but not limited to, any claim for any allowances or relief's or to contest an assignment on or liability for tax).

5.3. The Supplier shall indemnify BP and hold BP harmless from and against any loss, liability, damage or claim including but not limited to legal costs incurred by BP as a result of breach by the Supplier of any of the obligations under this clause 5 and all actions, proceedings, claims, damages, charges, costs and expenses whatsoever in relation thereto.

5.4. All charges for Goods and/or Services provided in accordance with the PO are exclusive of any applicable Sales Tax.

5.5. BP shall where required by law deduct Withholding Tax on all amounts payable under the PO and it shall forward the relevant withholding or deduction certificate or certificates as soon as reasonably practicable and in any event within 180 days of the withholding or deduction of the relevant tax to the Supplier.

6. WARRANTIES

6.1. The Supplier warrants that all Services shall be provided with reasonable care and skill and in accordance with generally recognised commercial practices and standards by appropriately trained and qualified Personnel and that any Goods provided under this Contract shall:

- 6.1.1. conform to any specification therein;
- 6.1.2. be of satisfactory quality, free from defects and fit for their intended purposes (whether such purpose is implied or expressly stated in the PO);
- 6.1.3. be suitable for use by BP, including if applicable, inclusion in BP products; and
- 6.1.4. not infringe any intellectual property rights of any third party.

6.2. The Supplier shall, with all possible speed and without cost to BP, re-perform the Services and/or replace or repair any of the Goods or any part thereof if the whole or any part of the Goods and/or Services fail to meet the warranties set out in clause 6.1. This warranty will continue in effect for the following periods, unless stated to the contrary in the PO:

6.2.1. In the case of Goods and/or Services - the expiry of a twelve month period commencing on the date of delivery of the Goods to BP or date of completion of the Services; or

6.2.2. In the case of Goods to be commissioned - the expiry of a twelve month period from the date of commissioning or eighteen months from the date of delivery, whichever is the shorter.

6.3. BP shall promptly inform the Supplier in writing of any Goods and/or Services that fail to meet the warranties set out in clause 6.1. Without limitation, the Supplier shall reimburse any transportation costs and any other charges incurred by BP in re-performing or repairing or replacing the Goods and/or Services.

6.4. BP's rights hereunder are in addition to and not in substitution of any express, implied statutory or other rights.

6.5. The Supplier undertakes to exercise the utmost care and skill in all aspects of the provision of the Services and will exercise the utmost good faith in its dealings with BP. The Supplier will do nothing, or allow anything to be done, which is likely to prejudice the goodwill and reputation of BP.

7. INSPECTION AND TESTING

Goods and/or Services shall strictly comply with the requirements and specification set out in the PO and the relevant industry standards. BP may inspect the Goods and/or Services, or carry out any tests called for in the specification attached to the PO, either during manufacture, before dispatch, at the point of delivery or at any other time.

8. DELIVERY AND OWNERSHIP

8.1. Delivery shall be in accordance with the requirements set out in the PO and the Supplier shall supply Goods and/or Services within any time periods set out in the PO. Strict compliance with such requirements is of the essence of the Contract.

8.2. BP shall return Goods delivered in error or in excess quantity at the Supplier's expense. The Supplier shall, in respect of incorrect deliveries, arrange for prompt redelivery of Goods and/or Services under the Contract at no additional cost to BP.

8.3. Risk in the Goods shall pass to BP upon their delivery into BP's possession. Without prejudice to BP's rights of rejection, title to and ownership of any Goods (and materials in the case of the supply of Services) shall pass to BP on delivery or if earlier when payment or part payment for such Goods or materials is made by BP.

8.4. Where delivery of Goods and/or Services under this Contract is by instalments, each instalment is deemed to be a separate PO.

9. DRAWINGS AND TECHNICAL DATA

Technical information (including drawings, specifications, electronically recorded data, computer programs and calculations) and any intellectual property rights therein developed during or ensuing from the performance by the Supplier of its obligations under the PO shall belong to BP.

10. TERMINATION

Without prejudice to any other rights and remedies of either party under this Contract or otherwise at law, either party may, without penalty, terminate the Contract forthwith by written notice to the other party if:

10.1. Either party breaches any of the terms of this Contract and fails to correct such breach within a period of seven (7) days (or such longer period as the effected party may agree); or

10.2. Either party becomes insolvent, be declared bankrupt or go into interim or final liquidation, or shall pass a resolution for winding up (other than for the purposes of amalgamation or reconstruction) or if a Court shall make an order to that effect, or shall have a receiving order made against it.

11. LIABILITY AND INDEMNITY

11.1. The Supplier shall indemnify BP from and against any and all liabilities for:-

11.1.1. losses, damages, costs, expenses (including legal costs), claims, demands or causes of action arising out of, or in any way connected with the Supplier's performance or non-performance of this Contract;

11.1.2. loss of or damage to the real and personal property of the Supplier's and/or the real or personal property of Personnel; and/or

11.1.3. death, illness or injury to Personnel; and/or

11.1.4. death, illness or injury to any third party (excluding BP's employees) or for loss of or damage to any third party's real or personal property and against all losses, damages, costs, expenses (including legal costs), claims, demands or causes of action resulting therefrom, arising out of any act or omission on the part of the Supplier and/or Personnel, and/or

11.1.5. losses, damages, costs, expenses (including legal costs), claims, demands or causes of action arising out of, or in any way connected with sub-clauses 11.1.2 and/or 11.1.3 and/or 11.1.4 above, howsoever caused, except to the extent caused or contributed to by the negligence of BP and/or its employees or agents, and whether sole, concurrent or contributory; and/or

11.2. BP shall indemnify the Supplier from and against any and all liabilities for:-

11.2.1. loss of or damage to the real and personal property of BP and/or the real or personal property of BP's employees; and/or

11.2.2. death, illness or injury to any employee of BP; and/or

11.2.3. losses, damages, costs, expenses (including legal costs), claims, demands or causes of action arising out of, or in any way connected with sub-clauses 11.2.1 and/or 11.2.2 above, howsoever caused, except to the extent caused or contributed to by the negligence of the negligence of the Supplier and/or Personnel, and whether sole, concurrent or contributory.

11.3. In any event, and save as specifically provided to the contrary in this Contract, in no circumstances shall BP or the Supplier be liable in contract, delict (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise howsoever, and whatever the cause thereof for any loss which may be regarded as special, indirect or consequential.

12. INTELLECTUAL PROPERTY INDEMNITY

The Supplier agrees to indemnify and hold BP harmless from and against any loss, liability, damage or claim including but not limited to legal costs incurred by BP as a result of the infringement or alleged infringement of any patent rights, registered or unregistered design, copyright trademark or name or any other intellectual property rights relating to the Goods and/or Services to be supplied under the PO. Further, at BP's option, the Supplier shall defend at its own expense any suit which if successful would entitle BP to invoke such indemnity.

13. INSURANCE

13.1. The Supplier shall effect and maintain during the term of this Contract and for a period of one (1) year thereafter with an insurance company rated by Standard & Poor's as 'A' rated (or an equivalent rating from another reputable ratings agency approved by BP) or from another reputable insurer approved by BP, insurance adequate to cover all its liabilities as specified in the Contract, and to fulfil any requirements of any Governmental Body or other appropriate bodies.

13.2. In particular the Supplier shall, at no additional expense to BP, effect and maintain insurance covering but not limited to:

13.2.1. public and product (commercial general) liability insurance (or the closest local equivalent(s)) in respect of loss or injury to persons or damage to tangible property;

13.2.2. where required by BP, professional indemnity (errors and omissions) insurance (or the closest local equivalent(s)) in relation to Services;

13.2.3. employer's liability insurance and (where required) workers compensation insurance (or the closest local equivalent(s)) covering all claims and liabilities for which the Supplier becomes legally liable to pay as damages;

13.2.4. motor vehicle third party liability insurance in respect of all motor vehicles used in connection with the Contract, including environmental damage liability where there is a statutory requirement in any jurisdiction in which the Supplier's vehicles are used in connection with the Contract; and

13.2.5. in all cases where Goods or materials purchased await delivery and/or installation at the Site in accordance with clause 8, the Supplier shall take out suitable and adequate insurance to cover the loss or damage to such Goods or materials until such time as the Goods or materials are delivered in accordance with the terms of this Contract.

13.3. In respect of each and every delivery of Goods by road tanker, road truck, rail tanker or iso container, the Supplier shall procure that each and every carrier undertaking such deliveries (whether that be the Supplier or another entity in the Supplier's group of companies or the agents or sub-contractors of any of them) shall have, when in the process of making said deliveries, in force a policy or policies of insurance of a minimum of US\$1,000,000 per claim covering the liabilities of the said carrier(s) in respect of all risks usually insured against by reputable carriers carrying like products, such insurance to include, but not be limited to, cover for environmental damage, third party property damage and personal injury claims arising from the carrier's intentional, reckless or negligent acts or omissions.

13.4. The Supplier shall obtain from its insurers a waiver of all rights of subrogation against BP endorsed upon all such policies of insurance.

13.5. Where policies are effected to meet the requirements of this clause 1, with the exception of employers liability insurance and workers compensation insurance, the Supplier shall ensure that BP is named as additional insured for the purpose of this Contract.

13.6. The Supplier shall, if so requested, provide evidence of all insurances required herein, including any renewals thereof, and shall provide certificates with respect to the policies carried, together with any other relevant information BP may reasonably require.

13.7. Insofar as the Supplier's insurance does not protect sub-contractor(s), the Supplier shall, at no additional expense to BP, effect and maintain the required insurance or procure that its sub-contractor(s) has suitable insurance to the levels required pursuant to this clause 1.

14. HEALTH, SAFETY, SECURITY AND ENVIRONMENTAL PROVISIONS

14.1. The Supplier shall at all times perform its obligations under this Contract in a safe and responsible manner and shall observe and comply with all applicable laws, rules, regulations, industry standards and the relevant BP safety requirements.

14.2. If the Supplier is required to provide Services at the Site, the Supplier shall comply with BP's Health, Safety and Environmental Policy, Regulations and Procedures applicable at the Site, which the Supplier hereby warrants and declares he has read and understood. This shall include but not be limited to the requirements found in Appendix 1.

14.3. The Supplier shall procure that Personnel abide by BP's security regulations and such directions as may be issued by BP's security officers when working at the Site.

14.4. The Supplier agrees to comply with any HSSE audit or assessment as required by BP and the results thereof.

14.5. The Supplier shall be required to communicate BP's HSSE requirements to its Personnel and sub-contractors and shall, upon request by BP, demonstrate to BP's reasonable satisfaction that this has been done and that the HSSE requirements are being followed and implemented by the Personnel and sub-contractors, as required by BP.

14.6. The Supplier shall, as and when required by BP, confirm to BP's reasonable satisfaction that the Personnel and sub-contractors are competent to render the Services in terms of the Contract and that all equipment used by the Supplier in rendering the Services is fit for purpose.

14.7. The Supplier shall duly complete, sign and comply with (and shall procure that the Personnel and sub-contractors complete, sign and comply with), all such HSSE-related documentation as BP may reasonably require to be implemented and/or attended to for purposes of complying with the BP Policies and the applicable law, which documentation may include but not be limited to:

14.7.1. contractor certificates of fitness;

14.7.2. BP health and medical expectation for contractors; and

14.7.3. contractor job and medical specifications.

15. SAFETY OF GOODS

To enable BP to comply with its obligations under applicable health and safety legislation, the Supplier shall provide BP with reasonably requested information about any Goods supplied under this Contract, the use for which they are designed and tested together with additional information which BP may reasonably require and about any conditions necessary to ensure such Goods will be safe and without risk to health when properly handled, stored, transported and used. This information is to be supplied in writing at the request of BP.

16. CODE OF CONDUCT

16.1. In connection with Supplier's performance of this Contract, the Supplier agrees to act consistently with the BP Code of Conduct and to adhere to the principles set out therein including the principles of non-retaliation against "whistle blowers". Any failure to comply with this clause 16 shall be deemed a material breach of this Contract.

16.2. Acceptance by the Supplier of this Contract provides confirmation that the Supplier has familiarised itself with the BP Code of Conduct.

17. COMPLIANCE WITH LAWS AND BP POLICIES

17.1. Compliance with Laws

The Supplier shall observe and abide by and all applicable laws regulations and bye-laws in relation to the supply of Goods and/or Services including any which may come into force during the period of the Contract and shall defend and indemnify BP against any loss, liability, damage or claim including but not limited to legal costs incurred by BP as a result of or in connection with any alleged infringement of such laws, regulations and bye-laws asserted against BP arising out of the performance of the Contract by the Supplier or any of its Personnel.

17.2. BP Policies

17.2.1. In performing its obligations the Supplier must comply with all relevant laws, including but, not limited to the Occupational Health and Safety Act, 85 of 1993 (“OHS Act”). For Services rendered on the Site, the Supplier agrees to comply with and sign the written agreement as contemplated in section 37(2) of the OHS Act, in the format set out in Attachment A to Appendix 1.

17.2.2. The Supplier undertakes to comply with BP Policies and acknowledges that it is obliged to familiarise itself with the BP Policies.

17.2.3. The Supplier warrants that no child, indentured, forced or prison labour shall be used in any aspect of the provision of the Goods and/or Services.

18. ANTI-CORRUPTION AND ANTI-MONEY LAUNDERING

18.1. The Supplier agrees that in connection with this Contract, it will comply with all anti-bribery and corruption and anti-money laundering laws, rules, regulations or equivalent applicable to either the Supplier or BP including, but not limited to, Bribery Act 2010 of the United Kingdom, Foreign Corrupt Practices Act 1977 of the United States of America, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the Prevention of Organised Crime Act 121 of 1998 and the Prevention and Combating of Corrupt Activities Act 12 of 2004 (“Anti-Corruption Laws”).

18.2. The Supplier acknowledges that BP has a zero tolerance policy towards bribery and corruption. The Supplier confirms and agrees that it and its directors, officers, employees and service providers (including but not limited to its sub-contractors, agents and other intermediaries) will not, offer, give, promise to give or authorise the giving to any person whatsoever (including but not limited to private individuals, commercial organisations, Public Officials or any political party, official of a political party, or candidate for public office) (“Person”), or solicit, accept or agree to accept from any Person, either directly or indirectly, anything of value including, without limitation, gifts or entertainment or Facilitation Payments, in order to obtain, influence, induce or reward any improper advantage in connection with this Contract or any other business transactions involving BP (the “Anti-Corruption Obligation”).

18.3. Subject to any relevant data privacy or protection law, the Supplier shall immediately report to BP:

18.3.1. any request or demand received by the Supplier, or any other service provider engaged by the Supplier that could amount to a breach of the Anti-Corruption Laws or Anti-Corruption Obligation; or

18.3.2. any allegations, proceedings or investigations relating to bribery, corruption or money laundering against the Supplier, its directors, officers, employees or its service providers engaged in connection with this Contract.

18.4. The Supplier shall provide BP with such further assurances or certificates that BP may request from time to time and certify annually to BP, in writing signed by an officer of the Supplier, that it and its directors, officers, employees and service providers in connection with this Contract have at all times during the relevant preceding period complied with the Anti-Corruption Laws and Anti-Corruption Obligation. The Supplier shall provide such supporting evidence of compliance as BP may reasonably request.

18.5. The Supplier shall:

18.5.1. maintain at its normal place of business, throughout the term of this Contract and for at least six years following its expiration or termination, detailed books, records and accounts which accurately and fairly reflect all transactions and payments made by the Supplier in connection with this Contract;

18.5.2. maintain an internal accounting controls system that is sufficient to ensure proper authorisation, recording and reporting of all transactions and payments made by the Supplier and is sufficient to ensure, and enable BP to verify, the Supplier’s compliance with Anti-Corruption Laws and the Anti-Corruption Obligation;

18.5.3. have in place, maintain and enforce its own policies and procedures which are designed to ensure, and which are reasonably expected to continue to ensure, compliance with Anti-Corruption Laws and the Anti-Corruption Obligation; and

18.5.4. cooperate with BP where BP requests that the Contractor receives BP Code of Conduct and anti-bribery and corruption training, usually at either BP’s offices or at the Supplier’s place of business, including prior to the commencement of any work or actions related to the Contract.

18.6. The Supplier has read and understood the BP Code of Conduct and agrees to comply with the principles contained in the BP Code of Conduct in connection with this Contract and any other business transactions involving BP.

18.7. Upon request, the Supplier shall permit BP or its duly appointed third party representatives to access, inspect and make copies of books, records and accounts held at the Supplier's premises in order to audit the Supplier's compliance with Anti-Corruption Laws and/or the Anti-Corruption Obligation. In addition, the Supplier shall cooperate and provide all reasonable assistance, including making its books, records, accounts and personnel available, to enable BP to investigate any actual or potential breach of, or perform any activity required by any relevant government or agency in connection with ensuring or verifying the Supplier's compliance with, Anti-Corruption Laws and/or the Anti-Corruption Obligation. The rights set out in this clause shall continue for six years after termination or expiration of this Contract and will be exercised in compliance with all applicable competition laws.

18.8. BP shall have the right to suspend all further services and payments under and/or terminate this Contract, in whole or in part with immediate effect:

18.8.1. if BP reasonably believes in good faith that the Supplier has failed to comply with or breached in any material respect any of the requirements set out in this clause 18; or

18.8.2. where the Supplier or its shareholders, owners, or affiliates become designated as a Restricted Party.

18.9. If BP suspends and/or terminates this Contract for breach of this clause 18, the Supplier shall not be entitled to claim compensation or any further remuneration, regardless of any activities or agreements with additional third parties entered into before termination.

18.10. The Supplier represents and warrants that except as otherwise disclosed in writing to BP, as at the date of execution of this Contract and throughout the term of this Contract:

18.10.1. none of its directors, officers, employees or other service providers in connection with this Contract is a Public Official; and

18.10.2. no Public Official will have a direct or indirect interest in this Contract, the Supplier or other service provider in connection with this Contract or have any legal or beneficial interest in any payments made by BP under this Contract; and

18.10.3. it will promptly notify BP in writing of any change in the foregoing.

18.11. The Supplier represents and warrants that except as otherwise disclosed in writing to BP, neither it nor its directors, officers, or key employees in connection with this Contract have in the last ten years:

18.11.1. been convicted of any offence involving bribery, corruption or money laundering; or

18.11.2. been or are the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence involving bribery, corruption or money laundering.

18.12. The Supplier warrants that in connection with this Contract it shall ensure with respect to any sub-contractor, including but not limited to any sub-agent, representative or other service provider it may engage to act on BP's behalf, that:

18.12.1. it will conduct appropriate due diligence prior to appointing or engaging such sub-contractor to ensure that they are duly qualified to perform the tasks for which they will be engaged and that they are of good reputation; and

18.12.2. it will impose and secure from the sub-contractor, in writing:

18.12.2.1. compliance with Anti-Corruption Laws and the Anti-Corruption Obligation or a similar obligation;

18.12.2.2. audit and inspection provisions substantially equivalent to those imposed on and secured from the Supplier in clause 18.7 such that both BP and the Supplier shall each have the same rights with respect to any sub-contractor (including without limitation the same rights of access to premises, books, records and accounts and personnel of that sub-contractor in respect of inspection and audit) that BP has with respect to the Supplier under this Contract;

18.12.2.3. provisions allowing immediate suspension and/or termination of the subcontract if the sub-contractor fails to comply with Anti-Corruption Laws or breaches the Anti-Corruption Obligation or similar obligation and a provision for automatic termination of the subcontract in the event of, and at the same time as, the termination of this Contract; and

18.12.3. it shall promptly notify BP of any suspected breach of the Anti-Corruption Obligation by the sub-contractor.

18.13. Payments by BP to the Supplier shall only be made by cheque or wire transfer to a bank account of the Contractor in South Africa, details of which shall be given by the Contractor to BP in writing. Such notification shall be deemed to constitute a representation and warranty that the bank account so notified is owned solely by the Supplier and that no person other than the Supplier has any ownership of or interest in such account.

19. RECORDS AND REPORTS

19.1. The Supplier shall maintain complete and adequate records of all its operations under the Contract and shall at all times supply such data and information as will keep BP and its Representatives fully informed of the progress of the Goods and/or Services and of all results currently obtained.

19.2. The Supplier shall from time to time when requested by BP deliver written reports and data to BP and BP shall at all times have complete access to all records and such other data as may be compiled relating to the Goods and/or Services and all such data and records shall be delivered by the Supplier to BP and shall belong exclusively to BP.

20. AUDIT

BP shall have the right to audit the relevant records and accounts of the Supplier in relation to reimbursable items paid for by BP under the Contract at any time until the expiry of twenty four (24) months following the settlement of the final account. Any incorrect payment(s) made by BP shall be adjusted in accordance with the findings of the audit. The Supplier shall make all relevant records and accounts available and give the auditors all reasonable assistance.

21. CONFIDENTIALITY

Unless stated to the contrary, all information obtained by the Supplier in connection with the supply of Goods and/or Services to BP under the terms of the Contract shall be deemed to be confidential information and the Supplier shall ensure that confidential information is not divulged by the Supplier, Personnel or any by any other of its servants or agents to any third party. Notwithstanding the foregoing, the Supplier is granted permission to share such confidential information with such other parties to the extent that such information needs to be shared to enable the Supplier to fulfil its obligations to BP. The obligations under this clause 21 shall continue notwithstanding the completion or termination of the Contract.

22. PUBLICITY

The Supplier shall not publish or permit to be published either alone or in conjunction with any other person any information, article, photograph, illustration or any other material of whatever kind relating to the Contract, or BP's business generally, or make any use of BP's trade marks or logos without prior reference to and approval in writing from BP. Such consent shall apply to each specific application and relate only to that application. Neither party has the right to use each other's brand.

23. ASSIGNMENT AND SUB-CONTRACTING

Neither party shall assign or sub-contract this Contract or any rights, liabilities and obligations hereunder, without the prior written consent of the other, except that BP may assign or sub-contract in whole or in part its rights, liabilities and obligations under this Contract to any subsidiary or associate of BP p.l.c without the prior consent of the Supplier.

24. WAIVER

No waiver by either party of any provision of the Contract shall be binding unless made by formal written amendment to the Contract. Further, any such waiver shall relate only to such matter, non-compliance or breach as it expressly relates to and shall not apply to any subsequent or other matter, non-compliance or breach.

25. ENTIRE AGREEMENT

This Contract sets forth the entire agreement between BP and the Supplier and supersedes all previous communications, representations or agreements, either written or oral, between the parties with respect to the subject matter hereof. No conditions or terms contained in any quotations, offers, acknowledgements, letters, advice notes, delivery notes, invoices or other communications of the Supplier shall annul or vary any of the terms and conditions of this Contract.

26. INDEPENDENT CONTRACTOR

26.1. In the performance of the Contract, it is hereby declared that the Supplier is an independent contractor, and nothing in this Contract shall constitute or be deemed to constitute a partnership between the parties or constitute any party the agent of the other party. All persons introduced by the Supplier during the performance of the Contract shall be regarded as the Personnel of the Supplier alone and all debts, liabilities and obligations of any kind imposed upon or incurred by the Supplier in the performance of the Contract shall be the debts, liabilities and obligations of the Supplier.

26.2. As an independent contractor, the Supplier shall not be entitled to receive, and BP shall have no obligation to provide, health or life insurance, pension or other benefits, workers' compensation or similar payments; nor shall BP be responsible for the payment or withholding of income, employment or other taxes.

26.3. The Supplier shall file all South African Revenue Services tax returns and pay any and all taxes payable with respect to any income received pursuant to this Contract.

26.4. The provisions of this clause 26 shall apply equally to any employees or agents of the Supplier.

27. CONTRACTS (RIGHTS OF THIRD PARTIES)

A party who is not a party to this Contract has no right to enforce any term of this Contract except where expressly stated otherwise and so far as permitted by law.

28. APPLICABLE LAW

The Contract shall be governed by the laws of the Republic of South Africa and the parties submit to the jurisdiction of the South African Courts.

29. REMEDIES

BP's rights and remedies set out in this Contract are not exclusive and are in addition to all other rights and remedies provided by law.

31. NOTICES AND DOMICILIA

31.1. The parties respectively elect their addresses specified in the PO for the purposes of notices and correspondence to be given in terms of this Contract and they respectively elect said addresses as their domicilium citandi et executandi (“domicilium”).

31.2. Any notice required to be given pursuant to the PO shall be in writing and shall be given by delivering the same by hand, or by sending the same by registered post (airmail if to an address outside the country of posting) to the address of the relevant party set out in the Agreement or such other address as either party may notify to the other from time to time. Where a party provides to the other a fax or email address, then any such notice may also be given by fax or email to such address. Any notice given as aforesaid shall be deemed to have been given at the time of delivery (if delivered by hand) or at the time of sending if sent by fax or email or fourteen (14) days after posting if sent by first class post.

31.3. Either party may at any time, by notice in writing to the other party, change its domicilium to any other address in the Republic of South Africa which is not a post office box or post restante.

Clause 31 completes these General Conditions of Purchase(May 2014)

APPENDIX 1

HEALTH, SAFETY, SECURITY AND ENVIRONMENTAL REQUIREMENTS

Definitions

BP HSSE Requirements' means all regulations, requirements, procedures, practices, systems and policies applicable at a BP premises from time to time so far as they relate to HSSE matters, including but not limited to the contents of the BP Local Operating Management System Handbook and all applicable BP operating procedures and practices that apply to the provision of any equipment and the supply of the Goods and/or Services.

General

1. The requirements of this Appendix No.1 apply only in relation to the performance of the Contract by the Contractor and any sub-contractors and Personnel.

THE CONTRACTOR SHALL:

Compliance with HSSE Laws

2. Promptly on request, provide assurance to BP that:
 - a. it has developed, documented, implemented and maintains processes and procedures to deliver compliance with applicable laws; and
 - b. it has complied with and remains in compliance with such laws.
3. Manage products throughout their lifecycle to satisfy applicable laws and promptly communicate potential HSSE impacts of products to BP.
4. Monitor Personnel's understanding and observance of applicable laws and BP HSSE Requirements and apply defined consequences for non-compliance.

Management of Personnel

5. Ensure that Personnel are informed of their duty to stop any work that they consider is unsafe or is likely to cause damage to the environment or will lead to non-compliance with applicable laws or BP HSSE Requirements.
6. Ensure a process is in place that enables Personnel to report in confidence operating concerns and concerns relating to compliance with applicable laws or conformance with BP HSSE Requirements.
7. Support BP's efforts to engage the Personnel as part of BP's Contractor workforce to build continuous improvement culture and behaviours, where those efforts relate to the Contractor and the Personnel.
8. Not tolerate retaliatory action against any Personnel for reporting in good faith to line management or in confidence via any process, operating concerns or concerns relating to legal compliance or conformance to the contractual requirements.
9. When requested by BP to communicate information, messages, policies or other materials to the Personnel:
 - a. communicate such materials to all relevant Personnel promptly and in a manner suited to ensuring that the Personnel will understand and act accordingly; and
 - b. confirm to BP that this has been carried out.

Management of Sub-Contractors

10. Include provisions in sub-contracts that enable the Contractor to demonstrate to BP on request that its sub-contractors and their use in the performance of the Contract are in conformance with all aspects of the Contract so far as they relate to HSSE matters.

Risk Assessment and Management

11. Develop, document, implement and maintain a process to identify, assess, communicate and manage HSSE and operating risks in connection with the performance of the Contract and to confirm with any risk reduction measures in place at any BP premises.

12. Develop, document, implement and maintain processes and procedures to ensure that all Personnel when carrying out any work activity at BP premises or on behalf of BP at third party premises understand and manage HSSE and operating risk to prevent accidents and harm to people, and to reduce damage to the environment.

Provision of the Goods and/or Services

13. Before Personnel carry out any work activity at BP premises or on behalf of BP at third party premises, communicate to BP any information (including changes) as to their planned manner of providing the Goods and/or Services in the possession of the Contractor or its sub-contractors that could be relevant to HSSE at those premises (including risk assessment and crisis or emergency response).

14. Implement and maintain crisis and continuity management plans when carrying out any work activity on behalf of BP at third party premises. These will include procedures from initiation to response and recovery. At site level these plans shall include arrangements for evacuation and, where needed, for initial shelter-in-place.

15. Promptly provide to BP on request documentation on:

- a. learnings which result from internal or external incident investigations including any analysis of events that may impact BP;
- b. other lessons learned through self assessments, audits, management reviews, or project reviews; and
- c. good operating practices that can assist identify opportunities for risk reduction and operating performance improvement.

16. Develop, document, implement and maintain incident response capability which includes a process whereby incidents are investigated and reported to establish causes, identify action plans to address identified causes with due dates for completion and track to completion

Management of Operations

17. Where the provision of the Goods and/or Services involves operation of plant, assets, facilities, floating structures and transport equipment, operate them within defined safe operating envelopes, in accordance with documented operating procedures and taking due account of manufacturers' recommendations.

18. When carrying out any work activity at BP premises or on behalf of BP at third party premises:

- a. Monitor, investigate and document excursions outside safe operating envelopes and unexpected failures of structures, materials and equipment. Identify and implement corrective actions.
- b. Implement and maintain an inspection programme to determine the condition of safety and production critical equipment and systems, and verify and document they are fit for service.
- c. Verify that deficiencies identified from the inspection programme are investigated and corrected on a timely basis.

Transportation

19. Prohibit all Personnel from using mobile phones or other two way communication devices whilst operating a vehicle in connection with the Services or the Goods.
20. Ensure that motorcycles are not used in connection with the rendering of the Services or provisions of the Goods unless a documented risk assessment is completed to support the advantages of their use rather than automobiles.
21. Ensure that all Personnel operating a vehicle transporting goods on behalf of BP have been appropriately assessed, licensed, trained and are medically fit to operate the vehicle and do not operate any vehicle when fatigued.
22. Ensure that all aircraft contracted or chartered to move members of the BP workforce or Personnel are operated and maintained to a defined standard and that their use is in accordance with BP HSSE Requirements.

Compliance with Section 37(2) of the Occupational Health and Safety Act 85 of 1993

23. Where required by BP, the Contractor shall complete, sign and return to BP, prior to commencement of the Services, a written agreement on Occupational Health and Safety in accordance with the provisions of Section 37(2) of the Occupational Health and Safety Act 85 of 1993. This written agreement shall be in the form found in Attachment A to Appendix 1.



ATTACHMENT A TO APPENDIX 1

**PRO FORMA WRITTEN AGREEMENT ON
OCCUPATIONAL HEALTH AND SAFETY**

In accordance with the provisions of Section 37(2)
of the Occupational Health and Safety Act 85 of 1993

AS ENTERED INTO BY AND BETWEEN

BP SOUTHERN AFRICA (PTY) LTD

(hereinafter referred to as ‘the Employer’)

AND

(hereinafter referred to as “the Mandatary”)

Compensation Fund number:

Please attach copy of Letter of Good Standing

Reporting

1. The Mandatary and/or his designated person appointed in terms of section 16(2) of the Occupational Health and Safety Act of 1993 (“the OHS Act”) shall report to the HSSE Manager and /or a representative designated by the Employer prior to commencing the work at the premises.

Warranty of compliance

2. In terms of this agreement, the Mandatary warrants that he agrees to the arrangements and procedures as prescribed by the Employer and as provided for in terms of Section 37(2) of the OHS Act for the purpose of compliance with the Act.

3. The Mandatary acknowledges that this agreement constitutes an agreement in terms of Section 37(2) of the OHS Act, whereby all responsibility for health and safety matters relating to the work that the Mandatary and his employees are to perform on the premises shall be the obligation of the Mandatary.

4. The Mandatary further warrants that he and/or, his employees undertake to maintain such compliance with the OHS Act. Without derogating from the generality of the above, nor from the provisions of the said agreement, the Mandatary shall ensure that the clauses as hereunder described are at all times adhered to by himself and his employees.

5. The Mandatary hereby undertakes to ensure that the health and safety of any other person on the premises is not endangered by the conduct and /or activities of all his employees while they are on the Employer’s premises.

Mandatary an employer

6. The Mandatary shall be deemed as an employer in his own right while on the Employer’s premises. In terms of Section 16(1) of the OHS Act, the Mandatary shall accordingly ensure that the requirements of the OHS Act are complied with by himself and/or his nominated Chief Executive Officer.

Appointments and training

7. The Mandatary shall appoint competent persons as per Section 16(2) of the OHS Act.

8. Any such appointed person shall be trained on any occupational health and safety matter and the OHS Act provisions pertinent to the work that is to be performed under his responsibility. Copies of any appointments made by the Mandatary shall immediately be provided to the Employer.

9. The Mandatary shall further ensure that all his employees are trained on the health and safety aspects relating to the work and that they understand the hazards associated with such work being carried out on the premises, Without derogating from the foregoing, the Mandatary shall, in particular, ensure that all users or operators of any materials, machinery or equipment are properly trained in the use of such materials, machinery or equipment.

10. Notwithstanding the provisions of the above, the Mandatary shall ensure that he, his appointed responsible persons and his employees are at all times familiar with the provisions of the OHS Act, and that they comply with the provisions of the Act.

11. Supervision, discipline and reporting

12. The Mandatary shall ensure that all work performed on the Employer’s premises is done under strict supervision and that no unsafe or unhealthy work practices are permitted. Discipline regarding health and safety matters shall be strictly enforced against any of his employees regarding non-compliance by such employee with any health and safety matters.

13. The Mandatary shall further ensure that his employees report to him all unsafe or unhealthy work situations immediately after they become aware of the same and that he in turn immediately reports to the Employer and/or his representative.

Access to the OHS Act

14. The Mandatary shall ensure that he has an updated copy of the OHS Act on site at all times and that this is accessible to his appointed responsible persons and employees, save that the parties may make arrangements for the Mandatary and his appointed responsible persons and employees to have access to the Employer's updated copy/copies of the Act.

Cooperation

15. The Mandatary and/or his responsible persons and employees shall provide full co-operation and information if and when the Employer or his representative enquires into occupational health and safety issues concerning the Mandatary. It is hereby recorded that the Employer and his representative shall at all times be entitled to make such inquiry.

16. Without derogating from the generality of the above, the Mandatary and his responsible persons shall make available to the Employer and his representative, on request, all and any checklists and inspection registers required to be kept by him in respect of any materials, machinery or equipment.

Work procedures

17. The Mandatary shall be entitled to utilise the procedures, guidelines and other documentation as used by the Employer for the purpose of ensuring a healthy and safe working environment. The Mandatary shall then ensure that his responsible persons and employees are familiar with and utilise the documents.

18. The Mandatary shall implement safe work practices as prescribed by the Employer and shall ensure that his responsible persons and employees are made conversant with and adhere to such safe work practices.

19. The Mandatary shall ensure that work for which a permit is required by the Employer is not performed by his employees prior to the obtaining of such a permit.

Health and safety meetings

20. If required in terms of the OHS Act, the Mandatary shall establish his own health and safety committee(s) and ensure that his employees, being the committee members, hold health and safety meetings as often as may be required and at least once every three (3) months. The Employer may elect to permit the Mandatary's health and safety representatives to attend the Employer's health and safety committee meetings.

Compensation registration

21. The Mandatary shall ensure that he has a valid registration with the Compensation Commissioner, as required in terms of the Compensation for Occupational and Injuries and Diseases Act 130 of 1993, and that all payments owing to the Commissioner are discharged. The Mandatary shall further ensure that the cover remain in force while any such employee is present on the premises. A Letter of Good Standing from the Compensation Commissioner will be given to the Employer prior to commencing work.

Medical examinations

22. The Mandatary shall ensure that all his employees undergo routine medical examinations and that they are medically fit for the purposes of the work they are to perform.

Incident reporting and investigation

23. All incidents referred to in Section 24 of the OHS Act shall be reported by the Mandatary to the Department of Labour and to the Employer. The Employer shall further be provided with copies of any written documentation relating to any incident.

24. The Employer retains an interest in the reporting of any incident as described above as well as in any formal investigation and/or inquiry conducted in terms of Section 32 of the OHS Act into such incident.

Subcontractors

25. The Mandatary shall notify the Employer, in writing, of any subcontractor he may wish to perform work on the Employer's premises, prior to the work being undertaken. It is hereby, recorded that all the terms and provisions contained in this clause shall be equally binding upon the subcontractor prior to the subcontractor commencing with the work. Without derogating from the generality of this paragraph:

- a. The Mandatary shall ensure that training as discussed under Appointments and training, is provided prior to the subcontractor commencing work on the Employer's premises.
- b. The Mandatary shall ensure that work performed by the subcontractor is done under strict supervision and discipline, under Supervision, discipline and reporting.
- c. The Mandatary shall inform the Employer of any health and safety hazard and/or issue that the subcontractor may have brought to his attention.
- d. The Mandatary shall inform the Employer of any difficulty encountered regarding compliance by the subcontractor with any health and safety instruction, procedure and/or legal provision applicable to the work the subcontractor performs on the Employer's premises.

Security and access

26. The Mandatary and his employees shall enter and leave the premises only through the main gate(s) and/or checkpoints designated by the Employer. The Mandatary shall ensure that employees observe the security rules of the Employer at all times and shall not permit any person who is not directly associated with the work from entering the premises.

27. The Mandatary and his employees shall not enter any area of the premises that is not directly associated with the work.

28. The Mandatary shall ensure that all materials, machinery or equipment brought by himself onto the premises are recorded at the main gate(s) and/or checkpoint(s). A failure to do this may result in a refusal by the Employer to allow the materials, machinery or equipment to be removed from the premises.

Fire precautions and facilities

29. The Mandatary shall ensure that an adequate supply of fire-protection and first-aid facilities are provided for work to be performed on the Employer's premises, save that the parties may mutually make arrangements for the provision of such facilities.

30. The Mandatary shall further ensure that all his employees are familiar with fire precautions at the premises, which include fire-alarm signals and emergency exits, and that such precautions are adhered to.

Hygiene and cleanliness

31. The Mandatary shall ensure that the work site and surrounding area is at all times maintained to a reasonably practicable level of hygiene and cleanliness. In this regard, no loose materials shall be left lying about unnecessarily and the work site shall be cleared of waste material regularly and on completion of work.

No nuisance

32. The Mandatary shall ensure that neither he nor his employees undertake any activity that may cause environmental impairment or constitute any form of nuisance to the Employer and/or his surroundings.

33. The Mandatary shall ensure that no hindrance, hazard, annoyance or inconvenience is inflicted on the Employer, another Mandatary or any tenants. Where such situations are unavoidable, the Mandatary shall give prior notice to the Employer.

Intoxication not allowed

34. No intoxicating substance of any form shall be allowed on site. Any person suspected of being intoxicated shall not be allowed on the site. Any person required to take medication shall notify the relevant responsible person thereof, as well as the potential side effects of the medication.

Personal protective equipment

35. The Mandatary shall ensure that this responsible persons and employees are provided with adequate personal protective equipment (PPE) for the work they may perform and in accordance with the requirements of General Safety Regulation 2(1) of the OHS Act. The Mandatary shall further ensure that his responsible persons and employees wear the PPE issued to them at all material times.

Plant, machinery and equipment

36. The Mandatary shall ensure that all the plant, machinery, equipment and/or vehicles he may wish to utilise on the Employer's premises is/are at all times of sound and fit for the purpose for which it/they is/are intended, and that it/they complies/comply with the requirements of Section 10 of the OHS Act.

37. In accordance with the provisions of Section 10(4) of the OHS Act, the Mandatary hereby assumes the liability for taking the necessary steps to ensure that any article or substance that it erects or installs at the premises, or manufactures, sells or supplies to or for the Employer, complies with all the prescribed requirements and will be safe and without risks to health and safety when properly used.

No usage of the Employer's equipment

38. The Mandatary hereby acknowledges that his employees shall not be permitted to use any materials, machinery or equipment of the Employer unless the prior written consent of the Employer has been obtained, in which case the Mandatary shall ensure that only those persons authorized to make use of the same, have access thereto.

Transport

39. The Mandatary shall ensure that all road vehicles used on the premises are in a roadworthy condition and are licensed and insured. All drivers shall have relevant and valid driving licenses and no vehicles shall carry passengers unless it is specifically designed to do so. All drivers shall adhered to the speed limits and road signs on the premises at all times.

40. In the event that any hazardous substances are to be transported on the premises, the Mandatary shall ensure that the requirements of the Hazardous Chemical Substances Act 15 of 1973 are complied with at all times.

Clarification

41. In the event that the Mandatary requires clarification of any of the terms or provisions of this agreement, he should contact the Risk Control Manager of the Employer.

Duration of agreement

42. This agreement shall remain in force for the duration of the work to be performed by the Mandatary and/or while any of the Mandatary's workmen are present on the Employer's premises.

Headings

43. The headings as contained in this agreement are for reference purposes only and shall not be construed as having any interpretative value in themselves or as giving any indication as to the meaning of the contents of the paragraphs contained in this agreement.

Thus done and signed at _____ on _____

for and on behalf of the Mandatary

for and on behalf of the Employer

Witnesses:

1. _____

2. _____