



**BILFINGER**

## **GENERAL CONDITIONS OF CONTRACT FOR THE PURCHASE OF GOODS**

### **1. DEFINITIONS**

- 1.1. "we" means Bilfinger Intervolve Africa (Pty) Limited;
- 1.2. "you" means the party identified as the "Contractor" on the Order being the person, company or other entity with which the Order is placed;
- 1.3. "Contract" means the Contract concluded between the parties arising out of your acceptance of the Order and comprises the general conditions of contract as set out herein and the Order;
- 1.4. "Goods" means and includes products, machinery, apparatus, materials, articles, equipment and things of all kinds, including necessary work done, to be supplied in terms of the Order;
- 1.5. "Order" means the Order placed by us on you as recorded on the reverse side hereof or to which these conditions are appended or any other Order placed by us on you which refers to these conditions and applies to the supply of Goods and includes all attachments to the order.
- 1.6. "Personal Information" means personal information as defined in the Protection of Personal Information Act 4 of 2013 (POPI).

### **2. GENERAL APPLICATION OF CONDITIONS**

- 2.1. These General Conditions of Contract shall apply to any and all contracts concluded between the parties and shall prevail over any other conditions supplied by you, whether before or after conclusion of the Contract, and shall supersede any prior written or verbal arrangement between the parties in respect of the subject matter of the Contract.
- 2.2. We require that you sign and return to us a copy of these General Conditions of Contract within 7 days of receipt thereof, failing which you shall be deemed to have accepted their exclusive application without amendment.
- 2.3. Any amendment to these General Conditions of Contract must be in writing, signed on behalf of both parties and attached to the Order.
- 2.4. In the event of a conflict/ambiguity/inconsistency between the provisions of such amendment and these General Conditions of Contract, the provisions of such amendment shall prevail

### **3. GUARANTEE ON MATERIAL, WORKMANSHIP AND AVAILABILITY OF SPARE PARTS**

Without limiting any guarantees in law, you guarantee that the Goods will strictly comply with the provisions of the Contract and that the Goods will be new, merchantable, of the most suitable grade and that they will be free from fault and defects and that they will serve the purpose for which they are intended. You guarantee that for every Order placed by us on you, spare and wearing parts of the Goods shall remain available for a reasonable period taken into account the nature of the Goods supplied.

### **4. INSPECTION AND TESTING**

- 4.1. We can (but are not obliged to), arrange for inspection and testing of all Goods forming the subject of any Order at any stage before final acceptance and by any means we deem fit. You shall, on reasonable notification to you, provide us with free access to your and/or your sub-contractor's premises, if applicable, at all times during working hours. The inspection shall include but not be limited to the inspection of Goods at any stage of manufacture, suitability of the material used, deployment of the necessary specialists and the work methods utilised in the manufacture of Goods.
- 4.2. Notwithstanding any inspection and/or testing in terms of clause 4.1, you will not be relieved from any responsibility or guarantee and will not prejudice our right to reject the Goods later if they are found to be defective, unsatisfactory, not in accordance with technical standards, specifications and/or the terms of the Order.
- 4.3. We have the right, in our discretion, to determine whether the Goods comply with the Order and to demand rectification or replacement of any Goods that do not comply with the Order.
- 4.4. If you do not provide the necessary material, and/or test certificates necessary for the proper use of the Goods within the time specified in the Order, we have the right to obtain such material and/or test certificates from you (or any other service provider) and recover from you any additional expenses incurred in obtaining such certification and/or material.
- 4.5. Where applicable or if requested by us, you must immediately give us any documentation relevant to the dates and work methods utilised in the manufacture of the Goods.
- 4.6. Our approval of any drawings, designs, specifications and/or calculations supplied by you does not relieve you from your responsibility for the accuracy of such information or release you from any obligations pertaining to such information.

### **5. DELIVERY**

- 5.1. Delivery will occur when the Goods are delivered in good condition to the address stated in the Order. You are required to ensure that the delivery note is stamped to indicate receipt of the Goods. We have the right to reject any Goods found to be defective, unsatisfactory, not in accordance with the Order or unsuitable for the purpose for which it is intended.
- 5.2. Time shall be of the essence for the delivery of the Goods. Delivery shall be in accordance with time period specified in the Order. In the event of delayed delivery of Goods, or you don't deliver the whole or part of the Goods or fail to commence work in terms of the Order or make satisfactory progress or if we reject the Good due to non-compliance with the order, we shall be entitled to:
  - 5.2.1. cancel the Order forthwith, procure the supply of equivalent Goods from a third party and recover our damages from you; and
  - 5.2.2. impose a penalty of 1% of the contract price per week (or part thereof) subject to a maximum of 15% of the contract price.
- 5.3. any amount recoverable from you by us in terms of this provision shall not prejudice any other rights which we have in law.

### **6. RISK AND OWNERSHIP**

- 6.1. Risk in the Goods remains with you until the Goods are delivered to us in accordance with the Order.
- 6.2. Rejected Goods will be held by us at your risk and must be collected by you at your cost as soon as you receive notice that the Goods have been rejected.
- 6.3. If we provide free issue material (including jigs, tools, templates) it remains our property and may not be used by you for any purpose other than to manufacture the Goods. The risk in such material will remain with you until the Goods are delivered and accepted by us. You undertake not to encumber any free issue material and to store free issue material separately if we ask you to.
- 6.4. On payment by us of any portion of the contract price, ownership in the Goods will pass to us and if the Goods are still in your possession at such time, you will hold the Goods on our behalf.

### **7. CONFIDENTIALITY**

Both parties will keep and hold secret and confidential all information in connection with the Contract and the Goods and/or the business of the other, and will not disclose such information except to the extent required for purposes of the Contract and provided the party to whom the confidential information relates has provided its prior written consent to the disclosure and any third party receiving the confidential information has undertaken obligations of



secrecy and confidentiality with respect to such information. This restriction does not apply to information which is already known to the recipient or which the recipient obtains with free right of disposal, or which is or becomes public knowledge other than by breach by a party of confidentiality.

**8. PRICING INVOICING AND PAYMENT**

- 8.1. Unless otherwise stated in the Order, all prices are fixed and firm and include all costs, duties, fees, insurance and transport to the stated delivery destination.
- 8.2. You will only invoice us once all the terms and conditions of the Order have been fulfilled. Invoices must be submitted to our Head Office accounts department together with copies of all relevant signed delivery notes reflecting the goods received stamp and documents and must comply with the requirements of the VAT Act. The invoice and supporting documents must clearly display our Order number.
- 8.3. Provided that all invoices and supporting documentation have been provided to us (creditors.steinmuller@bilfinger.com) by the 25th day of a month and a statement has been provided to us by the 1st day of the month following the month of invoice and provided further that we do not dispute the amounts due, we will pay you on the first working day of the month following the month of receipt of your statement. Please note that we are unable to process payment if all the requirements of this clause have not been fully complied with. We can set off the amount of any claim against you from any amounts due by us to you.
- 8.4. Where applicable, claims subject to escalation on the basis of published indices will only be paid if received within 90 days of the publication of the relevant index.

**9. INTELLECTUAL PROPERTY RIGHTS**

- 9.1. You warrant that you have right and title to the Goods (including all intellectual property rights) and that you are entitled to give us free and unencumbered possession thereof. You hereby indemnify us against all actions, claims, demands, costs, charges and expenses (including legal fees) arising from and against all loss or damage suffered or incurred by reason of any infringement or alleged infringement of patent, registered designs, trademarks or copyright protected in the Republic of South Africa or elsewhere or by reason of any infringement or alleged infringement of any other rights of third parties, resulting from our use of the Goods, but such indemnity does not cover any use of the Goods other than for the purpose intended.
- 9.2. We reserve all right, title and interest in and to our intellectual property (including but not limited to any illustrations, drawings, models, samples plans or other documents of a proprietary nature), which shall remain our sole and exclusive property. You shall not be permitted to duplicate, use or allow usage by any third party of any of our intellectual property, except to the extent required by and for the purpose of completing the Order and provided you have obtained our prior written consent and such third party has undertaken obligations of secrecy and confidentiality in respect of such information.

**10. DOCUMENTATION AND TECHNICAL INFORMATION**

- 10.1. You must provide us with drawings, diagrams, calculations, designs, specifications, software, certificates, operating and maintenance instructions and other pertinent documents which are to be supplied in terms of the Order and/or which are necessary for the operation and maintenance of the Goods.
- 10.2. You are responsible for all discrepancies, errors or omissions including defective design and/or detailing in any of the documentation irrespective of whether or not such documentation has been approved by us.
- 10.3. We acknowledge that we may be required to provide you with reasonable information and access to premises to complete the Order. If we fail to provide timeous information or access which prevents you from delivering the whole or any portion of the Goods on time, you must notify us immediately in writing to enable us to take action. We will thereafter agree on the appropriate steps to be taken to assist you to complete the Order.

**11. DEFECTIVE GOODS**

- 11.1. You warrant that all Goods supplied in terms of the Order will be in accordance with their specifications and serve the purpose for which they are intended.
- 11.2. If at any time within a period of 12 months from the date on which the Goods were put into operational use by us, we consider that the Goods (or part thereof) supplied are defective or not in accordance with the Contract, or do not fulfil the requirements for which they were intended, we will as soon as reasonably practicable give you notice specifying particulars of the defects. You must then with all possible speed, demonstrate that the work done or Goods supplied are not defective and are in accordance with the Contract and do fulfil the requirements for which they were intended, failing which you must at your own expense and with all possible speed make good the defects specified by us. If you do not do so within the reasonable time specified by us, we may at your cost and without relieving you of any obligations under the Contract, take such steps as may be reasonable to make good such defects.
- 11.3. If we suffer any damages, due to you supplying defective Goods and/or as a result of your failure to promptly fix defects, you are liable for the full extent of such damage.

**12. PACKING AND MARKING**

You must ensure that all packing and coverings are adequate for the safe transportation, handling and storage of the Goods. In the event of Goods classified as dangerous and/or hazardous goods, you undertake to provide the packaging, marking and declaration of such Goods in terms of the relevant laws, by-laws and regulations. You undertake to indemnify and hold us harmless against any claim of whatsoever nature arising from contravention of the applicable laws, regulations and/or by-laws. Unless otherwise stated in the Order, all packing cases and material becomes our property and the cost thereof is included in the contract price. You must ensure that all Goods are marked with the Order number and in accordance with the Order.

**13. INDEMNITY**

- 13.1. You hereby indemnify and hold us harmless from any damage, loss, expense or liability of whatsoever nature arising from or in connection with any act or omission by you, your employees or your subcontractors in connection with this Contract.
- 13.2. You will, at your sole expense, defend any claim or action brought against us, our officers, agents, subsidiaries, associated companies, affiliates or employees, on account of any said act or omission, and will pay all expenses and settle any and all judgments which may be taken in connection with this Contract.

**14. LIMITATION OF LIABILITY**

Neither party shall be liable for any indirect or consequential loss or damage, loss of profit, loss of use, loss of production or loss of contracts.

**15. SUBCONTRACTING**

- 15.1. You cannot subcontract any rights or obligations in terms of this Contract without our prior written consent.
- 15.2. You shall be liable for the acts, defaults and any negligence of any subcontractor, its agents or employees as fully as if they were your acts, defaults or negligence.
- 15.3. Any appointment of a subcontractor shall not amount to a contract between us and the subcontractor, or a responsibility or liability on our part to the subcontractor. Notwithstanding the aforementioned, we shall be entitled to effect direct payment to a subcontractor upon reasonable notice to you to prevent delays in the completion of the Order, where such delays are due to your payment defaults.

**16. ASSIGNMENT AND CESSION**



You cannot cede, assign or delegate your rights and obligations in terms of this Contract or any Order without our prior written consent. We may, at our sole discretion, cede, assign or delegate our rights and obligations in terms of this Contract or any Order to any of our holding or associate companies provided there is no change in ultimate control.

**17. TERMINATION**

- 17.1. Should it become apparent that the Goods or any part thereof will not be delivered on or before the delivery date specified in the Order, or should you default or commit any breach of the terms of the Contract, then we can (without prejudice to any of our other rights), immediately terminate the Contract either wholly or in part and, following termination, procure the equivalent of the Goods from any other source. Any costs in excess of the contract price incurred as a consequence thereof, together with any additional expenses incurred by us in carrying out such action, are due and immediately payable in full by you. This amount may be set-off against any amount due by us to you.
- 17.2. We can terminate the Contract or any portion thereof on 14 days written notice to you. In such event, we will pay you for all actual expenditure and liabilities properly incurred by you as at the date of such notice. We will not be responsible for any lost profits, overheads and/or preliminary and general expenses relating to the cost of executing the Order.

**18. INSOLVENCY**

If before completing the Order you are insolvent, placed under provisional or final winding up order or endeavour to compromise with creditors, or if you resolve to be wound up or placed under an order of judicial management or if you pass a resolution to commence business rescue proceedings, we can cancel the Contract forthwith or give the liquidator or judicial manager or business rescue practitioner or other person the option of carrying out the Contract subject to his providing a suitable guarantee for performance of the Contract.

**19. CONSEQUENCES OF TERMINATION**

- 19.1. Upon termination of the Contract you will forthwith assign to us any existing subcontracts. (You must ensure that all the Contracts and subcontracts contain a provision for such eventuality).
- 19.2. Upon termination of the Contract you will immediately deliver to us all documentation prepared by you up to the date of receipt of the notice and all confidential information supplied to you by us.

**20. SUSPENSION OF PERFORMANCE OF THE CONTRACT**

We have the right (in our discretion), to suspend the performance of the Order. During the period of suspension you must, store, preserve, protect and/or otherwise secure any free issue material and work in progress. You cannot make any claims against us if we suspend the Order for less than 60 days. If we require a suspension of longer than 60 days reasonable and unavoidable costs that you advise us of, in writing may, at our election, be added to the contract price or we may cancel the Order and pay you all reasonable costs directly incurred by you at such time.

**21. VARIATION ORDERS**

We can by written notice instruct you to make any variations to the Goods or Order. You must notify us in writing within (14) days of receipt of our variation order of the impact on the timing of delivery and pricing of the Order. You must not commence work in terms of any such variation order until the revised terms of Order have been agreed in writing by us. Any work done on a variation order without our written consent, will be done at your risk and expense. If after (14) days of date of our variation order you have not notified us of the impact of such variation, on the Order, you will be deemed to have accepted the variation without impact on the time of delivery and contract price and you will not have any claim against us in respect thereof.

**22. FORCE MAJEURE**

- 22.1. *Force majeure* means any unforeseen circumstances beyond the reasonable control of either party and shall include but not be limited to, war, revolution, invasion, insurrection, riot, civil commotion, mob violence, sabotage, military or usurp conditions, epidemic, major accident, fire, flood or other natural disaster.
- 22.2. The mere shortage of labour, material or utilities shall not constitute *force majeure* unless caused by circumstances which are in themselves *force majeure*.
- 22.3. If either of us is prevented or delayed from performing any obligations by *force majeure*, the affected party must as soon as reasonably practicable notify the other party of the circumstances constituting *force majeure* and of the obligations affected and the party giving such notice will thereafter be excused from the performance or punctual performance as the case may be of such obligation from the date of such notification for so long as the circumstances of prevention or delay continue. If a party is excused from performance or punctual performance of any material obligation for a continuous period of 60 days, then either party may anytime thereafter terminate the Contract by notice in writing.

**23. GOVERNING LAW AND LEGAL PROCEEDINGS**

- 23.1. The Contract is governed by the laws of the Republic of South Africa.
- 23.2. You cannot cease work and/or refuse delivery of Goods pending the outcome of any dispute between us.

**24. PERFORMANCE BOND OR GUARANTEE**

If specified in the Order, you must, within 14 days of Order, provide us with a performance bond, issued by a bank approved by us and in a form acceptable to us. The bond must remain in full force until we give you notice in writing that it is no longer required or until the event specified in the bond has occurred. Unless otherwise stated in the Order, the amount of such bond shall be for 10% of the Contract value.

**25. TAXES AND DUTIES**

The contract price shall include all Value Added Tax ("VAT") applicable to the Goods in terms of the Republic of South Africa's VAT Act 1991, as amended. Such VAT must be shown as a separate component of the contract price. You are responsible for the payment to the relevant authorities of all customs and excise duties or statutory levies or any other costs incurred by you in respect of the execution of the Contract.

**26. OCCUPATIONAL HEALTH AND SAFETY ACT NO 85 OF 1993 ("the Act")**

You acknowledge that you are an employer in your right as prescribed in the Act and undertake, as envisaged by Section 37(2) of the Act, to ensure that all work performed at our premises will be performed in accordance with the provisions of the Act. You undertake to sign the Contract prepared in accordance with Section 37(2) of the Act, on receipt thereof from us. You must comply with all our policies and procedures while on our premises.

**27. LIABILITY FOR ENVIRONMENTAL DAMAGE**

You undertake to perform your obligations in accordance with the relevant environmental legislation, regulations and by-laws and indemnify us and hold us harmless against any claim of whatsoever nature that may arise as a result of your contravention of such legislation, regulations and by-laws.

**28. PERSONAL PROTECTION OF INFORMATION: CONSENT & DECLARATION**

These terms and conditions should be read in conjunction with our Privacy Statement found at [www.steinmuller.bilfinger.com](http://www.steinmuller.bilfinger.com).

28.1. You consent to:

- 28.1.1. the collection, processing and use of your personal information for the purpose of creating a vendor profile on our system, administration of our obligations in terms of the Contract you have with us and for related legal and operational reasons;
- 28.1.2. the sharing of your personal information with our other entities, employees, agents, subcontractors and affiliates (who may be outside of the Republic of South Africa) on condition they will keep such information private and confidential; and



- 28.1.3. the retention of such information in terms of applicable legislation.
- 28.2. You warrant the accuracy and completeness of all personal information supplied to us by you and undertake to immediately advise us of any changes to such information.
- 28. COMPLIANCE WITH VENDOR DECLARATION**  
You will comply with our Vendor Declaration. A current version of the Vendor Declaration is attached as an annexure to this Contract and is available on the Bilfinger website. The Vendor Declaration sets the minimum standards that must be applied. However, to the extent the Vendor Declaration conflicts with local law, local law shall apply. We may change the Vendor Declaration if there is a change in legal, regulatory or institutional requirements, case law or ethical business standards relevant to the content of the Vendor Declaration. We will inform you of any changes or amendments to the Vendor Declaration. You will comply with the latest version including the changes as far as you have been informed thereof.
- 29 BUSINESS CONDUCT CLAUSES**  
For purposes of this clause, reference to services is deemed to include any goods supplied by you.
- 29.1 Compliance Obligation**  
You will comply with all applicable laws and regulations including but not limited to anti-corruption, anti-money laundering, anti-terrorism, export control, economic sanction and anti-boycott laws, regulations and administrative requirements applicable to you or your services.
- 29.2 Anti-Corruption Obligation**  
You hereby represent and warrant that neither payments nor any other advantages or favours have been or shall be, directly or indirectly, offered, promised, or provided to: (i) a private party, which as a result could lead to an improper advantage in relation to our business; or (ii) a public official, member of the judicial system or any other government-related or state-owned entity or person ("Public Official") for himself or herself or another person or entity, in order to influence official action, or any Public Official.
- 29.3 Declaration of interest**  
You hereby represent and warrant that neither you, nor any of your family members, are currently employed by a state owned entity and you undertake to advise us in writing within 10 days should this representation no longer be valid.
- 29.4 Termination Right**  
You acknowledge and agree that any breach of the Business Conduct Clauses set out in this Contract will be deemed a material breach of contract entitling us to terminate this Contract at any time and with immediate effect, without any obligation to pay any outstanding fees or make any other payment. We shall not be obliged to compensate any loss suffered by you as the result of termination under this Termination Right.
- 29.5 Books and Records**  
You will keep full records in relation to the performance of this Contract. The content of these records shall include, but not be limited to, full and accurate description of your and your subcontractors' performance (e.g. details of service providers, timesheets; relevant correspondence or summaries thereof), all expenditure, all payments made and any other documents created or received in connection with this Contract with us.
- 29.6 Payment Details**  
All payments to you by us will be made only after receipt of an invoice referring to the Contract and setting out details of the services provided, by transfer to a bank account in your name in the country where the services are to be provided or where you have established or maintain your principal place of business.
- 30 GENERAL**
- 31.1. All conditions herein and in the Order are material terms and any breach thereof shall be a material breach.
- 31.2. In the event that any of the clauses of these conditions are found to be invalid, unlawful or unenforceable, such terms shall be severable from the remaining terms, which shall continue to be valid and enforceable.
- 31.3. No alteration, variation or cancellation by the Contract of, addition to, or deletion from this Contract shall be of any force or effect, unless in writing and signed by or on behalf of both parties.
- 31.4. You are deemed to have satisfied yourself as to all the conditions and circumstances affecting the Contract and are responsible for any incorrect information however obtained.
- 31.5. Save as specifically provided in this Contract, you have no claims of whatsoever nature against us and no costs other than those specified in the Order will be paid by us.
- 31.6. The parties choose as their domicilia citandi et executandi for all purposes in terms of the Contract, the addresses set out in the Order.
- 31.7. Save as specifically provided for in these terms and conditions, any notice given shall be valid and effective only if in writing.
- 31.8. All headings in these conditions and those of the Order are for convenience only and shall not be deemed part thereof or be taken into consideration in the interpretation of any provision hereof.

Thus done and signed by the Contractor in \_\_\_\_\_ (city) on \_\_\_\_ (day) of \_\_\_\_\_ month \_\_\_\_\_ 20\_\_\_\_ year.

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Job Title (duly authorised)