ANGLOGOLD ASHANTI LIMITED

APPENDIX 1

TO

GENERAL CONDITIONS OF CONTRACT FOR SITE WORKS

GCC 100
# INDEX

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1.0 HEALTH AND SAFETY REQUIREMENTS AND TRAINING

1.1 Statutory duty for health and safety

1.1.1 In terms of the MHSA, and Environmental Law, where the Contractor:

1.1.2 designs, manufactures, repairs, imports or supplies any article for use by the Employer, the Contractor must ensure, as far as reasonably practicable:

i) that the article is safe and without risk to environment, health and safety when used properly; and

ii) that it complies with all the requirements of the MHSA and Environmental Law;

1.1.3 erects or installs any article for use by the Employer, the Contractor must ensure, as far as reasonably practicable, that nothing about the manner in which the article is erected or installed makes it unsafe or creates a risk to environment, health and safety when used properly; or

1.1.4 designs, manufactures, erects or installs any article for use by the Employer, the Contractor must ensure, as far as reasonably practicable, that ergonomic principles are considered and implemented during design, manufacture, erection or installation;

1.1.5 is required to design or construct a building or structure, including a temporary structure, for use by the Employer, the Contractor must ensure, as far as reasonably practicable, that the design or construction is safe and without risk to environment, health and safety when properly used;

1.1.6 manufactures, imports or supplies any hazardous substance for use by the Employer the Contractor must:

1.1.6.1 ensure as far as reasonably practicable that the hazardous substance is safe and without risk to health and safety when used, handled, processed, stored or transported at the property of the Employer and is in accordance with the information provided below;

1.1.6.2 provide adequate information about:

i) the use of the hazardous substance;

ii) the risks to environment, health and safety associated with the hazardous substance;

iii) any restriction or control on the use, transport and storage of the hazardous substance, including but not limited to exposure limits;

iv) the safety precautions to ensure that the substance is without risk to environment, health or safety;
v) the procedure to be followed in the case of an accident involving excessive exposure to the substance, or any other emergency involving the substance, including an emergency incident that pollutes or has the potential to pollute the environment;

vi) the safe disposal of used containers in which the substance has been stored and any waste involving the substance; and

1.1.6.3 ensure that the information provided above complies with the provisions of the Hazardous Substances Act, Act 15 of 1973 and the National Road Traffic Act, Act 93 of 1996 and the Contractor under takes to comply with the provisions of these Act.

1.2 General health and safety obligations of the Contractor

1.2.1 The Contractor shall at all times and at its cost comply with all the Employer’s rules and regulations, policies and procedures regarding the safety of its employees including the provision of all protective clothing and/or safety equipment called for in such rules and regulations.

1.2.2 The Contractor shall at all times conform to any reasonable instruction given by a safety officer having jurisdiction in or about the Site.

1.2.3 The Contractor shall:

i) supply all necessary health and safety facilities and equipment to each of its employees;

ii) to the extent that it is reasonably practicable, maintain those facilities and that equipment in a serviceable and hygienic condition;

iii) ensure that sufficient quantities of all necessary personal protective equipment are available so that every one of its employees who is required to use that equipment is able to do so;

iv) ensure that all its employees who are required to use personal protective equipment are instructed in the proper use, the limitations and the appropriate maintenance of that equipment.

1.2.4 To the extent that it is reasonably practicable, every Contractor must:

i) ensure that all its employees comply with the provisions of the MHSA;

ii) consider its employees’ training and capabilities in respect of health and safety before assigning a task to them; and

iii) ensure that work is performed under the general supervision of a person trained to understand the hazards associated with the work and to have the authority to ensure that the precautionary measures laid down by the Employers Representative are implemented.

1.2.5 The Contractor must, as far as reasonably practicable, provide its employees with any information, instruction, training or supervision that is necessary to enable them to perform their work safely and without risk to health.
1.2.6 The Contractor must, as far as reasonably practicable, ensure that every employee employed by the Contractor becomes familiar with work-related hazards and risks and the measures that must be taken to eliminate, control and minimise those hazards and risks.

1.2.7 The Contractor must, as far as reasonably practicable, ensure that every employee employed by it is properly trained:

- to deal with every risk to such employee’s health and safety that is associated with any work that the employee has to perform and which has been recorded as a significant risk in terms of Section 11 of MHSA and the measures necessary to eliminate, control and minimise those risks to health and safety;

- in the procedures to be followed to perform that Employee’s work;

- in relevant emergency procedures, including any of the Employer’s internal procedures; and

- in respect of every one of its employees, the provisions of clause 3.2.1 herein must be complied with:
  i) before that employee first starts work;
  ii) at intervals determined by the Employer’s Representative; and
  iii) before significant changes are made to the nature of that employee’s work.

1.2.8 Should the Contractor, its agents, representative or employees fail to comply with any of the said health and safety requirements then the Contractor shall pay to the Employer a sum to be determined by the Employer for each and every incident of such non-compliance.

1.3 Health and safety audits

1.3.1 The Contractor shall familiarise itself and comply with the requirements of the Health and Safety Management System adopted by the Employer. The Contractor shall agree with the Employer a percentage minimum rating in accordance with the said Health and Safety Management System with which the Contractor shall comply, or where no such agreement is reached a minimum of Eighty (80) percent.

1.3.2 The Employer will periodically conduct health and safety audits on the Contractor’s work and site establishment.

1.3.3 Following the first health and safety audit should the Contractor achieve a rating of less than the agreed rating in terms of this clause, then the Contractor will be permitted a minimum of one (1) month in which to rectify the defects identified.

1.3.4 Should the Contractor in any subsequent audit obtain a rating of less than the agreed rating then the Contractor shall pay to the Employer an amount to be determined by the Employer for each month or part thereof that the Contractor remains with a rating less than the agreed rating.
1.4 **Safety in Mines Research Advisory Committee (SIMRAC)**

It shall be a condition of this Contract that the Contractor shall be liable to pay any sum of money levied in terms of SIMRAC where such sum of money levied arises out of any accident death or injury found to be due to any act, error, omission and/or default of the Contractor, its agents, representatives or employees.

1.5 **Orientation, Induction and Training of Contractor’s Employees**

1.5.1 The Contractor shall prior to the commencement of work on Site ensure that all its agents, representatives and employees engaged on the Contract are fully orientated with, understand and are aware of all the environment and health hazards, dangers, risks and obligations associated with the Contract and the Site.

1.5.2 The Contractor shall in addition to the above ensure that all of its employees engaged in the Works undergo the Employer’s mandatory induction programme, which shall comprise, but not be limited to orientation, induction and training.

1.5.3 All costs incurred by the Employer in orientation, induction and training of the Contractor’s employees in terms of this clause shall be for the Contractor’s account.

1.5.4 The Contractor shall not without prior written notification to the Employer’s Representative, and obtaining written permission from the Employer’s Representative, withdraw any of its employees who remains in the Contractor’s employ and, who have undergone a mandatory induction training programme.

2.0 **ENVIRONMENTAL MANAGEMENT**

2.1 Employer’s Standards, applicable environmental procedures and systems regarding environmental management

2.1.1 The Contractor shall at all times comply with any reasonable instruction given by the Employer relating to the environment and environmental management.

2.1.2 The Contractor must:

2.1.2.1 ensure that its employees comply with the requirements of Environmental Law and the Employer’s Standards, applicable environmental procedures, systems and instructions relating to environmental management;

2.1.2.2 ensure that all its employees are made aware of any environmental risks which may result from the Works;

2.1.2.3 ensure that all its employees are aware of the manner in which the risks in clause 2.1.2.2 must be dealt with in order to avoid pollution or the degradation of the environment;
2.1.2.4 ensure that all its employees are trained, capable and assessed competent with respect to their duty to prevent pollution or degradation of the environment and where pollution or degradation of the environment cannot reasonably be avoided or stopped, to minimise and rectify such pollution or degradation of the environment;

2.1.2.5 ensure that all its employees are properly trained to deal with the prevention and control of Environmental Incidents.

2.1.3 The Contractor shall, without limiting its obligations elsewhere in this agreement, from the commencement of work on Site until Taking Over of the Work by the Employer:

2.1.3.1 take all reasonable steps to prevent pollution, nuisance or environmental degradation on and off Site and to avoid harm or damage to person or property resulting from its activities, the Site or the Works;

2.1.3.2 take all reasonable and necessary steps to prevent and or minimise pollution of the environment during the setting up and commissioning of the Site and Works; and

2.1.3.3 clean up and rehabilitate the Site to the Employer’s approval, which shall not be unreasonably withheld. Any clean up and rehabilitation required will take place and is an integral part of the execution and completion of the Works.

2.1.4 The Contractor shall at all times during the duration of this Contract report all Environmental Incidents to the Employer in terms of the Employer’s procedure SAR/EM/001 “Environmental Incident Reporting and shall comply with the Employer’s procedure SAR/EM/002 “Environmental Incident Reviews” and with any finding made in terms of the Review.

2.2 Environmental Audits

2.2.1 The Employer may periodically conduct environmental audits on the Contractor’s work and site establishment, and the Site.

2.2.2 The Contractor confirms that it is aware of, shall comply with, and consents to being subject to the Employer’s Environmental Auditing procedure number SAR/EM/004.

2.2.3 Following the first environmental audit should the Contractor have findings of non-legal compliance, then the Contractor will be permitted a minimum of one (1) month in which to rectify the defects identified unless the defects are of such a nature that they could cause substantial harm, including damage to the reputation of Employer, in which case the Employer may specify a shorter period, reasonable in the circumstances, in which the Contractor shall rectify the defects. The Employer’s Representative may, on good cause shown by the Contractor, extend this period of one month for another period agreed to by the Employer’s Representative. This sub-clause shall not be construed as limiting the Employer’s other rights and remedies in terms of this Agreement or any other applicable law.
2.3 Radiation

2.3.1 Ore mined by the Employer may contain small quantities of radioactive uranium and its decaying products. As such the Contractor shall at its own cost comply with the rules, regulations and laws of the National Nuclear Regulator ("NNR") and the Employer's Standards when either working on Site or handling the Employer’s property.

2.3.2 Prior to the commencement of any Works the Contractor shall obtain from the Employer a Radiation Protection Certificate. Such a certificate shall state the protective measures the Contractor must take.

2.3.3 Prior to the dismantling or stripping of any Employer’s property the Contractor shall obtain, and comply in all respects with, a Radiation Protection Certificate, issued by the Employer and approved by the NNR.

3.0 MEDICAL REQUIREMENTS

3.1 General

The Contractor shall at all times and at its own cost comply with all the Employer's and statutory rules and regulations regarding the health of its employees.

All personnel employed by the Contractor on the Site shall be under the medical control of the Employer's Occupational Medical Practitioner who shall have the right to submit such personnel for medical examination.

3.2 Medical Surveillance

3.2.1 Contractor's employee's examination and certification

3.2.1.1 The Contractor shall ensure that all its employees are in good health, fit to carry out the work for which they have been employed, and shall, prior to them being employed for work on the property of the Employer, present them for medical examination as detailed hereunder.

3.2.1.2 The Contractor shall, in conjunction with the relevant Employer's Occupational Environmental Safety and Health Department, complete an "Initial Medical/Pre-placement Medical Hazard Assessment" (Hazard Assessment) form for each of its employees.

3.2.1.3 The Contractor shall then present its employees, together with their Hazard Assessment forms, to the Occupational Health Centre for examination. The costs of such examination shall be as determined by the Occupational Health Centre, and shall be for the Contractor’s account.

3.2.1.4 Should the “hazards expected” as indicated in the Hazard Assessment form change in any way during the time that any of the Contractor’s employees are working on the property of the Employer, then the Contractor shall advise the Occupational Health Centre accordingly.
3.2.1.5 The Contractor shall ensure that Medical examinations are carried out on its employees as follows:

i) an initial examination prior to the commencement of work on the Contract;

ii) follow-up examinations at intervals not exceeding (twelve) 12 months;

iii) re-examination when the Contractor’s employees return from an absence from work due to sick leave which exceeds (seven) 7 calendar days;

iv) re-examinations in cases where the “hazards expected”, as indicated in the Hazard Assessment, change;

v) re-examination in cases where the Contractor’s employees will be employed in a different job category e.g. team member to loco driver;

vi) exit medical examinations on withdrawal of the Contractor’s employee’s services for whatsoever reason from the Contract.

3.3 Outbreak of epidemic

In the event of any outbreak of illness of an epidemic nature the Contractor shall comply with and carry out such regulations, orders and requirements as may be made by the Government, the Employer or local medical or sanitary authority for the purposes of dealing with and overcoming the same.

Should such an event occur it would be the Employer’s medical staff’s sole choice as to what treatment shall be given and what facilities shall be utilised for that treatment.

3.4 Acute illness

In the event that any of the Contractor’s employees develop a sudden illness requiring emergency care, then any such treatment as may be required will be rendered by AngloGold Health Service until the condition is stabilised and the employee may be safely transferred to any other medical service acceptable to the Manager, AngloGold Health Service, or its representative.

3.5 Non-mine related accidents

In the event of a non-mine-related accident occurring to any of the Contractor’s employees, that employee shall report to the nearest appropriate medical facility. In the event that the Contractor’s employee reports to AngloGold Health Service, with or without the knowledge of the Contractor, then any necessary treatment will be given by AngloGold Health Service until the condition is stabilised and the employee may be safely transferred to any other medical service acceptable to the Manager, AngloGold Health Service, or its representative.
3.6 Notification of admission to the Employer’s provider hospital

The staff of AngloGold Health Service will notify the Contractor, within two (2) working days, of the admission of the Contractor’s employee.

3.7 Exit certificate

As required by the MHSA the Contractor shall present all of its employees whose employment on the property of the Employer is being terminated, for whatsoever reason, to the Employer’s Occupational Health Centre for the purpose of undergoing an exit medical examination. Such medical examination must be conducted prior to that employee’s actual withdrawal from Site.

3.8 Occupational injuries or diseases

3.8.1 The Contractor shall familiarise itself fully with and at its cost comply with all the rules and regulations, statutory and domestic, regarding occupational injury and diseases.

3.8.2 In the event of any of the Contractor’s employees becoming ill or showing any symptoms of or be suspected of suffering from any occupational injury or disease as defined in the Compensation for Occupational Injuries and Diseases Act, Act 130 of 1993, (COIDA) as amended, or the Occupational Diseases in Mines and Works Act, Act 78 of 1973, (ODMWA) as amended, then the Contractor shall immediately present those employees to AngloGold Health Service for medical examination. Following such medical examination AngloGold Health Service shall have the right to provide such medical or surgical treatment as may be necessary and to detain those Contractor’s employees he deems necessary at an AngloGold Health Service until they are considered sufficiently recovered.

NOTE: In the case of Tuberculosis, reference is to occupational Tuberculosis of the cardio respiratory organs, i.e. of the chest organs, including lungs, lung sac, heart sac, etc.

3.8.3 Compensation for Occupational Injuries and Diseases Act (COIDA)

The Contractor shall take out and maintain insurance required by COIDA with an insurer that is approved by the Employer.

The Contractor shall be held fully responsible for completing an accident report in respect of IOD (Injuries on Duty) for the COIDA Commissioner.

The Contractor shall furthermore be required to provide proof of the accident report (Employer’s Report of an Accident, form W.CL.1) having been submitted to the COIDA Commissioner, within seven (7) days of the accident, to AngloGold Health Service, failing which payment in respect of work executed in terms of the Contract will be withheld by the Employer.
3.8.4 Occupational Diseases in Mines and Works Act (ODMWA)

In addition to any other charges in terms of the above Act, the Contractor shall be required to pay a TB treatment levy, to be determined from time to time by AngloGold Health Service, in respect of each of its employees working dusty/risk shifts. These monies will be used for the treatment of Occupational Tuberculosis by AngloGold Health Service.

Such TB treatment levy shall be payable for every dusty/risk shift performed at The Employer by the Contractor’s employee.

3.9 First aid

The Contractor shall provide and maintain in an easily accessible position on Site adequate first aid facilities and equipment.

The Contractor shall in terms of the MA, MHSA and OHSA employ at all times on Site a suitable number of, but at least one, persons suitably qualified in the administration of first aid.

The Employer’s medical and occupational health and safety staff shall have the right to inspect all such facilities and equipment and the Contractor shall be bound to carry out any instruction given in writing by such staff.

In the event that the Contractor uses any equipment which is the property of the Employer then all costs so incurred by the Employer will be for the Contractor’s account.

3.10 Medical history cards

3.10.1 Medical history cards of all Contractors’ employees must be kept at the medical station nearest to the site at which the employee is working. No cards may be kept at the Contractor’s office.

3.10.2 Before a Contractor’s employee proceeds on leave, the Contractor must notify the Employer’s medical officer, who will ensure the Contractor’s employee is fit to proceed on leave. The medical station will then transfer the medical history card to the Occupational Health Centre.

3.10.3 If the Contractor’s employees are transferred to work at another site on the Employer’s property, the Contractor is responsible for seeing that the medical history card from the medical station where the employee was working, is transferred to the medical station of the new workplace and that a new Hazard Assessment form is completed, if the transfer involves a change in risk, in the opinion of the Employer.

3.10.4 If the Contractor’s employee is transferred to another Operation within AngloGold Ashanti, it is the Contractor’s responsibility to inform the medical station, and to collect the medical history card.
3.11 **Environment, Health and Safety Reports**

In addition to the requirements of the MHSA and the OHSA, with respect to health and safety, and the Environmental Law with respect to Environmental Management the following shall be complied with by the Contractor:

3.11.1 The Contractor shall keep a record of all work related accidents and Environmental Incidents, no matter how small. All such recorded accidents and incidents shall be reported to the Employer’s Representative within 24 hours. In case of serious injury as defined in MHSA, and a major Environmental Incident the Employer’s Representative shall be informed immediately, regardless of time of day or night;

3.11.2 All cases of illness that may be considered to be occupational in origin (as defined by the Occupational Diseases in Mines and Works Act, Act 78 of 1973, as amended, and the Compensation for Occupational Injuries and Diseases Act, Act 130 of 1993 as amended), shall immediately be reported to AngloGold Health Service;

3.11.3 All cases sent to AngloGold Health Service for treatment shall be accompanied by an initial accident report (Employer’s Report of an Accident, form W.CL.1), a copy thereof being sent to the Employer’s Representative as soon thereafter as possible.

3.12 **Heat tolerance testing**

In the event that the Contractor’s employees are required to work in an underground environment where the temperature is in excess of 27,5 °C (wet bulb), then such Contractor’s employees shall undergo heat tolerance tests at the Employer’s acclimatisation facility.

Where such heat tolerance testing has been deemed necessary, should any Contractor’s employee be absent from the underground environment for a period of seven (7) successive days or more, then that Contractor’s employee shall again be tested at the Employer’s facility for heat tolerance.

3.13 **Cost of medical and treatment**

All costs in terms of this clause 3, with the exception of the Occupational Tuberculosis treatment referred to in clause 3.8.4, shall be for the account of the Contractor.

In the event that the Contractor fails to pay the account in full and fails to show just cause why the account should not be paid then the Employer shall either set off the account against amounts due to the Contractor under the Contract or recover the amount due from the Contractor at law.
4.0 TEBA REQUIREMENTS

4.1 All Contractor’s employees that will be on Site for longer than three (3) days consecutively must be processed through the local Employment Bureau of Africa (TEBA) Office. This is to ensure that all Contractor’s employees have valid work permits (in the case of foreign nationals), are properly screened and have a TEBA Industry Number. The above will enforce proper record keeping which is a requirement of the Mine Health and Safety Act, Act No. 29 of 1996, as amended, and the Regulations framed thereunder.

4.2 Prior to commencing Work at AngloGold Ashanti Limited, the Contractor must report to the Employer’s Representative at least seven (7) days before the Contract commences. This is to ensure that proper and thorough engagement, induction and training is done.

4.3 All TEBA costs will be for the Contractor’s account.

4.4 No Contractor’s employees will be allowed on Site until they can produce the TEBA Industry Number documents.

5.0 SECURITY REQUIREMENTS

5.1 Screening of Contractor’s employees

The Contractor shall present all its employees engaged in the Contract to the Employer’s asset protection (security) department for security screening and the issue of access control / identification cards. To this end the Contractor’s employees’ identification document and medical certification must be available at the time of screening. Employees being withdrawn from Site shall immediately return such access control/identification cards to the Employer. Cards lost or damaged by the Contractor’s employees will be charged to and payable by the Contractor.

5.2 Access control

Access to the Employer’s property shall be restricted to approved Contractor’s personnel and vehicles and only be by permission of the Employer’s Representative.

5.3 Security checks

The Employer shall have the right at all time without prior notice or, warning to search, inspect or examine any of the Contractors property, agents, representatives employees or Contractor’s Equipment whilst such is on Employer’s property.

5.4 Gate permits

A gate permit must be obtained by the Contractor and prominently affixed to each and every vehicle the Contractor operates on Site.

The Contractor shall make application for each gate permit to the relevant Employer’s asset protection department who will, on approval, issue the Contractor with the said permit.

No access to the Employer’s property will be permitted for any Contractor’s vehicle unless that vehicle displays a correctly authorised gate permit.

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5.5 Contractor’s vehicles

The Contractor’s vehicles shall be restricted to the areas in which the Contractor is employed and routes for which access to the Site is necessary. The Contractor shall not be permitted to drive freely throughout the Employer’s property. The Contractor shall obtain the correct routes of access to the Site from the relevant Employer’s asset protection department.

5.6 Contractor employees sleeping on Site

No Contractor’s employees shall be permitted to sleep or lodge on the Employer’s property with the exception of a night watchman placed there for the purposes of Site security.

5.7 Cost of security requirements

All costs incurred by the Employer in screening of Contractor’s employees and the issuing of control cards and gate permits shall be for the Contractor’s account.

6.0 INSURANCE CONDITIONS

6.1 Contract Works and public liability

The Employer has effected insurance as follows, in the joint names of itself, the Contractor and its sub contractors:

6.1.1 “Contract Works” cover which provides insurance against loss, destruction of or damage to the Works and to Plant whilst in transit from any location within the territorial limits of the policy to Site and whilst on or adjacent to the Site. Notwithstanding the transit cover provided, the Contractor shall, at its cost, arrange and be responsible for all insurance for the transit of Plant originating outside the territorial limits of the policy from the point of origin to Site.

6.1.2 Insurance is provided for the Full Value in respect of Contracts each valued up to R2 500 000 (Twenty Five Million Rand) for working cost Contracts, but subject to an aggregate limit of R400 000 000 (Four Hundred Million Rand) - such aggregate limit being applicable to each party.

6.1.3 Claims deductible

All Employer Contracts

- In respect of each claim under contracts valued from R 001 to R2 500 000 – the first R10 000.
- In respect of each claim under contracts valued from R2 500 001 to R25 000 000 - the first R25 000.
- In respect of each claim under contracts valued from R25 000 001 to R75 000 000 - the first R50 000.
• In respect of each claim under contracts valued from R75 000 001 to R 120 000 000 – surface- R75 000, underground- R 120 000.

• In respect of each claim under contracts valued from R 120 000 001 – surface- R 112 500, underground- R 225 000.

In the event that more than one deductible applies following the occurrence of loss or damage or series of such occurrences arising from one source of original cause the insured shall be liable for payment of a cumulative maximum deductible of R50 000 (Fifty Thousand Rand).

6.1.4 “Public Liability” cover, effective for the duration of the Contract including the period of maintenance, which provides cover against accidental death of or injury to persons and accidental loss of or damage to property (other than property forming part of the Works) caused by or arising out of the execution of the Works.

The existence of the insurance cover detailed herein shall not derogate from any obligation or liability of the Contractor under the Contract and the Contractor is deemed fully aware of all the terms and conditions of the said insurance cover including, but not limited to insurers’ limits of liability and excesses and shall indemnify the Employer against such limits of liability and excesses.

6.1.5 Limit of Liability - 5 000 000 (Five Million Rand) per event.

6.1.6 Claims Deductible

6.1.6.1 Liability arising out of:

(1) loss or damage to property – R5 000 (Five Thousand Rand) per event.

(2) lateral support – R25 000 (Twenty Five Thousand Rand) per event.

6.1.7 The Employer is not liable for and shall not insure the retained liabilities (i.e. claims deductible) as set out above and the Contractor shall be responsible for any deductible payable in terms of a claim made against this policy.

6.1.8 The Contract Works and Public Liability Insurance Policy contain exclusions usual to this type of cover including but not limited to;

6.1.8.1 defective design, workmanship or materials;

6.1.8.2 costs of removal of underground water naturally originating underground;

6.1.8.3 removal of, or interference with Lateral Support, where the Contractor has failed to carry out the Employer’s Representative instructions correctly.
6.1.9 The Contractor is deemed to be fully aware of the terms and conditions of the said insurance which may be examined at the offices of Marsh (South Africa) (Pty.) Ltd Insurance Brokers, Telephone (011) 506 0000.

6.1.10 “Public Liability” cover, effective for the duration of the Contract including the period of maintenance, which provides cover against accidental death of or injury to persons and accidental loss of or damage to property (other than property forming part of the Works) caused by or arising out of the execution of the Works.

The existence of the insurance cover detailed herein shall not derogate from any obligation or liability of the Contractor under the Contract and the Contractor is deemed fully aware of all the terms and conditions of the said insurance cover including, but not limited to insurers’ limits of liability and excesses and shall indemnify the Employer against such limits of liability and excesses.

6.2 Underground insurance

The Contractor shall ensure that adequate insurance cover is provided for the Contractor’s Equipment and personnel working underground. The Contractor shall provide proof of the existence of such cover by providing the Commercial Manager with a copy of the insurance policy and a certified copy of the premium receipt, if so requested.

6.3 Insurance of Contractor’s employees and Contractor’s Equipment

6.3.1 Contractor’s employees

The Contractor shall insure against any liability to pay damages or compensation to its employees with an insurer approved by the Commercial Manager (which approval shall not be unreasonably withheld) and shall continue such insurance during the whole of the time that any persons are employed by the Contractor on the Contract. The Contractor shall ensure that all Sub contractors insure against the aforesaid liability with regard to their own employees.

6.3.2 Contractor’s Equipment

The Contractor shall be solely responsible for and shall effect insurance on all the Contractor’s Equipment owned, hired or operated by it. Such insurance shall provide cover to the full value of the said Contractor’s Equipment, shall be arranged in the joint names of the Contractor and the Employer and shall be effected with an insurer approved by the Commercial Manager (which approval shall not be unreasonably withheld). The Contractor shall continue such insurance during the whole of the time that any Contractor’s Equipment is employed by it on the Contract. The Contractor shall ensure that all sub contractors insure with regard to their own equipment.
6.3.3 **Compensation in terms of the Compensation for Occupational Injuries and Diseases Act, Act No. 130 of 1993**

Contingent upon the provisions of the Compensation for Occupational Injuries and Diseases Act, Act 130 of 1993, as amended, the Contractor shall, not less than two (2) weeks prior to the date on which any of its qualifying employees are to carry out any duties on the property of the Employer, provide the Commercial Manager with proof that the Contractor has been assessed as an Employer in terms of the Act and that payments in respect of all assessments are up to date. Further, the Contractor shall, during the course of the Contract, provide to the Commercial Manager a certificate of good standing to confirm that the Contractor is still holding its employees covered.

The Contractor shall take out and maintain insurance required by COIDA with an insurer that is approved by the Employer.

6.4 **Marine transit insurance**

6.4.1 In the event that Plant is being imported by the Contractor and such has been declared to the Commercial Manager then:

6.4.2 The Contractor shall ensure that the following clause is included in any marine insurance policy covering Plant to be imported by it in terms of the Contract:

**“Contribution clause – marine”**

Notwithstanding anything contained herein to the contrary, it is hereby agreed that in the event of loss or damage to property otherwise insured by any Contract Works or engineering erection policies where such loss or damage is discovered after the termination of the voyage or transit in respect of which this insurance applies, and it is not possible to ascertain whether the cause of such loss or damage happened prior or subsequent to the termination of such voyage or transit, this insurance shall contribute 50 % (fifty percent) to any properly adjusted claim. The Contract Works or engineering erection policies shall likewise contribute 50 % (fifty percent) in the same manner.

Provided that any such Contract Works or engineering erection policies shall contain a contribution clause in like manner to that hereby expressed.

6.4.3 In the event of the Contractor being unable or unwilling to ensure that the above clause is included in any marine insurance policy covering the Works, the Contractor shall be liable to contribute 50 % (fifty percent) of any properly adjusted loss and the Contract Works or engineering erection policies shall contribute 50 % (fifty percent) in like manner. It being understood that any such contribution made by the Contractor shall not be recoverable under insurance held by the Employer on the Contractor’s and its behalf, and that compliance with this condition shall not derogate from any obligation or liability of the Contractor under Contract.
6.5 Professional Indemnity Insurance

The Contractor shall, where design work is required as part of the scope of the Works, effect a Professional Indemnity Insurance with an insurer approved by the Commercial Manager and shall continue such insurance during the currency of the Contract.

Such Professional Indemnity Insurance shall cover the Contractor, its agents, representatives and employees against any liability to pay damages or compensation to the Employer for any claim of whatsoever nature arising out of any act, error, omission or default of the Contractor, its agents, representatives or employees which result from the design work.

Such Professional Indemnity Insurance shall provide an indemnity limit of not less than twice (2 times) the Contract Price, but in any event an indemnity limit of not less than five million rand (R5 000 000.00)

6.6 Confirmation of insurance

6.6.1 The Contractor shall, if so requested, within fourteen (14) days of the Contract Date submit to the Commercial Manager details in respect of:

i) the names and registered addresses of the insurers referred to above;
ii) the numbers and descriptions of the relevant policies;
iii) statements by the relevant insurers that the said policies are current.

6.6.2 The Contractor shall, if so requested by the Commercial Manager, submit copies of the aforementioned policies of insurance and copies of premium receipts or other evidence that the policies are current within seven (7) days of such request.

6.7 Remedy for failure to insure

If the Contractor fails to provide the insurance required of the Contractor in terms of the Contract, the Employer reserves the right to either:

6.7.1 effect and keep in force any such insurance and pay such premium or premiums as may be necessary for that purpose and deduct the amount so paid by the Employer from any monies due or which may become due to the Contractor or recover the same as a debt from the Contractor; or

6.7.2 deny the Contractor access to the Site and suspend the payment of all sums of money already due or which may become due to it in the future in terms of the Contract until such time as the said insurances have been effected and copies thereof furnished to the Commercial Manager. The costs of any delay occasioned by the Contractor's failure to effect the said insurances shall be for the Contractor's account and no extension of time for the completion of the Contract will be granted in respect of any delay so occasioned.