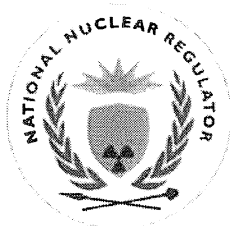


NOTICE 712 OF 2014**CO-OPERATION AGREEMENT**

entered into between

**THE NATIONAL NUCLEAR REGULATOR**

a juristic person established in terms of section 3 of the
National Nuclear Regulator Act, 1999 (Act No. 47 of 1999)
(hereinafter referred to as the "NNR")

and

**THE NATIONAL ENERGY REGULATOR OF SOUTH AFRICA**

a juristic person established in terms of section 3 of the
National Energy Regulator of South Africa Act, 2004 (Act No. 40 of 2004)
(hereinafter referred to as "NERSA")

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PREAMBLE**WHEREAS-**

The National Energy Regulator of South Africa is established in terms of section 3 of the NERSA Act, read with the Electricity Regulation Act, the Gas Act and the Petroleum Pipelines Act in order to, *inter alia*, regulate electricity, gas and petroleum pipelines industries in the Republic South Africa;

WHEREAS-

The NNR is established in terms of section 3 of the NNR Act to regulate nuclear activities which include, *inter alia*, regulating nuclear installations in the Republic of South Africa;

AND WHEREAS-

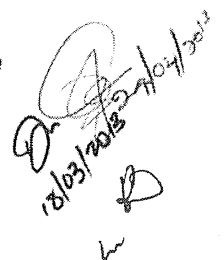
The Parties hereto have interest with regard to the operation of the Koeberg Nuclear Power Station and other nuclear power stations as may be constructed in the future;

AND WHEREAS-

The Parties are required, in terms of their respective legislation, to regulate and/or be involved in matters relating to health, safety and environmental standards in respect of nuclear power stations;

AND WHEREAS-

The Parties agree to cooperate with each other in order to advance the objectives of their mandate with regard to health, safety and environmental matter in respect of nuclear power stations.



NOWHEREFORE, the Parties agree as follows:

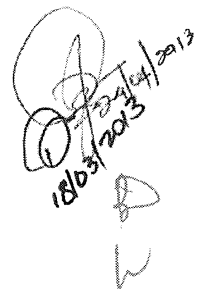
1. INTERPRETATION

- 1.1 References to notices, statements and other communications by or from a Party include notices by of from such Party's duly authorised agent;
- 1.2 Expressions in the singular also denote the plural, and *vice versa*;
- 1.3 Words and phrases denoting natural persons refer also to juristic persons, and *vice versa*; and
- 1.4 Pronouns of any gender include the corresponding pronouns of the other gender.
- 1.5 Any provision in this Agreement imposing a restraint, prohibition, or restriction on the subject matter hereof shall be so construed that the Party is not only bound to comply therewith, however is also obliged to procure that the same restraint, prohibition, or restriction is observed by everybody under its employ or acting under such Party's authority.
- 1.6 Clause headings appear in this Agreement for purposes of reference only and shall not influence the proper interpretation of the subject matter hereof.

2. DEFINITIONS

In this Agreement, unless the context indicates otherwise;

- 2.1 "Agreement" : means this cooperation agreement together with all schedules and appendices including any future amendments;

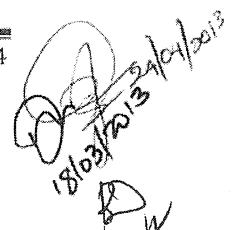


- 2.2 **“Commencement Date”** : means the date of signature of this Agreement by the Parties;
- 2.3 **“Electricity Regulation Act”** : means the Electricity Regulation Act, 2006 (Act No. 4 of 2006), as amended from time to time;
- 2.4 **“Licensee”** : means any person or entity carrying out the business that requires licensing by NERSA and has a valid license issued by NERSA for such activity;
- 2.5 **“NERSA Act”** : means the National Energy Regulator Act, 2004 (Act No. 40 of 2004), as amended from time to time;
- 2.6 **“Parties”** : means both NERSA and NNR;
- 2.7 **“Party”** : means either NERSA or NNR.

3. BASIS OF THE AGREEMENT

This Agreement is entered into in order to establish the manner in which the Parties will interact with each other in respect of;

- 3.1 the exchange of information on matters of mutual interest relating to electrical power supplies which may arise from or have an impact on any activity relating to safety in nuclear energy facilities, subject to any laws, regulations and policies applicable to the Parties in terms of their mandate.
- 3.2 the investigation and report on matters of nuclear energy involving the Licensees in nuclear energy and electricity industries;



- 3.3 complaints in respect of nuclear energy matters involving the Licensees in nuclear energy and electricity industries and, any other Licensees and persons which are subject to the regulation and control of NERSA;
- 3.4 the promotion of a uniform and effective administration of nuclear energy matters with regard to activities of the Licensees in nuclear energy and electricity industries;
- 3.5 the adoption of uniform requirements and limitations with regard to safety standards with regard to nuclear energy matters in license conditions to be complied with by the Licensees;
- 3.6 ensuring efficient compliance with nuclear energy regulations and policies by the Licensees.

4. PRINCIPLES OF CO-OPERATION

In order to achieve the purposes of this Agreement the Parties agree to;

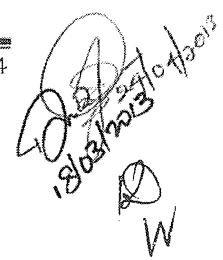
- 4.1 promote consistency in the administration of the relevant legislation in matters relating to nuclear power stations;
- 4.2 avoid duplication and not encroach on to the functions or responsibilities of each other in nuclear power stations matters;
- 4.3 co-operate with each other in mutual trust and good faith;
- 4.4 assist and support each other in respect of nuclear power stations matters which the Parties are responsible to in terms their mandate;
- 4.5 regularly inform each other of, and consult with each other on matters of common interest;

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- 4.6 involve or notify each other when making rules, guidelines and publishing codes and practices relating to health and safety matters involving the Licensees;
- 4.7 advise each other of the health and safety standards required to be met or adhered to by the Licensees and the inspections conducted to or against the Licensees.

5. OBLIGATIONS OF THE PARTIES

- 5.1 The Parties shall provide reasonable access to each other's resources and information as may be required, to enable the Parties to perform their obligations in terms of this Agreement and their respective legislative mandates.
- 5.2 In the event of either Party being required to undertake a site visit to a Licensee on a matter where the other Party has knowledge, expertise and/or the ability to assess, investigate and report on matters of mutual interest, such Party may be called upon to provide assistance as may be required by the other Party.
- 5.3 The Parties agree, in the event of a Party being assigned a task or required to perform an investigation, to report to each other on completion of such task or investigation.
- 5.4 In the event that a finding was made by either Party against the Licensee to take any corrective action or measure to comply with any safety or regulatory matter or issue relating to nuclear energy, the Parties will assist each other, as may be required, to ensure that such corrective action or measure is performed or undertaken by the Licensee without a delay.



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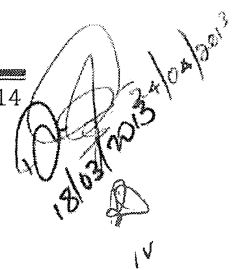
- 5.5 The Parties shall advise and make recommendations to each other on matters of safety, security and environment which have an impact on nuclear energy and electricity industries.

6. EXCHANGE OF INFORMATION

- 6.1 The Parties agree that each party shall be the first line of communication with regard to the sharing of information on aspects falling within each Party's regulatory mandate.
- 6.2 Subject to paragraph 7 below, the Parties may exchange such information as may be necessary to give effect to the provisions of this Agreement.

7. CONFIDENTIALITY

- 7.1 Any information shared by the Parties pursuant to this Agreement shall be used only for lawful purposes.
- 7.2 The Parties shall share confidential information subject to their statutory confidentiality requirements or any law.
- 7.4 The Parties to this Agreement shall keep, information relating to this Agreement confidential at all times, with the exception of information:
- 7.4.1 that is or becomes generally known to third parties through no fault of either Party;
 - 7.4.2 is already known to either Party prior to its receipt from either Party as shown by prior written records; or
 - 7.4.3 becomes known to either Party by disclosure from a third party who has a lawful right to disclose the information;

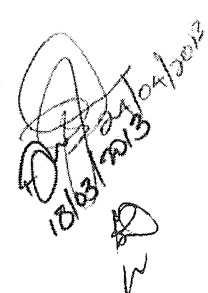


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- 7.4.4 is developed independently of the disclosing Party by the receiving Party in circumstances that do not amount to a breach of the provisions of this Agreement
- 7.4.5 which the Parties may be required to disclose to satisfy an order of a court of competent jurisdiction, under compulsion of law, during any court proceedings, or by the rules and regulations of any other applicable regulatory body with whose rules such Party is required to comply, provided that such disclosure shall be limited to the extent of the legal requirement and the receiving Party shall promptly notify the disclosing Party so that it may intervene, object and/or institute such legal action as it requires to do so; or
- 7.4.6 which they may reasonably be entitled, expected or required to disclose to their or the other Party's professional advisors where reasonably necessary for the performance of the said advisors' professional services, provided that such professional advisors are directed to and undertake to keep the information confidential on a strict need-to-know basis.

8. EXCLUSION OF LIABILITY

- 8.1 Neither Party shall be liable for fault or negligence by the other Party in execution of its obligations in terms of this Agreement as well as any damages suffered by third parties, whether direct or indirect as a result of the conduct by another Party in the exercise of its functions in terms of this Agreement.
- 8.2 Neither Party shall be liable for loss of profits or for incidental, special or consequential damages, including legal fees and expenses of whatsoever nature arising out of the conduct of each other in the execution of a Party's obligations in terms of this Agreement.



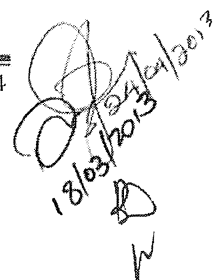
- 8.3 The Parties indemnify each other against any claim, loss or damages suffered by another Party and/or any third party to the extent that such claim, loss or damage arise out of or relate to the criminal, wilful misconduct or negligence of a Party, its employees, agents, representatives or subcontractors in the performance of its obligations in terms of this Agreement

9. SEVERABILITY

- 9.1 The provisions of this Agreement shall each be construed independent of each other. The Parties hereby expressly agree that it is not the intention of any of them to violate any public policy, statutory or common law and that if any sentence, paragraph, clause, provision or combination of the same is in violation of the law, such sentence, paragraph, clause, provision or combination thereof shall be void in the jurisdiction or part where it is unlawful and the remainder of such sentence, paragraph, clause or provision shall remain binding upon the Parties.
- 9.2 It is recorded that the provisions of this Agreement will be binding only to the extent that they may be lawful in terms of the applicable laws of the Republic of South Africa and in the event that any provision hereof is determined unenforceable, the Parties agree to the modification of such provision by their legal advisors to the minimum extent as may be required to make them valid and enforceable.

10. EFFECTIVE DATE AND TERMINATION

This Agreement shall come into effect on the Commencement Date and shall be for indefinite period until terminated by either Party on 3 (three) months prior written notice to the other.



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11. DOMICILIUM CITANDI ET EXECUTANDI

11.1 The Parties choose the following addresses as their respective *domicilium citandi et executandi* for purposes of this Agreement:

THE NATIONAL NUCLEAR REGULATOR

PHYSICAL ADDRESS: SECOND FLOOR, BLOCK A
OLD MUTUAL OFFICE PARK
EMBANKMENT AND HENDRICK
VERWOED DRIVE
CENTURION, 0046

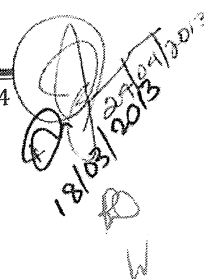
POSTAL ADDRESS: P.O BOX 7106
CENTURION
0046

TEL: 012 674 7100
FAX: 012 663 5513
Contact Person: Mphengoa Phooko
email address: mphooko@nnr.co.za

THE NATIONAL ENERGY REGULATOR OF SOUTH AFRICA

PHYSICAL ADDRESS: KULAWULA HOUSE
526 MADIBA STREET
ARCADIA
PRETORIA, 0002

POSTAL ADDRESS: P.O BOX 40343
PRETORIA
0001



Handwritten signature and date stamp: 18/03/2013, 27/04/2013, and a signature.

TEL: 012 401 4600
FAX; 012 401 4700
Contact person: David Mashiane
Email address: david.mashiane@nersa.org.za

or such other address, telefax number or electronic mail address as may be substituted by notice given as required.

- 11.2 Any notice addressed to a Party at its physical or postal address will be delivered by hand or sent by confirmed telefax or electronic mail.

12. DISPUTE RESOLUTION

Should any dispute or difference arise between the Parties with regard to interpretation and/or implementation of any one or more of the provisions of this Agreement, such dispute or difference shall be resolved by the Parties through any other means that may be reasonably acceptable to the Parties other than through judicial proceedings.

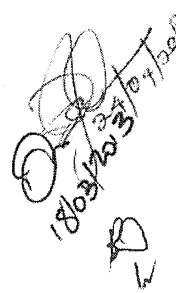
13. GENERAL PROVISIONS

- 13.1 This Agreement is entered into on the basis of mutual respect, in a spirit of goodwill and does not affect the independence of the Parties hereto.

- 13.2 The provision of or request for information under this Agreement may be denied:

13.2.1 where compliance would require NNR or NERSA to act in a manner that would violate the law;

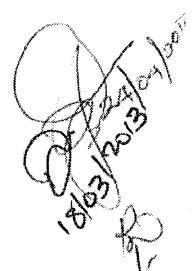
13.2.2 under circumstances where there is an imminent risk to national security; or



- 13.2.3 when compliance with a request or provision of information would interfere with an ongoing investigation in circumstances where prejudice to the investigation is likely to outweigh the adverse effects of denying the information.
- 13.3 No provision of this Agreement shall give rise to the right on the part of any person, entity or government authority other than the Parties, directly or indirectly, to obtain any information or to challenge the execution of a request for information under this Agreement.
- 13.4 The provisions set forth under clauses 6 and 7 shall prevail with respect to any information provided or actions taken under this Agreement prior to its termination.
- 13.5 The Parties may participate in each other's proceedings and may advise or receive advice from each other under this Agreement.
- 13.6 When the Parties consult each other in either circumstance covered under this Agreement, such consultation shall be at no cost to each other.
- 13.7 In either circumstance contemplated under this Agreement, the Parties shall act as expeditiously as reasonably possible.

14. WHOLE AGREEMENT

- 14.1 This Agreement constitutes the whole Agreement between the Parties relating to the subject matter hereof and no amendment, alteration, addition, variation, or consensual cancellation thereof will be of any force or effect unless reduced to writing and signed by the Parties.
- 14.2 The Parties agree that no other terms or conditions, whether oral or written, and whether express or implied, apply unless contained in this Agreement.



14.3 No amendment of this Agreement will be of any force or effect unless reduced to writing and signed by the Parties.


15. PUBLICATION

This Agreement shall be published in the Gazette for public information as soon as it has been signed.

16. AUTHORITY

Any person who signs this Agreement for and on behalf of a Party, hereby warrant that he/she is duly authorized to sign this Agreement.

THUS DONE AND SIGNED at **PRETORIA** this 18th day of MARCH 2013.


for and on behalf of **NERSA**

Full names: PHINDILE NZIMANDE

Designation: C.E.O

WITNESSES:

1. 

2. 

THUS DONE AND SIGNED at **PRETORIA** this 24th day of APRIL 2013.


for and on behalf of **NNR**

Full names: THABO TSELANE

Designation: INTERIM CEO

WITNESSES:

1. _____

2. _____