



CONTRACT GUIDE

Contract 352

Supply and Delivery of

Lubricating Oils and Greases

CONTRACT PERIOD: 1 November 2011 to 31 October 2014

Updated: 03/12



Procurement
Government Services

Table of Contents

Contract Summary	3
Contact Us.....	3
Introduction	4
Section 1 – Accessing the Contract	5
Prices.....	5
Placing an order	5
Placing an order through smartbuy®	5
smartbuy®	6
Contact	6
Section 2 – Range of Products	7
Product categories for packaging.....	7
Section 3 – Key Features	8
Section 4 – Contractors	9
Contractor summary.....	9
Contractor information and contact details.....	10
Section 5 – Contract Conditions	11
Organisations eligible to purchase from state contracts	11
Title and risk	12
Insurance.....	12
Delays and emergencies.....	12
Section 6 – Frequently Asked Questions	13
Section 7 – Contract Administration & Contractor Performance Survey	15
Further contract information:	15

Contract Summary

Contract 352 provides for the supply and delivery of a range of lubricating oils, greases and associated products from suppliers at competitive prices by leveraging expenditure through the combined purchasing power of the State Government.

Contact Us

NSW Procurement Client Support Centre

McKell Building 2-24 Rawson Place Sydney NSW 2000

T 1800 679 289

F (02) 9372 8687

E nswbuy@services.nsw.gov.au

I www.nswbuy.com.au

Always ensure you obtain the latest version of the contract user guide.

User guides are available to download on www.nswbuy.com.au

Introduction

This contract user guide is designed to provide customers with all the necessary information needed to utilise State Contract 352 - Supply and Delivery of Lubricating Oils and Greases.

NSW Procurement provides a full range of procurement services for government agencies and other clients, including contract management of common use contracts.

These are state contracts, on a rolling one to five year renewal cycle, for the supply of products and services in common use across many agencies.

The contract is for the supply of lubricating oils and greases for a term of 3 years, expiring on 31 October 2014. The contract may be extended for two periods of up to 12 months each.

This state contract allows users to achieve considerable cost savings due to the combined purchasing power of the state government.

It offers value for money, including competitive rates and a quality range of products.

Section 1 – Accessing the Contract

State contracts are established under the authority of the State Contracts Control Board and administered by NSW Procurement.

A list of the categories of organisations eligible to purchase from the state contracts is given in section 5 of this guide. Most eligible organisations have already registered with NSW Procurement, in which case they have immediate access to the contracts.

To register as a new customer, visit www.nswbuy.com.au > buying for government > register now. You can either complete the process online, or download an application form for completion. Once approved, you will be advised of your NSWBUY Identification Number and are then eligible to use any of the state contracts administered by NSW Procurement.

Prices

Prices may change in accordance with the price variation conditions of the contract, if there are any. Regular users of state contracts should consider using smartbuy® for latest pricing.

Placing an order

Official orders can be placed with the relevant supplier. By placing an order you are entering into a contract with the supplier and, as a minimum, the following information should be included in the official order:

- Contract number and name
- Name and address of supplier and customer
- Name and contact details for the officer placing the order
- Customer Registration Number
- Customer's order number
- Date of order and date delivery is required
- Details of delivery site
- Address to which invoice is to be sent for payment
- Description of product, product id, contract price, quantity and any accessories

You need to quote your Customer Registration Number each time you use NSW Procurement contracts. If you are unsure of your number, please contact NSW Procurement Client Support Centre on 1800 679 289.

Placing an order through smartbuy®

Registered customers have the advantage of signing up as a smartbuy® user. Simply visit www.smartbuy.nsw.gov.au, complete the e-form in the buyers section and submit online. Once confirmation of the online application is received back from your organisation's authoriser, a LOG IN and USER ID will be generated to allow you access to the search and browse facility of smartbuy®.

The search and browse facility allows you to view the goods and services listed and compare prices before placing an order.

smartbuy® training is available by phoning 1800 679 289.

Agencies are encouraged to register and use smartbuy® as this is a critical platform in maintaining a consistent baseline data on usages, billing, and compliance reporting.

smartbuy®

The advantages of using smartbuy include:

- Increasing purchasing compliance, leading to direct cost savings and product rationalisation
- Reducing transaction and administration costs of purchasing by decreasing the effort of placing orders and removing duplicate processes
- Reducing consumption and improving cash management through reduction of purchasing cycle times
- Reducing an organisation's IT investment and system duplication by utilising existing applications
- Delivering purchasing advantages to organisations through access to a large, competitive range of suppliers
- Providing low to zero cost entry for suppliers and removing duplicate costs in the trading support of each agency
- Bringing transparency to the purchasing element of the supply chain through improved reportability.

For more information visit the website at www.nswprocurement.com.au or contact the NSW Procurement Client Support Centre on 1800 679 289 or nswbuy@services.nsw.gov.au.

Contact

For further information please call:

NSW Procurement Client Support Centre

McKell Building 2-24 Rawson Place Sydney NSW 2000

T 1800 679 289

F (02) 9372 8687

E nswbuy@services.nsw.gov.au

I www.nswbuy.com.au

Section 2 – Range of Products

The range of items offered and accepted for supply under this contract has been divided into a number of categories supplied by five suppliers:

Product categories for packaging size ranging from 20 kg/l to bulk, i.e. > 205 l/180 kg

No.	PRODUCT CATEGORIES	BP	Castrol	Fuchs	Hi-Tec Oils	Valvoline
1	Engine Oils	Yes	Yes	Yes	Yes	Yes
2	Transmission Fluids	Yes	Yes	Yes	Yes	Yes
3	Tractor Transmission Fluids	Yes	Yes	Yes	Yes	Yes
4	Automotive Gear Oils	Yes	Yes	Yes	Yes	Yes
5	Industrial Gear Oil - Mild Ep	Yes	Yes	Yes	Yes	Yes
6	Hydraulic Oil Antiwear - Standard	Yes	Yes	Yes	Yes	Yes
7	Hydraulic Oil Antiwear - High Viscosity Index	Yes	Yes	Yes	No	Yes
8	Air Compressor Oils - Rotary and Reciprocating	Yes	Yes	No	Yes	Yes
9	Circulating Oil	Yes	Yes	No	No	Yes
10	Metal Working Fluids	Yes	Yes	Yes	Yes	Yes
11	Pharmaceutical Oils	Yes	Yes	No	No	Yes
12	Petroleum Jelly	Yes	Yes	No	No	No
13	Form Release Oil	No	No	No	Yes	Yes
14	Chain and Bar Oil	Yes	Yes	Yes	Yes	Yes
15	Automotive Brake Fluid	Yes	Yes	Yes	Yes	Yes
16	Rock Drill and Slideway Oil	Yes	No	Yes	No	Yes
17	Open Gear Lubricants	No	Yes	Yes	No	No
18	Transformer Oil	Yes	Yes	Yes	No	No
19	Engine Coolant - Inhibited Glycol	Yes	Yes	Yes	Yes	Yes
20	Cleaning Fluids	Yes	Yes	Yes	Yes	Yes
21	Corrosion Preventative	Yes	Yes	Yes	No	Yes
22	Greases	Yes	Yes	Yes	Yes	Yes

Section 3 – Key Features

The key features of the contract that may be of interest to customers include:

- Competitive contract prices.
- Contract prices that are known in advance.
- Contract prices which are verified by NSW Procurement to ensure that prices charged by suppliers are correct.
- Guaranteed delivery

Section 4 – Contractors

The following contractors have been appointed to Contract 352: Supply and Delivery of Lubricating Oils and Greases.

Contractor summary

- BP Australia Pty Ltd
- Castrol Australia Pty Ltd
- Fuchs Lubricants (Australasia) Pty Ltd
- Hi-Tec Oil Traders Pty Ltd
- Valvoline Australia Pty Ltd

Customers are free to choose to purchase from any of these contractors.

Some customers may decide to purchase exclusively from one of the above contractors.

Others may prefer to purchase from a number of contractors depending on the customer's specific needs and taking into consideration the products and product prices offered by each contractor.

Contractor information and contact details

<p>BP Australia Pty Ltd</p> <p>Contact: Jon Morcom ABN: 53 004 085 616 Postal address: PO Box 100 Guildford NSW 2141 Phone: 02 97954847 Fax: 02 97954621 Email: Jon.morcom@bp.com Online: www.bp.com</p>	<p>Castrol Australia Pty Ltd</p> <p>Contact: Albert Edwards ABN: 87 008 459 407 Postal address: PO Box 100 Guildford 2141 Phone: 02 97954819 Fax: 02 97954815 Email: albert.edwards@castrol.com.au Online: www.castrol.com.au</p>
<p>Fuchs Lubricants (Australasia) Pty Ltd</p> <p>Contact: Greg O'Shea ABN: 88 005 681 916 Postal address: 2 Holland St Wickam 2293 Phone: 1800 1800 13 Fax: 1800 1800 14 Email: greg.oshea@fuchs.com.au Online: www.fuchs.com.au</p>	<p>Hi-Tec Oil Traders Pty. Limited</p> <p>Contact: Mario Racki ABN: 28 053 837 362 Postal address: 5 Tarlington Place Smithfield 2164 Phone: 1300 796 009 Fax: 02 9616 5700 Email: mracki@hi-tecoils.com.au Online: www.hi-tecoils.com.au</p>
<p>Valvoline (Australia) Pty Ltd</p> <p>Contact: Ashur Tamson ABN: 86 000 446 855 Postal address: Suite 603, Level 6 2 Burbank Place Baulkham Hills NSW 2153 Phone: 02 9609 7999 Email: agtamson@ashland.com Online: www.valvoline.com.au</p>	

Section 5 – Contract Conditions

This section contains the key features of the contract conditions that may be of interest to customers. It does not contain all of the conditions of contract (a copy of which can be obtained by contacting NSW Procurement).

Organisations eligible to purchase from state contracts

The following organisations are eligible to purchase from the contract:

- a) Any department, agency or office of the Commonwealth including any statutory authority constituted under Commonwealth legislation;
- b) Any department, agency or office of any state or territory of the Commonwealth, including any statutory authority constituted under state/territory legislation;
- c) Any council of a city, municipality or shire constituted by a state or territory;
- d) Any other organisation constituted by or subject to an act of parliament either Commonwealth or state or by a regulation thereunder;
- e) Any body or association, other than a trading, commercial or industrial firm or corporation, which conducts a service, not being a trade, business or industry followed or carried on for profit, at the request of the government, in respect of such service;
- f) Any authority, person, body, corporation, association or organisation, whether incorporated or not, to which permission has been given by the minister for the Department of Finance and Services, or an official delegate of the minister, to issue orders for supplies comprised in the Agreement.

For the purpose of parts (d) and (e) above examples of typical organisations include, but are not limited to:

- Government schools and private schools;
- TAFE colleges;
- Public hospitals and local health districts;
- Trustees of public parks;
- Boards;
- Tribunals;
- Commissions; and
- Registries.

For the purposes of part (f) above authorities to which permission has been given generally have:

- Charitable or benevolent status;
- Non-profit objective;
- Level of government subsidy/support.

Examples are:

- Non-government schools;
 - Preschools/kindergartens and child care centres;
-

- Child care centres (excluding privately owned);
- Family day care administrations;
- Nursing homes (excluding privately owned);
- Other community based service providers;
- Student support groups which are established under the auspice of the relevant school or education institution; arts groups sponsored by Arts NSW.

Title and risk

Title in the product shall pass to the customer on satisfactory delivery to the customer, evidenced by the signature on the delivery docket of a duly authorised representative of the customer.

Insurance

Each supplier must hold and maintain the following insurance for the term of the agreement:

- a broad form liability policy of insurance which includes public liability insurance for at least \$ 20 million in respect of each claim
- products liability insurance for at least \$20 million for the total aggregate liability for all claims arising out of the Contractor's deliverables for the period of cover
- workers compensation insurance in accordance with applicable legislation for all the Contractor's employees.

Delays and emergencies

Delivery times vary from next day delivery to 5 days. Please contact NSW Procurement or the supplier for delivery times.

Section 6 – Frequently Asked Questions

What are the Customer's obligations and rights?

The lubricating oils and greases contract contains comprehensive terms and conditions. Customers, as well as suppliers, have commercial obligations to which they must adhere.

- **Deliveries of lubricating oils and greases**
 - Suppliers are, in normal circumstances, obliged to effect the delivery of ordered quantities of lubricating oils and greases within a 1 to 5 day delivery timeframe, depending on the supplier. For delivery times, please contact the Contract Manager through the NSW Procurement Client Support Centre or the supplier.
- **Inability to effect deliveries**
 - Should a supplier be unable to effect a delivery within the time indicated above from the placement of an order, the supplier should notify the customer of this circumstance. Any repeated failure by a supplier to deliver within a reasonable time should be reported to NSW Procurement Client Support Centre.
- **Quantities or prices in dispute**
 - All claims for payment made by the supplier shall be in the form of a tax invoice and the tax invoice shall include and be substantiated by an itemised account.
 - The supplier shall provide any further details in regard to the account that are reasonably requested by the customer.
 - The customer must make payment within 30 days from the end of the month, after receipt of a valid tax invoice and documents necessary to evidence delivery to the customer.
 - If the customer disputes an invoice amount, the customer shall certify the amount it believes is due for payment and shall pay that amount. The liability for the balance of payment shall be determined in accordance with the customer contract.
- **Rejection of deliveries**
 - The customer may reject deliverables which are not in accordance with the customer contract.
 - Should a delivery be rejected, a sample of the product shall be taken by the customer in the presence of a representative of the supplier. The supplier must be immediately advised of this by telephone and the rejection confirmed in writing within 48 hours.
 - This written rejection should be sent to both the supplier and to NSW Procurement Client Support Centre.

- **Disputes**
 - Any disputes regarding the meaning or application of the terms and conditions of this contract which arise between customer and suppliers should be notified by the customer within 48 hours of the incidence of the dispute to NSW Procurement Client Support Centre.
- **What are the elements that make up the oils & greases prices on invoices?**
 - Oils and greases prices are made up of a number of separate pricing components. These include:
 - a) The base contract price
 - b) Federal excise
 - c) Freight differential
 - d) Packaging differential
 - e) Goods and services tax

Do NSW Government customers pay Federal Excise?

Yes. The Federal Government has enacted legislation to apply a levy to the sales of lubricants and other lubricant based products effective 1 January 2001.

What are Freight Differentials and where do they apply?

Freight differentials are costs added to the prices of lubricating oils and greases to reflect the freight cost of delivering those products.

What are Packaging Differentials?

Packaging differentials are costs added to the prices of lubricating oils and greases. Oils and greases are packed in different sizes i.e. 1 litre to 205 litre for oils and 450 grams to 180 kilograms for greases. Typically, the smaller the packaging, the higher the packaging charge rate applied.

How does nominee purchasing operate?

The nominee purchaser arrangement was created under section 18 of the *Public Sector (Goods and Services) Regulation 2000 (NSW)*. The regulation allows the State Contracts Control Board ("SCCB") to provide access to contractors of public sector agencies to SCCB standing offer agreements for the provision of goods and services. These contractors are known as nominee purchasers. The public sector agencies making the nominations are known as nominating agencies.

What is a nominee purchaser?

Nominee purchaser means a contractor to a public sector agency, nominated by that public sector agency, to be authorised to place orders under *standing offer agreements* and registered by NSW Procurement.

Access of nominee purchasers to SCCB standing offer agreements is:

- Limited to standing offer agreements relevant to the contract between the nominating agency and the nominee purchaser, and which are specifically listed in the nominee purchaser's registration; and
- For a fixed period of registration, usually ending on the completion of the term of the contract between the nominating agency and the nominee purchaser.

Please note: A nominee purchaser must not purchase goods or services under a SCCB standing offer agreement, unless they are related to its obligations under a contract with a public sector agency and are used during the term of such a contract or included or incorporated in works, goods or services to be provided to the public sector agency.

Section 7 – Contract Administration & Contractor Performance Survey

To help us maintain a high level of service and to meet agencies' obligations under NSW Government service provider performance management guidelines, we seek your feedback concerning suppliers' performance.

We seek all comments relating to contracts established by NSW Procurement (a division of the Department of Finance and Services) on behalf of NSW government agencies.

The feedback form can be found on the NSW Buy website [here](#) or by calling NSW Procurement Client Support Centre on 1800 679 289.

Information on service provider performance management is available on the NSW Buy website [here](#).

Further contract information:

The contract has been arranged and is administered by NSW Procurement.

If you have any questions relating to the operation of the contract or for further information contact:

NSW Procurement Client Support Centre

McKell Building 2-24 Rawson Place Sydney NSW 2000

T 1800 679 289

F (02) 9372 8687

E nswbuy@services.nsw.gov.au

I www.nswbuy.com.au