



**STANDARD CONDITIONS OF SUPPLY FOR
SMALL SUPPLIES WITH CONVENTIONAL METERING**

ANNEXURE 'A'
(Rev June 2015)

IMPORTANT NOTICE

In terms of Section 49 of the Consumer Protection Act 68 of 2008 the CUSTOMER's attention is drawn to the notice set out hereunder which is referred to in various clauses in this Agreement which contains either a limitation of risk or liability of ESKOM, or constitute an assumption of risk or liability by the CUSTOMER or an indemnification of ESKOM.

By signing here the CUSTOMER acknowledges that he/she/it has made itself/herself/himself aware of each individual clause contemplated in this notice and has raised concerns (including queries about technical terms mentioned in the Agreement and/or requested that the CUSTOMER be given an opportunity to consult an expert regarding the technical terms), if any with ESKOM in respect of the goods, its component parts and/or related services, assumes an obligation to ensure proper usage as described in the instructions or as used generally, its component parts and/or related services and is aware that the signature and/or initial made next to the indicated clauses and below this notice limits the liability of ESKOM.

1. The CUSTOMER acknowledges that, by signing here and initialling here below and next to the clause which refers to this notice that the CUSTOMER has read the content of the said clause(s) and agree to be bound by the contents thereof;
2. The CUSTOMER is herewith informed further to read the whole Agreement carefully and raise any and all concerns relating to this Agreement with ESKOM at the time of the conclusion of this Agreement to avoid confusion and/or uncertainty in respect of its provisions.

Signed at Pretoria on 21-10-15 [date].

(ESKOM)

(CUSTOMER)

PROJECT REFERENCE: BHS154340925

Note: in the text of this Annexure an additional place is made for an initial of both parties next to the specific clause.

INTERPRETATION

- 1.1 In this Agreement unless stated otherwise, expressions which indicate:
 - 1.1.1 a gender includes other genders;
 - 1.1.2 a natural person includes a juristic person, and vice versa;
 - 1.1.3 the singular includes the plural, and vice versa; and
- 1.2 The rule that this Agreement should be interpreted against the Party responsible for the drafting or preparation of this Agreement does not apply.

2 DEFINITIONS

- 2.1 **'Agreement'** or **'this Agreement'** means the electricity supply agreement, this Annexure 'A' (Standard Conditions of Supply) and Annexure 'B' (Schedule of Standard Prices).
- 2.2 **'Cash Deposit'** has the meaning ascribed to it in subclause 13.1 of this annexure.
- 2.3 **'Code(s)'** means the Distribution Code, the South African Grid Code, the Grid Connection Code for Renewable Power Plants or any other code, published by NERSA, as applicable and as amended, modified, extended, replaced or re-enacted from time to time.
- 2.4 **'Connection Charge'** means a CUSTOMER specific allocated capital contribution recovering connection costs associated with the provision of capacity, payable in addition to the tariff charges, which may consist of Standard Connection Charges, Premium Connection Charges and Existing Monthly Connection Charges.
- 2.5 **'CUSTOMER'** is the entity defined in Clause 1 of the electricity supply agreement of this Agreement.
- 2.6 **'Disconnection'** means a termination of the main electricity supply to a CUSTOMER in the case of breach by the CUSTOMER.
- 2.7 **'Distribution Code'** means the set of documents titled South African Distribution Code published by NERSA in September 2007, as amended, modified, extended, replaced or re-enacted from time to time.
- 2.8 **'Electricity Regulation Act'** means the Electricity Regulation Act 6 of 2006 as amended or re-enacted from time to time.
- 2.9 **'ESKOM'** means 'Eskom Holdings SOC Ltd' Reg No 2002/015527/30 a state-owned public company with limited liability incorporated in terms of the laws of the Republic of South Africa, with its registered office at Megawatt Park, Maxwell Drive, Sandton.
- 2.10 **'Existing Monthly Connection Charge'** means a monthly repayment of the required Connection Charge where ESKOM and the CUSTOMER have agreed monthly payments for existing supplies.
- 2.11 **'Force Majeure Event'** means any act, event or circumstance or any combination of acts, events or circumstances which:
 - 2.11.1 is beyond the reasonable control of any Party (the 'Affected Party');
 - 2.11.2 is without fault or negligence on the part of the Affected Party and is not the direct or indirect result of a breach or failure by the Affected Party to perform any of its obligations under this Agreement;
 - 2.11.3 was not foreseeable or, if foreseeable, could not have been avoided or overcome by the Affected Party (including by reasonable anticipation) taking reasonable action;
 - 2.11.4 prevents, hinders or delays the Affected Party in its performance of all (or part) of its obligations under this Agreement.

Without limiting the generality of the foregoing, a Force Majeure Event may include any of the following acts, events or circumstances, but only to the extent that it satisfies the requirements set out in subclauses 2.11.1 to 2.11.4 above:

- (i) war, hostilities, belligerence, blockade, acts or terrorism, sabotage, civil commotion, riot, revolution or insurrection occurring in South Africa;
- (ii) any laws, decrees, regulations of Governmental authorities;
- (iii) strikes that are widespread, nation-wide or political in nature (but excluding strikes, lockouts and other industrial disturbances of the Affected Party's employees which are not part of a wider industrial dispute materially affecting other employees within South Africa);
- (iv) Act of God, including, drought, fire, earthquake, volcanic eruption, landslide, flood, storm, cyclone, tornado, typhoon or other natural disasters;
- (v) epidemic or plague;
- (vi) ire, explosion or radioactive or chemical contamination;
- (vii) air crash, shipwreck or train crash; and
- (viii) any act, event or circumstance of a nature analogous to any of the foregoing.

- A Force Majeure Event does not include shortage of cash, any inability or failure to pay money, any inability to raise finance or any changes in price and market conditions or strikes, lockouts and other industrial disturbances of the Affected Party's employees which are not part of a wider industrial dispute materially affecting other employees within South Africa.
- 2.12 **'Grid Connection Code for Renewable Power Plants'** means the set of documents entitled "Grid Connection Code for Renewable Power Plants (RPPs) connected to the Electricity Transmission System (TS) or the Distribution System (DS) in South Africa" published by NERSA in November 2012, version 2.6 2012 as amended, modified, extended, replaced or re-enacted from time to time.
- 2.13 **'Guarantee'** has the meaning ascribed to it in subclause 13.1 of this annexure.
- 2.14 **'Interrupt'** or **'Interruption'** means a temporary suspension of the supply of electricity to the CUSTOMER by ESKOM due to emergency or agreed events, and planned or unplanned events.
- 2.15 **'Metering Installation'** means collectively a metering system installed by ESKOM, consisting of a meter and ancillary devices, all or any of which will at all times be owned and maintained by ESKOM despite delivery and installation at the Premises, and irrespective of where in the electrical circuit such Metering Installation is installed.
- 2.16 **'Billing period'** means the period from one meter reading date (actual or estimated) to the next meter reading date.
- 2.17 **'NERSA'** means the National Energy Regulator or its successor-in-title, established in terms of the National Energy Regulation Act (No 40 of 2004).
- 2.18 **'NRS 048'** means the specification for quality of supply issued by the South African Bureau of Standards, as revised from time to time or as replaced by a national standard;
- 2.19 **'NRS 057'** means the Code of Practice For Electricity Metering issued by the South African Bureau of Standards, as revised from time to time or as replaced by a national standard;
- 2.20 **'Parties'** means the Parties to this Agreement as described in clause 1 of the electricity supply agreement and **'Party'** shall mean either one of them;
- 2.21 **'Premium Connection Charge'** means the capital contribution where ESKOM provides a CUSTOMER with a Premium Connection.
- 2.22 **'Premium Connection'** means the CUSTOMER's specifications result in equipment to be installed that are in excess of the specifications of a Standard Connection to provide for a more reliable and secure connection.
- 2.23 **'Premises'** means the property described in the clause pertaining to the Premises in the electricity supply agreement and on which a supply of electricity is required by a CUSTOMER.
- 2.24 **'Reasonable and Prudent Person'** means a person acting in good faith in the performance of its contractual obligations and, in doing and in the general conduct of its business, exercising that degree of skill, diligence, prudence, responsibility and foresight which would reasonably and ordinarily be expected from a skilled and experienced person complying with all legal requirements, engaged in the same or a similar type of business, in the same or similar circumstances and conditions, and any references herein to the standards of a Reasonable and Prudent Person shall be construed accordingly;
- 2.25 **'Schedule of Standard Prices'** means Eskom's published tariffs and charges applicable to CUSTOMERS, as approved by NERSA, and amended from time to time.
- 2.26 **'Standard Connection'** means a connection that meets specifications in terms of the South African Grid Code and applicable standards for a minimum technically acceptable solution.
- 2.27 **'Standard Connection Charge'** means the charge payable by the CUSTOMER for a Standard Connection.
- 2.28 **'Supply Size'** means the breaker size for single phase supplies and transformation capacity for three-phase supplies; which determines the load capacity capable of being delivered to the customer's Point of Delivery.
- 2.29 **'Tariff'** means the tariff as stipulated in Clause 4(g) of the electricity supply agreement.
- 2.30 **'VAT'** means value added tax as contemplated in the Value Added Tax Act (Act No 89 of 1991), as amended or re-enacted from time to time.
- 2.31 **'Year'** means ESKOM's financial year starting 1 April in a year and ending on 31 March in the subsequent year.

8

3 GENERAL AGREEMENT

Notice: The CUSTOMER is referred to the section 49 notice indicated on the first page of this agreement which is specifically applicable to this Clause 3. The content of that notice is incorporated in this clause as if specifically incorporated herein.

- 3.1 ESKOM agrees to supply electricity to the CUSTOMER and the CUSTOMER agrees to take from ESKOM all the electricity required by the CUSTOMER for the Premises on the terms and conditions set out in this Agreement; subject to the provisions of the Codes, the Electricity Regulation Act and the rules and regulations issued thereunder, the NMD Rules as approved by NERSA and amended from time to time, and of ESKOM's Licences and Schedule of Standard Prices, as amended or re-enacted from time to time and any other applicable laws.
- 3.2 The CUSTOMER acknowledges that as part of the conditions of this Agreement, ESKOM will install a Metering Installation on the Premises. [Initial here: _____]

4 FORM OF ELECTRICITY SUPPLIED

Notice: The CUSTOMER is referred to the section 49 notice indicated on the first page of this agreement which is specifically applicable to this Clause 4. The content of that notice is incorporated in this clause as if specifically incorporated herein.

- 4.1 Electricity shall be supplied as alternating current at the declared voltage stated in the electricity supply agreement and at a frequency of 50 hertz. ESKOM will endeavour to maintain the quality of supply to as near to the agreed form as circumstances and conditions will permit, subject to the allowable deviations as specified in NRS 048-2.
- 4.2 On the information submitted by the CUSTOMER concerning details of its electrical installation on the Premises, ESKOM and the CUSTOMER shall agree on whether a single-phase or a three-phase supply is required and ESKOM's decision on whether the CUSTOMER may connect up or use any particular equipment on a single-phase supply shall be final. [Initial here: _____]

5 CUSTOMER'S REQUIREMENTS

- 5.1 The CUSTOMER shall be entitled to use electricity on the Premises up to the Notified Maximum Demand or Supply Size p as specified in Clause 4 of the electricity supply agreement.

Notice: The CUSTOMER is referred to the section 49 notice indicated on the first page of this agreement which is specifically applicable to this subclause 5.2. The content of that notice is incorporated in this clause as if specifically incorporated herein.

- 5.2 The CUSTOMER shall not, without the written consent of ESKOM, make use of the electricity supplied for any purpose other than that provided for in this Agreement, nor supply any electricity taken from ESKOM to any third party. [Initial here: _____]
- 5.3 If a CUSTOMER who has a single-phase supply requires a three-phase supply, ESKOM will provide a three-phase supply if this is possible; but any costs incurred by ESKOM in making the change from single to three-phase supply shall be for the account and be paid in advance, by the CUSTOMER as an additional Connection Charge.
- 5.4 In the event of the CUSTOMER applying for and ESKOM agreeing to provide an increased or decreased supply to the CUSTOMER, ESKOM shall have the right to raise additional Connection Charges to recover any costs incurred by ESKOM.

6 POINT (S) OF DELIVERY FOR THE SUPPLY OF ELECTRICITY TO THE PREMISE(S)

- 6.1 The Point (s) of Delivery for the supply of electricity to the Premise (s) shall be decided by ESKOM and shall be:
- 6.1.1 where ESKOM makes use of a distribution kiosk on a pavement for installation of its meters, at the point on the boundary of the Premises where ESKOM's service cable is joined to that of the CUSTOMER's equipment; or
- 6.1.2 where an overhead connection exists, at the terminals of ESKOM's service conductor connected to the insulators or other equipment installed by the CUSTOMER on the Premises in a position approved by ESKOM; or
- 6.1.3 In all other cases, at the terminals of ESKOM's equipment where ESKOM's meter and circuit breaker are installed (irrespective of the installation of the ancillary equipment), and the meter shall be located as ESKOM may decide, either on the boundary of the Premises or at a point to be agreed on the Premises.

7 EQUIPMENT TO BE PROVIDED BY ESKOM

- 7.1 ESKOM shall provide the equipment required for the supply of electricity to the CUSTOMER at the Point of Delivery together with the necessary connection from ESKOM's distribution system, and the Metering Installation;
- 7.2 Should the Point of Delivery be located within the Premises, ESKOM shall provide a service connection to the Point of Delivery on and/or across the Premises along a route to be agreed between ESKOM and the CUSTOMER.

8 EQUIPMENT TO BE PROVIDED BY THE CUSTOMER

Notice: The CUSTOMER is referred to the section 49 notice indicated on the first page of this agreement which is specifically applicable to this clause. The content of that notice is incorporated in this clause as if specifically incorporated herein.

- 8.1 If requested by ESKOM, the CUSTOMER shall provide to ESKOM at the CUSTOMER's own expense suitable and secured accommodation for the equipment and meter(s) to be installed by ESKOM.
- 8.2 The CUSTOMER shall at its own expense, supply, erect, connect up, operate and maintain, any equipment required to connect its electrical installation with the Point of Delivery, and this equipment shall be approved by ESKOM, before it is connected to the Point of Delivery.
- 8.3 The equipment of the CUSTOMER as well as the wiring of its electrical installation, shall be of good design and construction, properly installed and maintained by the CUSTOMER and shall in all respects comply with any statutory or other regulations or by-laws in force from time to time governing the use of electricity.
- 8.4 ESKOM has the right to inspect a copy of the CUSTOMER's certificate of compliance as required by law, upon reasonable notice of such request.
- 8.5 No extension of or addition to the CUSTOMER's electrical installation which would require an increase in the capacity of the supply, may be made until notice in writing has been given to ESKOM and agreement has been reached on the terms and conditions for an increase in the CUSTOMER's supply.
- 8.6 The CUSTOMER must ascertain from ESKOM the type of protection to be provided on the supply, which information shall be made available by ESKOM on request, and should provide adequate means for the protection of the CUSTOMER's equipment. The CUSTOMER must note specifically that:
- 8.6.1 it is not practicable for ESKOM to install protective equipment on its system which will ensure in all cases that motors and/or other equipment on the CUSTOMER's side will be protected in the event of low voltage or over voltage or single-phasing. It is therefore necessary for the CUSTOMER to take adequate measures to protect its motors and/or equipment against damage that may arise under low voltage or over voltage conditions or from single-phasing;
- 8.6.2 where an Interruption or a Disconnection may cause damage to the CUSTOMER's plant or business, the CUSTOMER is responsible to take measures to protect itself against such possible damage.
- 8.6.3 Should the CUSTOMER have or decide to install its own generating plant, the equipment for connecting such plant to ESKOM's distribution system, shall be subject to ESKOM's approval and comply with the conditions of the Codes. Such generating plant shall be operated subject to such terms and conditions as ESKOM may lay down to ensure the safety and protection of its personnel and equipment. [Initial here: _____]

9 ACCESS TO PREMISES

Notice: The CUSTOMER is referred to the section 49 notice indicated on the first page of this agreement which is specifically applicable to this Clause 9. The content of that notice is incorporated in this clause as if specifically incorporated herein.

- 9.1 ESKOM's authorised representatives shall have at all reasonable times free access to the Premises for the purposes of inspecting and/or testing the CUSTOMER's electrical installation, the Metering Installation, reading of meters and the maintenance, recovery and removal of ESKOM's equipment installed on the Premises. [Initial here: _____]

10 RIGHT(S)-OF-WAY

Notice: The CUSTOMER is referred to the section 49 notice indicated on the first page of this agreement which is specifically applicable to subclause 10.1 to 10.2.4. The content of this clause as if specifically incorporated herein.

10.1 The CUSTOMER hereby grants to ESKOM, its successors-in-title, assignees, and/or licensees, an irrevocable right-of-way in perpetuity, free of charge to transmit electricity over the Premises. The said rights shall be along a route mutually agreed to by the Parties:

10.2 The right(s)-of- way shall be binding on the CUSTOMER, its heirs, assignees and successors-in-title and shall include the following rights in favour of ESKOM:

the right to erect an overhead power line/underground cable(s) together with such structures, equipment, conductors and overhead cables ("works") on the Premises or to erect or lead such conductors or other equipment on, under or over the Premises along a route mutually agreed to, as may at any time be necessary or convenient in exercising the right of way for overhead power line(s) / underground cable(s) and the right to any extension(s) of such line(s) and/or cable(s) to other consumers of ESKOM; and the CUSTOMER shall also grant to ESKOM the right to retain any existing line(s) and/or cable(s) on the Premises. Any existing servitudes pertaining to such existing lines and cables, together with the restriction area referred to in subclause 10.3 below, shall hereinafter be referred to as the 'Servitude Area'.

10.2.1 the right to enter and be upon the Premises at all reasonable times in order to construct, erect, operate, use, maintain, repair, re-erect, remove, alter or inspect the works on the Premises, or in order to gain access to any adjacent properties in the exercise of similar rights.

10.2.2 the right to have access to and egress from the power lines and the right to use existing roads giving access to and egress from the Premises or roads running across the Premises and gates on the Premises and to erect in any fence, such gates as may be necessary or convenient to gain access to and egress from any power line/underground cable or accessory equipment.

10.2.3 the right to remove any trees, bush, grass, material or structures within the restricted area defined in subclause 10.3 hereof and the right to cut or trim any trees in order to comply with the restrictions referred to in subclause 10.4 hereof, after consultation with the CUSTOMER. [Initial here: _____]

10.3 ESKOM shall exercise its rights subject to the following terms and conditions -

10.3.1 ESKOM shall ensure that any gates used by its personnel shall be closed.

10.3.2 ESKOM shall pay compensation:

10.3.1.1 where damage is caused intentionally to any property by ESKOM, its employees or contractors, to enable ESKOM to use or continue to use the servitude area for its intended purpose.

10.3.1.2 where damage or injury is caused by any negligent act or omission on the part of ESKOM, its employees or contractors. Such liability shall be limited to direct damages, excluding consequential damages.

Notice: The CUSTOMER is referred to the section 49 notice indicated on the first page of this agreement which is specifically applicable to subclause 10.4 to 10.8. The content of that notice is incorporated in this clause as if specifically incorporated herein.

10.4 The following special restrictions are placed on the use of the Premises (in the Servitude Area) namely -

10.4.1 The CUSTOMER shall ensure that no building or structure may be erected or installed above or below the surface of the ground, neither may any material which might endanger the safety of the power line/underground cable be placed within a distance as set out in the Table below of the centre line of this power line/underground cable without the prior written permission of ESKOM.

Line Voltage	Clearance from Centre Line
11kV & 22kV	9m
66kV	11m
132kV	15,5m

10.4.2 No mining activities or blasting operations shall be permitted within 500 (five hundred) meters of any power line/underground cable without the prior written permission of ESKOM.

10.4.3 The CUSTOMER shall not plant or allow to grow any tree in the Servitude Area nor plant or allow to grow in the vicinity of a power line/underground cable any tree that could grow to a height of more than 10m from the nearest conductor of such

power line or allow it to grow in such a manner as to endanger that line should it fall or be cut down.

10.5 The CUSTOMER shall ensure that the right-of-way hereby granted to ESKOM

10.5.1 shall be brought to the attention of any purchaser or transferee of the Premises (or of any portion of the Premises) by the CUSTOMER or the seller (at that time) of the Premises before the Premises (or any portion thereof) is sold and/or transferred to such purchaser or transferee.

10.5.2 shall, if ESKOM so requests and at ESKOM's costs and by Notary appointed by ESKOM for this purpose, be incorporated into a Notarial Deed of Servitude and be registered against the title deed under which the Premises is held. The CUSTOMER and/or its heirs, assignees and successors-in-title shall perform all necessary actions and sign all necessary documents to achieve the notarial execution and registration (in the office of the Registrar of Deeds) of a deed of servitude, as envisaged above.

10.6 If the CUSTOMER is not the owner of the Premises as set out in subclause 10.1, the CUSTOMER shall be required to obtain from the owner of the Premises a grant to ESKOM of such right(s)-of-way, free of charge, over the Premises. Should the CUSTOMER fail to do so, he/she/it will be liable for the costs of relocation of electrical services requested by the owner.

10.7 If any alteration is required by the CUSTOMER to ESKOM's overhead line or service cable or the position of ESKOM's equipment or meters, or is required by reason of the modification of the CUSTOMER's consent, the expenses to be incurred by ESKOM in effecting the alteration or removal shall be borne, and paid in advance, by the CUSTOMER.

10.8 The CUSTOMER's application is further subject to ESKOM acquiring a T-off right or extended right from an adjacent land owner to connect a power line supply to the CUSTOMER. [Initial here: _____]

11 COMMENCEMENT OF SUPPLY

The supply of electricity shall, subject to the CUSTOMER complying with ESKOM's conditions for providing supply, be made available by ESKOM on a date to be advised to the CUSTOMER by ESKOM or as soon thereafter as practicable unless it is agreed in writing between the CUSTOMER and ESKOM that the supply can be made available at an earlier date.

12 CHARGES

Notice: The CUSTOMER is referred to the section 49 notice indicated on the first page of this agreement which is specifically applicable to this Clause 12. The content of that notice is incorporated in this clause as if specifically incorporated herein.

12.1 The CUSTOMER shall, on signing the electricity supply agreement, pay to ESKOM a Standard and/or Premium Connection Charge, as the case may be. The said Connection Charge shall be payable by the CUSTOMER as an upfront payment for connection costs incurred prior to providing a new supply or a change in technical characteristics of existing supplies.

12.2 Despite the payment of the Connection Charge, any line, cable, meter or other equipment provided, installed and maintained by ESKOM shall remain the absolute property of ESKOM who shall be entitled to recover and remove the same on termination of the supply to the CUSTOMER.

12.3 The prices payable by the CUSTOMER for the supply of electricity shall be the prices set out in the Tariff as specified in the Schedule of Standard Prices as updated from time to time, subject to ESKOM's right to adjust its prices it charges for electricity supplied with the approval of NERSA.

12.4 Where the Tariff provides for a Network Access Charge and/or Network Demand Charge as defined in Annexure 'B' to be paid, such charge(s) shall be payable for a period not less than the notice period set out in clause 5 of the electricity supply agreement.

12.5 Particulars of the Tariff rates and charges currently payable for the supply to the CUSTOMER are given in Annexure 'B'.

12.6 The CUSTOMER may elect to be charged any applicable standard tariff as prescribed in the ESKOM Schedule of Standard Prices, subject however to –

- a new electricity supply agreement being concluded;
- such variation in tariff being restricted to 1 (one) change for each Point of Delivery in a

- the CUSTOMER meeting the qualification criteria for such elected tariff.
- 12.7 Existing Monthly Connection Charges shall be payable in each Billing Period for the duration of the electricity supply agreement; provided that the applicable Existing Monthly Connection Charge is paid for a period not less than the notice period as set out in clause 5 of the electricity supply agreement and for a period not exceeding 25 (twenty-five) years reckoned from the date the supply to the Premises is first made available.
- 12.8 Existing Monthly Connection Charges originally based on a variable interest rate are calculated at a premium of 2% above the prime interest rate of First National Bank. The said financing rate is linked to the prime interest rate of First National Bank and will fluctuate in line with this prime interest rate. As a result the Monthly Connection Charges specified in the electricity supply agreement which have been calculated using a variable interest rate shall fluctuate in line with any variance in the prime interest rate of First National Bank.
- 12.9 The fixed charges for the Tariff shall be payable whether any electricity is consumed in any month or not and shall be calculated from the date on which electricity is first supplied to the CUSTOMER or from the date ESKOM notifies the CUSTOMER that it is ready to commence the supply, whichever date is the earlier.
- 12.10 Should the CUSTOMER terminate this Agreement, before the notice period as set out in the electricity supply agreement expires, the outstanding Network Access Charge and the Network Demand Charge payable in terms of sub-clauses **Error! Reference source not found.** to **Error! Reference source not found.** and the Existing Monthly Connection Charges payable in terms of sub-clause **Error! Reference source not found.** shall be raised as a once-off payment. [Initial here: _____]

13 SECURITY - ELECTRICITY ACCOUNTS

- 13.1 As security for the due payment of the accounts to be rendered in terms of clause 15 of this annexure, the CUSTOMER shall, on signing the electricity supply agreement, or on a date as agreed, deposit with ESKOM a sum of money ('the Cash deposit') or furnish ESKOM with a guarantee ('the Guarantee'). Where applicable the CUSTOMER shall procure that for the duration of this Agreement ESKOM is provided with a legal, valid and binding Guarantee acceptable to ESKOM (the form of which is attached hereto as Annexure 'C').
- 13.2 ESKOM shall have the right to call upon the CUSTOMER at any time to vary the Cash Deposit or the Guarantee, so that the amount of the security shall be sufficient to cover the estimated amount payable by the CUSTOMER for electricity during any period of 3 (three) Months, and the CUSTOMER shall be obliged to furnish ESKOM with an increased cash deposit or a legal, valid and binding guarantee for the increased amount, within 30 (thirty) days of being called upon to do so.
- 13.3 ESKOM shall have the right at any time to allocate the whole or any portion of the Cash Deposit or the proceeds of the Guarantee, towards the payment of any amounts payable by the CUSTOMER for electricity supplied and which are in arrears, provided that should the whole of or any portion of the Cash Deposit or proceeds of the Guarantee be allocated by ESKOM at any time, the CUSTOMER shall be obliged forthwith to reinstate the Cash Deposit or replace the Guarantee within 30 (thirty) days of being called upon to do so.
- 13.4 If and whenever the Guarantee provided by the CUSTOMER in accordance with this Clause ceases (for any reason whatsoever) to be in full force and effect or otherwise to comply with this Clause, the CUSTOMER shall promptly upon the occurrence of such event and within 30 (thirty) calendar days of being called upon to do so, provide to ESKOM a new or re-issued Guarantee which meets the requirements of this Clause.
- 13.5 Should the CUSTOMER fail to comply with the provisions of subclauses **Error! Reference source not found.**, **Error! Reference source not found.**, **Error! Reference source not found.** and **Error! Reference source not found.** above, ESKOM shall be entitled to discontinue the supply upon expiry of the 30 (thirty) day period without any further notice to the CUSTOMER.
- 13.6 Any guarantee required in terms of this clause shall be issued by (a) any of the Standard Bank of South Africa Limited, ABSA Bank Limited, First National Bank Limited or Nedbank limited (or any of their respective successors) or (b) the South African branch of a leading international bank or financial institution acceptable to ESKOM, acting reasonably, in such a form as may be acceptable to ESKOM.
- 13.7 The balance of the Cash Deposit or Guarantee, as the case may be, shall be returned to the CUSTOMER upon termination of this Agreement and final settlement of any amounts owing to ESKOM

- 13.8 The Cash Deposit shall bear interest, capitalised annually, at the prevailing rate as determined by ESKOM from time to time.
- 13.9 In the event of the final account not being settled, ESKOM shall be entitled to apply the Cash Deposit to any outstanding amounts owing to ESKOM, or if ESKOM holds a guarantee, to call up the Guarantee without any notice to the CUSTOMER.

14 PAYMENT OF ELECTRICITY ACCOUNTS

- 14.1 Accounts for all charges payable by the CUSTOMER shall be sent to the CUSTOMER as soon as possible after the end of each Month, and each account shall be due and payable on the date the account is received by the CUSTOMER, which date, for purposes of this Agreement, shall be deemed to be not later than 7 (seven) days from the date of the account.
- 14.2 Should payment not be received within a period of 23 (twenty-three) days from the date the account is deemed to have become due and payable in terms of sub-clause 14.1, ESKOM may Disconnect the supply to the CUSTOMER and/or terminate this Agreement after having given the CUSTOMER 14 (fourteen) days written notice, which will be reflected on the customer account statement in the following month. ESKOM shall in its discretion be entitled to charge interest compounded monthly from the date the account is deemed to have become due and payable in terms of sub-clause **Error! Reference source not found.** to the date of payment, at a rate per annum equal to the prevailing prime overdraft rate charged by First National Bank of Southern Africa Limited plus 5% (five percent) provided that the rate in aggregate shall not exceed the maximum prescribed interest rate in terms of the National Credit Act 34 of 2005 relating to incidental credit agreements.
- 14.3 Should the CUSTOMER dispute an account, it shall not be entitled to reduce or set off its debt or defer payment thereof beyond the period of grace allowed for in sub-clause 14.2, but such account shall as soon as possible thereafter be adjusted if necessary.
- 14.4 Should the CUSTOMER be incorrectly charged for any amount[s] payable in terms of this Agreement as a result of human or technical error, ESKOM shall inform the CUSTOMER of the correct amount[s] payable and the reasons therefor.
- 14.5 In the case of the CUSTOMER being overcharged and having paid such overcharged amount, ESKOM shall as soon as practicable either credit the CUSTOMER's electricity account or reimburse the CUSTOMER with the total amount overcharged. ESKOM shall in its discretion be entitled to refund interest, compounded monthly from the date the CUSTOMER has paid the overcharged amount up to the date ESKOM has credited the CUSTOMER's electricity account or has repaid the CUSTOMER, as the case may be, at a rate per annum equal to the prevailing prime overdraft rate charged by First National Bank of Southern Africa Limited.
- 14.6 In the case of the CUSTOMER being undercharged, ESKOM shall debit the CUSTOMER's electricity account with the total amount undercharged and such amount shall be payable by the CUSTOMER on such terms as may be agreed to by ESKOM; subject to the proviso that the CUSTOMER may pay the amount over a period commensurate with the amount undercharged, but such period shall be limited to a maximum period of 6 (six) months. ESKOM shall in its discretion be entitled to charge interest, compounded monthly, from the date the CUSTOMER's account has been debited in terms of this clause to date of payment, at a rate per annum equal to the prevailing prime overdraft rate charged by First National Bank of Southern Africa Limited.
- 14.7 A certificate under the signature of a duly authorised employee of ESKOM setting out the amount due and payable by the CUSTOMER at any time in terms of this Agreement, shall be sufficient and conclusive proof, subject to manifest error, of the CUSTOMER's debt for the purpose of insolvency and legal proceedings and the obtaining of provisional sentence.

15 ACCOUNTS AND NOTICES

- 15.1 Electricity accounts shall be addressed to the CUSTOMER at its postal address set out in the electricity supply agreement and any notice to the CUSTOMER in respect of any other matter arising from this Agreement shall at ESKOM's option be served either at the address of the Premises to be supplied with electricity, or at the alternative physical address of the CUSTOMER stated herein, or at the CUSTOMER's postal address.
- 15.2 Notices/accounts posted to the CUSTOMER shall be deemed received by the CUSTOMER on the 7th (seventh) day after the date of the notice/account.

8

15.3 Notices to ESKOM shall be addressed to the postal address set out in this Agreement or at such other place as ESKOM may from time to time direct; and if sent by letter shall be deemed to have reached ESKOM on the 7th (seventh) day after the date of posting.

15.4 The CUSTOMER chooses its domicile for all purposes of this Agreement at the address of the Premises to be supplied with electricity as well as at the alternative physical address furnished by the CUSTOMER. ESKOM shall be entitled to use either of the aforementioned addresses for purposes of litigation in terms hereof.

ESKOM chooses its domicile as: Megawatt Park
Maxwell Drive
Sunninghill Ext. 3
2199 Sandton

16 METER-READINGS AND RENDERING OF ACCOUNTS

16.1 The meter(s) shall be read at such Billing Period intervals as ESKOM may decide, provided that in the event of the period between successive meter-readings being longer than one Billing Period, an estimated account shall be rendered to the CUSTOMER for each Billing Period between meter-readings and an adjustment account shall be rendered after the meters are next read based on the actual consumption of electrical energy then determined.

16.2 In cases where meters are manually read, should the CUSTOMER prefer to have his account based on actual meter-readings for those Billing Periods where ESKOM would normally render an estimated account, the CUSTOMER has the option to inform ESKOM timeously of the actual meter readings on which to base his account.

16.3 The decision on whether to base the account on such actual readings provided by the CUSTOMER or on estimated consumption for a specific Billing Period is at the sole discretion of ESKOM.

16.4 ESKOM shall also render an adjustment account after the meters are next read, based on the actual consumption of electrical energy then determined.

16.5 In cases where meter reading are automated, the monthly account will as a rule be based on actual meter readings. Where actual readings are not available for any reason, an estimated monthly reading will be used to generate an account.

17 METER TESTING

17.1 If within 14 (fourteen) days of the rendering of any monthly account for electricity supplied, the CUSTOMER requests ESKOM in writing to test any or all of the meters, ESKOM shall conduct the test and if such test shows that the inaccuracy of any meter is within the percentage accuracy as specified in NRS 057, the meter shall be considered as correct and the account shall stand as rendered; but if the test shows the inaccuracy to be in excess the percentage accuracy as specified in NRS 057, the same shall in the absence of evidence to the contrary be deemed to have existed since the date the error or fault can be reasonably shown to have occurred, and the account shall be adjusted accordingly in the first account rendered after the inaccuracy has been ascertained.

17.2 If the test shows the inaccuracy to be less than the percentage accuracy as specified in NRS 057, the account(s) shall stand as rendered and the meter test fees and/or actual cost that ESKOM incurred in testing the metering installation(s) shall be charged on the CUSTOMER's account.

17.3 ESKOM shall have the right to test any of the meters at any time and if any such test shall show any inaccuracy in excess of the percentage accuracy as specified in NRS 057, the same shall be deemed to have existed since the date the error or fault can be reasonably shown to have occurred, and the account shall be adjusted accordingly in the first account rendered after the inaccuracy has been ascertained.

17.4 Should any inaccuracy be as a result of the meters being tampered with, the inaccuracy shall be deemed to have existed since the date of the last inspection or test conducted on the said meters and associated equipment.

18 POWER FACTOR, PHASE BALANCE AND INTERFERENCE WITH OTHER SUPPLIES

- 24.1 In the event that the Parties, notwithstanding the use of reasonable endeavours to do so, are unable to resolve any dispute between them arising out of or in connection with this Agreement (including, without limitation, any question regarding its existence, validity, interpretation, rectification or termination) (the "Dispute"), such Dispute shall be settled in accordance with the procedures set out in this Clause **Error! Reference source not found.**4.
- 24.2 Where such a Dispute arises as contemplated in clause **Error! Reference source not found.**, either Party (the "Disputing Party") shall within 2 (two) Business Days of the date on which the Dispute arose, give written notice of the Dispute (the "Dispute Notice") to the other Party (the "Receiving Party"), in accordance with the provisions of this clause.
- 24.3 The Dispute Notice, which shall be sent to the address of the Receiving Party as specified in Clause 8 of the Agreement (the "Service Address"), shall:
- 24.3.1 inform the Receiving Party of the Dispute;
 - 24.3.2 refer to the reasons for declaring the Dispute; and
 - 24.3.3 describe the nature of the Dispute with sufficient clarity for the Receiving Party to be able to identify it.
- 24.4 Within 3 (three) Business Days of receipt of the Dispute Notice, the Receiving Party shall be obliged to send a written notice (the "Acknowledgement Notice") to the Disputing Party acknowledging receipt of the Dispute Notice.
- 24.5 Within 3 (three) Business Days of receipt of the Acknowledgement Notice, the Negotiation Representatives of the Parties, possessing sufficient authority to be able (if necessary with consultation back to their respective organisations) to resolve the Dispute, shall meet or communicate in such a manner expedient to resolving the dispute if it is impractical to meet in person (by way of example via email, video/telephone conferencing etc.) to attempt to settle the Dispute in an amicable manner, within a period of 3 (three) days after the commencement of the negotiations (the "Negotiation Period"). In the event that the Dispute is resolved between the Negotiation Representatives, the outcome of such negotiations shall be reduced to writing and signed by the Parties.
- 24.6 The Parties agree that while a Dispute is continuing, they shall both continue to perform their respective obligations under this Agreement until the Dispute has been fully and finally resolved in accordance with the provisions of this clause. It being specifically agreed that where the nature of the Dispute precludes compliance (whether in full or in part) with this clause, the Party who is so precluded from performing shall forthwith notify the remaining Party/ies that it is so unable to perform and the reasons therefor. Any Party receiving notice of an inability to perform in terms of this clause may dispute the content thereof, which dispute shall in itself be dealt with contemporaneously with the Dispute.
- 24.7 If the Dispute is not resolved by the Negotiation Representatives within the Negotiation Period, either Party shall, within a period of 5 (five) Business Days after the last day of the Negotiation Period, and by written notice to the other Party (the "Mediation Notice") refer the Dispute to mediation by 1 (one) mediator appointed in accordance with the remaining provisions of this clause.
- 24.8 The Mediation Notice, which shall be sent to the Service Address of the other Party, shall:
- 24.8.1 record the failure of the Negotiation Representatives to resolve the Dispute within the Negotiation Period;
 - 24.8.2 notify the other Party of the identities and details of 5 (five) mediators nominated by the Party sending the Mediation Notice, and request the other Party to, within 3 (three) Business Days of receipt of the Mediation Notice, and by written notice (the "Mediation Response Notice"), agree to the appointment of 1 (one) of such nominated mediators; and
 - 24.8.3 advise the other Party of its right to, by way of the Mediation Response Notice, nominate 5 (five) mediators of its own should it object to the nominated mediators.
- 24.9 Should the other Party fail to respond to such Mediation Notice, within 5 (five) Business days of the giving of the Mediation Notice, the other Party will be deemed to have agreed to the use of the first listed mediator as nominated on the Mediation Notice.

- 24.10 If the Parties are not able to agree on the appointment of such mediator, within 3 (three) Business days of the giving of the Mediation Response Notice, either Party shall within 3 (three) Business Days thereafter, by written notice to the other Party, refer the appointment of the mediator to the Arbitration Foundation of Southern Africa (or its successor or body nominated in writing by it in its stead) ("AFSA").
- 24.11 Only Persons with the adequate level of skill and expertise in relation to the nature of the Dispute and the scope of the contract shall be appointed as mediators. No person shall be eligible to be nominated or appointed as a mediator pursuant to this Agreement, if such person:
- 24.11.1 is presently or has been in the previous 24 (twenty-four) months an employee or agent of, or consultant or counsel to, either Party or any Affiliate of either Party, or
- 24.11.2 acted against either Party or any Affiliate of either Party in the previous 24 (twenty-four) months in a litigious proceeding, or
- 24.11.3 is not in good standing with any professional body that such person is affiliated with, or
- 24.11.4 is a national of a state with which the domicile of any Party does not maintain diplomatic relations.
- 24.12 The mediation shall be conducted according to the directions of the mediator, and the Parties shall participate in the mediation in good faith, and shall respond to all reasonable directions and requests of the mediator in attempting to resolve the Dispute. The costs of the mediation shall be borne equally by the Parties, save where otherwise agreed to in writing by the Parties.
- 24.13 No prior direction, decision, conclusion or recommendation (or similar act) by any Party or the mediator shall be referred to, or used in any subsequent arbitration proceedings, whether in respect of the Dispute or any subsequent dispute which may arise, irrespective of whether or not such subsequent dispute is the same subject matter as the Dispute.
- 24.14 Should the mediation not resolve the Dispute within 7 (seven) Business Days of its commencement (the "Mediation Period"), either Party shall by written notice to the other Party (the "Arbitration Notice") refer the Dispute for resolution by arbitration in terms of the Rules of the Arbitration Foundation of Southern Africa from time to time in force (the "AFSA Rules"), subject to the remaining provisions of this Clause **Error! Reference source not found.4**
- 24.14.1 the then-current rules for expedited arbitration of AFSA (which shall not act as the administrator of the arbitration) shall govern such arbitration;
- 24.14.2 Regarding any arbitration conducted in accordance with this Clause **Error! Reference source not found.4**:
- 24.14.3 The seat shall be the Republic of South Africa;
- 24.14.4 The arbitration shall be held and conducted in the city of Johannesburg in South Africa;
- 24.14.5 The arbitration shall be conducted in the English language and all documents submitted in connection with such proceeding shall be in the English language or, if in another language, accompanied by a certified English translation;
- 24.14.6 The arbitration shall be conducted before 1 (one) arbitrator appointed in accordance with the provisions of this Agreement;
- 24.14.7 Final and binding on the Parties. The arbitrators must allocate the cost of arbitration between the Parties to the arbitration in any arbitral award by the arbitrators.
- 24.15 The Arbitration Notice, which shall be sent to the Service Address of the other Party, shall:
- 24.15.1 record the failure of the Parties to resolve the Dispute within the Mediation Period;
- 24.15.2 notify the other Party of the identities and details of 5 (five) arbitrators nominated by the Party sending the Arbitration Notice, and request the other Party to, within 3 (three) Business Days of receipt of the Arbitration Notice, and by written notice (the "Arbitration Response Notice"), agree to the appointment of 1 (one) of such nominated arbitrators; and advise the other Party of its right to, by way of the Arbitration Response Notice, nominate 5 (five) arbitrators of its own should it object to the nominated arbitrators.

28.2 No variation, modification, waiver, failure, delay, relaxation or indulgence of any provision of this Agreement, or consent to any departure therefrom, shall in any way be of any force or effect unless confirmed in writing and signed by both Parties and then such act or omission as stated above shall be effective only in a specific instance and for the purpose and to the extent for which it was made or given.

28.3 Should the CUSTOMER fail to comply with any of the provisions of this Agreement other than the failure to pay any account in accordance with the provisions of Clause 14, ESKOM shall be entitled to give the CUSTOMER written notice of such default and if the CUSTOMER fails to remedy the default within 14 (fourteen) days after receiving such notification, or if circumstances justify it such other period as may be agreed between the Parties, ESKOM may forthwith discontinue the supply to the CUSTOMER; provided however that if the default is such that in the opinion of ESKOM it would be dangerous to continue the supply to the CUSTOMER, ESKOM may discontinue the supply without the prior notification aforesaid. ESKOM shall however forthwith inform the CUSTOMER of its reasons for discontinuing the supply. The supply shall be restored as soon as practicable after the CUSTOMER has remedied the default and paid the requisite Reconnection Fee. **[Initial here: _____]**

28.4 Should ESKOM fail to comply with any of the provisions of this Agreement, the CUSTOMER shall be entitled to give ESKOM written notice of such default. **[Initial here: _____]**



ANNEXURE C

(Quotation Terms and Conditions for supplies \leq 100kVA)

These terms and conditions must be read in conjunction with the Standard Conditions of Supply in Annexure B

TECHNICAL (Quotation letter - Table 1)

The words and expressions in this document shall have the meanings ascribed to them in the South African Grid Code and the Distribution Code. These documents are obtainable from NERSA's website at: www.nersa.org.za then find links to Electricity & Compliance Monitoring.

Notified Maximum Demand

Notified Maximum Demand (NMD) means the Maximum Demand notified in writing by the Customer and accepted by Eskom, that the Customer requires Eskom to be in a position to supply on demand during all time periods. This is the agreed load that will be limited by circuit breakers. It is normally the capacity that Eskom will reserve for a Customer for the short term, i.e. the following 12 months at any given time.

Any load registered above the NMD referred to in the paragraph above, where an increase in the NMD has not been requested by the Customer and accepted by Eskom, is subject to the NMD rules as amended from time to time with the approval of NERSA. Such unauthorised increase in load shall constitute a material breach of the terms and conditions pertaining to the Customer's electricity supply contract and shall entitle Eskom to terminate or reduce the supply of electricity the Customer's electrical installation.

The process to request an increased load in the future, will be set out in the eventual supply agreement and could have a cost implication even if the existing infrastructure stays the same.

Should a reduction in the NMD be requested, such reduction will be subject to adequate notice in writing by the Customer of the new NMD and the date at which such changed demand is required. The said notice will be subject to 1 (one) month's written notice and may not be given before the expiration of a period of 59 (fifty-nine) months reckoned from the date electricity was first supplied or made available to the Customer.

Supply Voltage

The supply voltage shall be three phase at a declared voltage of 400/230 volts. This is the voltage at which the supply to the Customer is measured and not the system voltage.

Length - Metres of overhead line

The three phase length of overhead line that needs to be built by Eskom to make the supply available to the customer.

Quality of Supply Details

Eskom is required to provide a standard of quality of supply on the network which complies with the national standard NRS048 as is required by NERSA. No specific contracting in respect of quality of supply will be done. This standard is available on request.

A handwritten signature or mark in the bottom right corner of the page.

Customer's electrical installation

The wiring of the electrical installation must be done at the Customer's own expense by a registered electrical contractor, appointed by the Customer. A "Certificate of Compliance", duly signed and completed by the Electrical Contractor, must be submitted to Eskom and the installation approved by an accredited person before the supply may be connected.

The Customer must, at own expense, provide, erect, connect up, operate and maintain all circuits required to connect the Customer's electrical installation with the point(s) of supply/delivery and all equipment necessary for controlling such circuits to the reasonable satisfaction of Eskom for the protection of the equipment of Eskom against overload, faults and lightning on the electrical installation. The protection settings for the Customer's fault and overload equipment shall be agreed with Eskom to ensure appropriate protection grading before the commissioning of the supply.

A suitable road must be made available to afford access at all times for the purpose of reading the meters. The said road must be kept in a good state of repair.

FINANCIAL (Quotation letter - Table 2)

A. TARIFF CHARGES

Tariff applicable

Subject to the provisions of the Electricity Regulation Act (Act No 4 of 2006), as amended or substituted from time to time, the prices to be charged monthly will be as set out in the Schedule of Standard Prices attached to this quotation.

The prices are also subject to Eskom's obligation to adjust the prices it charges for electricity supplied for the duration of any rationing and/or conservation program/scheme introduced, adopted or implemented by NERSA, the Department of Minerals and Energy or any other regulatory body or in accordance with any obligations imposed upon Eskom under the provisions of the Electricity Regulation Act.

These prices will be valid until Eskom's next price increase or tariff restructuring becomes operative. Please note that deviations to Eskom's existing standard tariffs, based on consumption levels, may be brought about in line with any rationing and/or conservation program/scheme introduced, adopted or implemented by NERSA, the Department of Mineral and Energy or any other regulatory body or in accordance with any obligations imposed upon Eskom under the provisions of the Electricity Regulation Act.

B. CONNECTION FEES AND CONNECTION CHARGES

Standard Connection Fee

The Connectionfee as set out in Table 3 is the minimum up-front contribution payable towards the cost of providing the connection and/or capacity.

If acceptance of the final quote is cancelled before survey or any physical construction work has been done, the Connectionfee plus quotation fee less any actual costs incurred will be refundable. If the survey or construction has started, the full fee will be forfeited.

Standard Connection Charge

A Standard Connection Charge is payable for costs associated with a standard connection. The Standard Connection Charge comprises the Standard ConnectionFee which is payable at the time of accepting this quotation and the balance is payable through a Standard Connection Charge as per an agreed payment schedule but must be paid before the supply is connected.

Where long lead time material / construction will be involved, you may be permitted to phase the capital payments to reach Eskom before Eskom incurs any item of cost. Should you negotiate a phasing payment option with Eskom, you will be required to provide an acceptable guarantee at the time of accepting the quotation.

Up-front Connection Charge

The Up-front Standard Connection Charge, together with the Connection Fee will make up the Total Connection Charge, and is payable on acceptance of the quotation unless a phasing payment option has been agreed with Eskom.

Security for electricity accounts (refer also to standard conditions of supply)

Security – electricity accounts for 3 months (without debit order)

An amount, as set out in Table 2 above, or a guarantee for the same amount, issued by a registered South African bank, is required as security for the due payment of monthly accounts. This must be sufficient to cover the estimated bill for 3 (three) consecutive months

Security – electricity accounts for 2 months (with debit order)

Should the Customer wish to pay by debit order, the amount of the security can be reduced to be sufficient to cover the estimated bills for 2 (two) consecutive months. Should this option be exercised, but the debit order is cancelled at any time or the Customer defaults with the payment of its electricity account, the Customer shall be obliged to furnish Eskom with additional security for the due payment of such accounts within 30 days of being called upon by Eskom to do so. The total security will have to be sufficient to cover any 3 (three) consecutive months' bills.

The required forms are attached for completion by a guarantor as well as the debit order form, should the Customer wish to make use of this facility.

The guarantee must be returned to Menlyn, for attention Muziwethu Ndlovu, at the above-mentioned address, but the address on the guarantee must remain P.O.Box 36099, Menlo Park Pretoria, 0102.

Connection Charge Guarantee

A Connection Charge Guarantee as set out in Table 3 is required where a schedule for the payment of connection charges has been agreed as per paragraph 3.3. This guarantee amount will be decreased by each payment received in terms of the agreed payment schedule. The amount is payable by means of cash or a bank guarantee may be provided, of which a blank form is available on request.

LEGAL

The estimated time of making the supply available will be approximately 90 (for complex minors) days from the date of acceptance of the Terms and payment of the Up-Front Charges, but the actual time that it takes will depend on the availability of long lead materials and statutory approval. The Customer will be required to have its installation ready for connection by Eskom at least 30 (thirty) days before the connection date.

Eskom reserves the right to increase the amount of the security referred to in this letter, when the Customer's demand exceeds the authorised Notified Maximum Demand.

The monthly payments will become due and payable from the date that the supply is made available, but not before the date initially indicated by the Customer, and the Customer will not be connected before the date indicated by the Customer.

The Customer will be required to enter into a written agreement with Eskom. Such agreement, including all its relevant appendices, shall then constitute the entire agreement between the Customer and Eskom and shall supersede all preceding negotiations, arrangements or agreements in respect to the subject matter of the written agreement.

The Customer will be liable to pay any taxes and/or levies, which may be imposed in terms of any existing and/or future legislation or as approved by NERSA.

Where applicable, the terms and conditions of this quotation are subject to the following conditions, which have to be met before the supply can be made available:

- That Eskom obtain, according to its requirements, suitable wayleaves, free of charge, for its power lines and cables across the desired route.
- That the various authorities grant approval, with no further cost implications, for the erection of the power lines / cable along the desired routes.

If not, the terms of the budget quote will have to be modified and Eskom will no longer be bound to the costs quoted as afore-said. The Customer will be informed of any such necessitated increase in price and will be given the opportunity to indicate whether the Customer still wants to proceed with the project.

The terms and conditions of this quotation are subject to the provisions of the South African Grid Code and Distribution Code, the Electricity Regulation Act (No 4 of 2006) and the rules and regulations issued thereunder, including any rules and regulations pertaining to a conservation or a rationing programme or scheme, and of Eskom's Licences and Schedule of Standard Prices, as amended or re-enacted from time to time and any other applicable laws.

In terms of above conditions, Eskom will not provide the required electricity supply without a signed agreement. The project for this supply will not be released for construction before the following has been received:

- Written acceptance of the foregoing conditions. The reply letter is attached for completion and signature.
- The agreement duly completed and signed.
- Copy of the ID Document of Signatory.
- If supply is to be in name of a Company/CC/Trust/etc, provide copies of the following:
 - Company/CC/Trust/etc. Registration Certificate
 - Letter of Resolution authorising signatory to sign
 - VAT Registration Certificate.
- The connection fee.
- The upfront connection charge (if applicable).
- The security required i.e. the deposit/ Power Accounts guarantee.
- The debit order form (only if required).



ANNEXURE 'B'

LANDRATE SCHEDULE OF STANDARD PRICES FOR NON LOCAL AUTHORITY SUPPLIES - 1 APRIL 2015 TO 31 MARCH 2016*

1. STANDARD PRICES

The standard prices contained in this schedule to be charged by Eskom for electricity supplied or made available by Eskom to customers, shall, subject to the provisions of the Electricity Regulation Act (Act No 4 of 2006), or its successor-in-title, be as set out hereunder.

*These terms, conditions and prices contained in this schedule are approved by NERSA and are valid until Eskom's next price increase or tariff changes as approved by NERSA from time to time.

2. DEFINITIONS

For the purpose of this Schedule the following words and phrases shall have the same meanings as assigned to them herein, as applicable:

Account means the invoice received by a customer for a single **point of delivery** or if consolidated, multiple points of delivery for electricity supplied and/or use of the **system**.

Active energy charge or energy charge means the charge for each unit of energy consumed, typically charged for as c/kWh.

Ancillary Service charge (previously known as the **reliability service charge**) means the charge that recovers the cost of providing ancillary services by the System Operator.

Maximum demand means the highest average demand measured in kVA or kW during a 30 minute integrating period in a billing month.

Non-local authority tariffs means the tariffs applicable to Eskom direct customers and exclude the **local authority tariffs**.

Network access charge means the R/kVA or R/POD fixed network charge raised to recover Distribution network costs and depending on the tariff is charged on the **annual utilised capacity** where **maximum demand** is measured or the **NMD** where **maximum demand** is not measured.

Network demand charge means the c/kWh variable network charge raised to recover Distribution network costs and depending on the tariff may be charged on the chargeable demand or the active energy.

Notified maximum demand (NMD) means the contracted **maximum demand** notified in writing by the customer and accepted by Eskom.

Point of supply, point of delivery (POD) means either a single point of supply or a specific group of points of supply on Eskom's system from where electricity is supplied to the customer by Eskom or from where the customer supplies electricity to Eskom's system located within a single substation, at which electricity is supplied to the customer at the same declared voltage and tariff. Note: This can be a metering or summation point.

Rural means areas classified as rural by Eskom for the purposes of tariff design and classification.

Service and Administration charge means the monthly charge payable per account for service and administration related costs. (Also see service charge and administration charge)

A handwritten signature or mark, possibly initials, located at the bottom right corner of the page.

Urban_p areas mean areas classified by Eskom as for the purposes of tariff design and classification.

3. CHARACTERISTICS OF THE LANDRATE AND LANDLIGHT TARIFFS

The Landrate tariff is made up of a range of tariffs, as follows:

Landrate 1	single-phase 16 kVA (80 A per phase) dual-phase 32 kVA (80 A per phase) three-phase 25 kVA (40 A per phase)
Landrate 2	dual-phase 64 kVA (150 A per phase) three-phase 50 kVA (80 A per phase)
Landrate 3	dual-phase 100 kVA (225 A per phase) three-phase 100 kVA (150 A per phase)
Landrate 4+	single-phase 16 kVA (80 A per phase)
Landrate Dx*	single-phase 5 kVA (limited to 10 A per phase)
Landlight	single-phase 20A

3.1. LANDRATE

Electricity tariff for rural_p customers with single, dual or three-phase conventionally metered supplies with an NMD up to 100 kVA with a supply voltage \leq 500 V and has the following charges:

- a single c/kWh **active energy charge** measured at the **POD**
- a R/day **network access charge** based on the **NMD** of the supply;
- a c/kWh **network demand charge** based on the active energy measured at the **POD**;
- a c/kWh **ancillary service charge** based on the active energy measured at the **POD**.
- a R/day **service and administration charge** for each point of delivery/ premise based on the applicable daily rate as set out in the table below and the number of days in the month.

3.2. LANDRATE Dx

An electricity tariff for Rural_p single phase non-metered supplies limited to 5kVA typically suited to small telecommunication installations where the electricity usage is low enough not to warrant metering for billing purposes and has the following charges:

- A R/day R/POD fixed charge.

3.3. LANDLIGHT

An electricity tariff that provides a subsidy to low-usage single phase supplies in rural_p areas, limited to 20A and being a prepaid supply and has the following charges:

- a single c/kWh active energy charge

4. Landrate, LandrateDx and Landlight 2015/16 rates

Landrate tariffs

Non-local authority

	Energy charge [c/kWh]		Ancillary service charge [c/kWh]		Network demand charge [c/kWh]		Network capacity charge [R/POD/day]		Service charge [R/POD/day]	
	VAT incl		VAT incl		VAT incl		VAT incl		VAT incl	
Landrate 1	84.82	96.69	0.33	0.38	21.19	24.16	R 22.65	R 25.82	R 18.81	R 21.44
Landrate 2	84.82	96.69	0.33	0.38	21.19	24.16	R 34.82	R 39.69	R 18.81	R 21.44
Landrate 3	84.82	96.69	0.33	0.38	21.19	24.16	R 55.67	R 63.46	R 18.81	R 21.44
Landrate 4	183.19	208.84	0.33	0.38	21.19	24.16	R 18.04	R 20.57	R 0.00	R 0.00
Landlight	313.23	357.08								
Landrate Dx									R 40.35	R 45.99

5. CHARGES PAYABLE MONTHLY

All electricity accounts payable by a customer in terms of this Schedule shall be rendered monthly by Eskom and shall be payable monthly in accordance with the provisions of the electricity supply agreement. If, in terms of the electricity supply agreement, meter readings are made at three-monthly intervals, Eskom shall render provisional accounts for the months in which no meter reading is made, based upon the monthly consumption in the previous three-monthly period or upon an estimated amount, and a final account, incorporating an adjustment of the provisional accounts, based upon the actual consumption for the period.

If the commencing date or the termination date of any supply is such that the supply was available for a portion of a month then the monthly charges payable in terms of this Schedule shall be calculated pro rata to the portion of a month of 30 (thirty) days during which the supply was available.

In addition to the charges payable in terms of this Schedule, a connection charge may be raised for costs not recovered through the tariff charges for the provision of new or additional capacity.

6. VALUE-ADDED TAX

The standard prices as specified in this Schedule include value-added tax (VAT) at the prescribed tax rate of 14%. In cases of electricity supplies where the said tax is not applicable or partly or wholly exempt, the customer concerned will be informed in writing of the effective prices payable.

The charges and rates excluding VAT are also shown as these are used in the Monthly electricity Account to calculate the individual tariff charges before VAT is added on. This is done for the convenience of the customer so as to facilitate the claiming of input tax where applicable and to allow for part exemptions and zero rating.

oOo -



ANNEXURE 'D'

ACCEPTANCE LETTER

Christofer Jooste
Director
JCJ Holdings
Stand no: 1 Kungweni View Portion 25
BRONKHORSTSPRUIT

1020

Date: 21-10-15

Eskom Holdings Limited (Reg No: 2002/015527/06)
Mrs Maggie Modika
Customer Acquisition Officer
Tel +27 12 421 3483
PRETORIA
0001

Dear Maggie Modika

ACCEPTANCE OF THE QUOTATION THE FOR THE PROPOSED 50KVA SUPPLY OF ELECTRICITY AT STAND NO: 1 KUNGWENI VIEW PORTION 25, FARM VLAKSFONTEIN, BRONKHORSTSPRUIT. INSTALLATION NO: ERBD/AV79/39.

I/We herewith unconditionally accept the terms and conditions as set out in your quotation letter and annexure thereto: Ref No **BHS154340925** dated 13 October 2015.

I/We further irrevocably accept the estimated figures for the items below as follows:

	CHARGE	ESTIMATED VALUE
	Connection Charge	R 14,868.42 + VAT =R 16,950.00

SECURITY

	New Security	R 9,900.00 (Vat Inclusive)
	Security – Electricity Accounts for 2 months (with debit order)	R 6,600.00 (Vat Inclusive)

I prefer the following tariff: Landrate 2

Hereunder, please find the banking details for payment of the applicable fees, as well as the security.

Eskom's bank account details for direct deposits or bank transfers are:

Bank: ABSA
Eskom regional bank account number: 1360000113
Eskom regional branch code: 632005
CC&B Account number (your new Eskom account number where applicable):.....

Reference number

Attached are the following:

- The debit order form (only if required).
- The original supply agreement duly completed and signed.
- Copy of ID Document of Signatory PLUS (if applicable)
- If supply is to be in name of a Company/CC/Trust/etc, copies of the following are attached:
 - Company/CC/Trust/etc Registration Certificate
 - Letter of Resolution authorising signatory to sign
 - Vat Registration Certificate

Sc Scost

(FULL NAMES AND SURNAME) who warrants that s/he is duly authorised to sign this letter of acceptance. (Individuals only)

OR

Scilus Christopher Scost
Director

(FULL NAMES AND SURNAME) in his/her/their capacity/capacities as who warrants that s/he is duly authorised to sign this letter of acceptance on behalf of the Customer

My/Our monthly accounts and future correspondence must be addressed as follows:

Postnet Suite 522
Private Bag x 18
Lynnwood Ridge
Postal code 0040

OR

My/Our monthly accounts must be emailed to the following email address – I understand that, should I select this option, my/our monthly account will not be posted to means well.

christopher@beltanpark.co.za (Please print clearly) _

Signed [Signature]

Tel no 076 754 0643

Fax no _____

Cell no 076 754 0643

E-mail christopher@beltanpark.co.za

[Signature]



LANDRATE
BHS154340925

SC2000
Rev November 2014

ELECTRICITY SUPPLY AGREEMENT

1. The Parties to this Agreement are Eskom Holdings SOC Ltd Reg No 2002/015527/30 ('ESKOM') herein represented by

Maggie Modika in his/her capacity as Customer Acquisition Officer

and

Name/Company Name: JCJ Holdings

Herein represented by: Christofer Jooste (Full Name)

In his/her/their Capacity/Capacities as: Director

Registration Number: 2013/161/997/07 ID No:

- 2. ESKOM agrees to supply and the CUSTOMER agrees to take from ESKOM all electricity required by the CUSTOMER on its Premises described in Clause 9 hereunder, on the terms and conditions set out in this Agreement.
- 3. ESKOM's Standard Conditions of Supply for Small Supplies, which is annexed hereto as Annexure 'A', shall constitute part of this Agreement.
- 4. The values for certain of the provisions set out in Annexure 'A' and which, subject to any amendment provided for in Annexure 'A', shall be applicable to the initial supply, are agreed as follows:

- (a) Declared voltage 400/230 Volts
- (b) Notified Maximum Demand: 50Kva
- (c) Connection R 14 868.42 + VAT @ 14% = R 16,950.00
- (d) Upfront Standard Connection Charge R 0.00 + VAT @ 14% = R 0.00
- (e) Existing Monthly Connection Charge R 0.00 + VAT @ 14% = R 0.00
- Expiry Date N/A
- (f) Security R 16 650.00 Cash Deposit
- (g) Tariff LANDRATE 2

- 5. This Agreement shall come into force on the date of signing hereof and shall remain in force subject to 1 (one) months' written notice of termination by either Party; provided that such notice may not be given before a period of 12 (twelve) months, reckoned from the date that the supply of electricity is made available by ESKOM in terms of this Agreement, has elapsed.
- 6. Any capitalised words and expressions used in this Agreement but not defined shall have the meanings assigned to them in the Electricity Regulation Act and the Schedule of Standard Prices.
- 7. In addition to Clause 6, any capitalised words and expressions used in this Agreement and Annexure 'A' have their meanings as assigned to them under Clause 2 of Annexure 'A' and cognate expressions shall have corresponding meanings.
- 8. Any Dispute Notice in terms of clause 24 of Annexure 'A' shall be in writing addressed to the following Negotiation Representatives of the Parties –

For ESKOM:

For CUSTOMER:

Name: Maggie Modika

Designation: Customer Acquisition Officer

Physical Address: 1 Gobie Street, Newlands, 0102

Postal Address: PO Box 36099, MENLO PARK, 0102

Telephone - Work: 012 421 3120

Facs: 086-558-8537

Email: Maggie.modika@eskom.co.za

Either Party may, by written notice to the other, change its abovementioned Negotiation Representative.

Account..... Installation K2 No.

9. Addresses: Description of Premises where supply is required: **Stand no: 1 Kungweni View Portion 25**

8.1 CUSTOMER's Alternative physical address: (Place of Employment if individual or Registered Address of Company)

Equity Estate No 4, Charles del gael
Street Centurion highveld,

8.2 CUSTOMER's postal address:

.....
.....

8.3 ESKOM's postal address:

PO Box 36099, MENLO PARK, 0102

CUSTOMER:

SIGNED at Pretoria by the **CUSTOMER**

Or for and on behalf of SCS Holdings
(Company Name) by the signatory below who warrants that he/she is duly authorized.

Date: 21-10-15

Signature: 

As Witnesses:
1. 

2.

ESKOM:

SIGNED at MENLYN

for and on behalf of **ESKOM HOLDINGS SOC LTD** by the signatory below who warrants that he/she is duly authorized.

Date: 15 October 2015

Signature: 

As Witnesses:
1. 

2.

FOR OFFICE USE

SECURITY R RECEIPT No. DATE

CONNECTION FEE R RECEIPT No. DATE

UPFRONT CHARGE R RECEIPT No. DATE

ACCOUNT No. K2 No. POS No.

REMARKS: TRANSFORMER No. QUOTE No.

- 1) PLEASE SUPPLY COPY OF ID DOCUMENT OF SIGNATORY
- IF SUPPLY IS TO BE IN NAME OF A COMPANY, THEN ALSO SUPPLY COPIES OF:
- 2) COMPANY REGISTRATION CERTIFICATE
- 3) LETTER OF RESOLUTION FROM COMPANY AUTHORIZING SIGNATORY TO SIGN
- 4) VAT REGISTRATION CERTIFICATE

