



## NEC3 Professional Services Contract (PSC3)

**Contract between Eskom Holdings SOC Limited  
(Reg No. 2002/015527/30)**

**and  
(Reg No. \_\_\_\_\_)**

**for The design, typesetting, proofreading and printing of  
the integrated report, annual financial statements,  
sustainability report, Corporate Plan, interim financial  
statements and other ad-hoc reports of various lengths  
for a period of five (5) years**

---

**Contents:**

**Part C1 Agreements & Contract Data**

**Part C2 Pricing Data**

**Part C3 Scope of Work: The Scope**

---

**CONTRACT No. [to be inserted at contract award stage]  
VENDOR No.**

---

## PART C1: AGREEMENTS & CONTRACT DATA

Document reference	Title	
C1.1	Form of Offer & Acceptance	
C1.2a	Contract Data provided by the <i>Employer</i>	
C1.2b	Contract Data provided by the <i>Consultant</i>	

## C1.1 Form of Offer & Acceptance

### Offer

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract for the procurement of:

**The design, typesetting, proofreading and printing of the integrated report, annual financial statements, sustainability report, Corporate Plan, interim financial statements and other ad-hoc reports of various lengths for a period of five (5) years.**

The tenderer, identified in the Offer signature block, has

<i>either</i>	examined the documents listed in the Tender Data and addenda thereto as listed in the Returnable Schedules, and by submitting this Offer has accepted the Conditions of Tender.
<i>or</i>	examined the draft contract as listed in the Acceptance section and agreed to provide this Offer.

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the *Consultant* under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the Contract Data.

The offered total of the Prices exclusive of VAT is	<b>R</b>
Value Added Tax @ 14% is	<b>R</b>
The offered total of the Prices inclusive of VAT is	<b>R</b>
(in words)	

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the *Consultant* in the *conditions of contract* identified in the Contract Data.

Signature(s)

Name(s)

Capacity

**For the  
tenderer:**

(Insert name and address of organisation)

Name &  
signature of  
witness

Date

Name &  
signature of  
witness

Date

## Acceptance

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the tenderer's Offer. In consideration thereof, the Employer shall pay the Consultant the amount due in accordance with the *conditions of contract* identified in the Contract Data. Acceptance of the tenderer's Offer shall form an agreement between the Employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

Part C1	Agreements and Contract Data, (which includes this Form of Offer and Acceptance)
Part C2	Pricing Data
Part C3	Scope of Work: The Scope

and drawings and documents (or parts thereof), which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

The tenderer shall within two weeks of receiving a completed copy of this agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed original copy of this document, including the Schedule of Deviations (if any).

Signature(s)

Name(s)

Capacity

**for the  
Employer**

**Eskom Holdings SOC Ltd,  
Megawatt Park, Maxwell Drive,  
Sandton, Johannesburg 2000.**

Name &  
signature of  
witness

Date

Name &  
signature of  
witness

Date

Note: If a tenderer wishes to submit alternative tenders, use another copy of this Form of Offer and Acceptance.

## Schedule of Deviations

Note:

1. To be completed by the Employer prior to award of contract. This part of the Offer & Acceptance would not be required if the contract has been developed by negotiation between the Parties and is not the result of a process of competitive tendering.
2. The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

No.	Subject	Details
1		
2		
3		
4		
5		
6		
7		

By the duly authorised representatives signing this Schedule of Deviations below, the Employer and the tenderer agree to and accept this Schedule of Deviations as the only deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Tender Schedules, as well as any confirmation, clarification or changes to the terms of the Offer agreed by the tenderer and the Employer during this process of Offer and Acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Form shall have any meaning or effect in the contract between the parties arising from this Agreement.

### For the tenderer:

### For the Employer

Signature

Name

Capacity

On behalf of *(Insert name and address of organisation)*

Name &  
signature  
of witness

Date

**Eskom Holdings SOC Ltd,  
Megawatt Park, Maxwell Drive, Sandton,  
Johannesburg 2000.**

## C1.2 PSC3 Contract Data

### Part one - Data provided by the *Employer*

Clause	Statement	Data
1	<b>General</b>	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option	
	Secondary Options	<p><b>A: Priced Contract with Activity Schedule</b>  <b>W1: Dispute Resolution</b></p> <p><b>X1: Price Adjustment for Inflation</b>  <b>X2: Changes in the law</b>  <b>X9: Transfer of Rights</b>  <b>X10: <i>Employer's Agent</i></b>  <b>X11: Termination by the <i>Employer</i></b>  <b>X18: Limitation of Liability</b></p> <p><b>Z: <i>Additional conditions of contract</i></b></p>
	of the NEC3 Professional Services Contract (June 2005) <sup>1</sup> with amendments June 2006	
10.1	The <i>Employer</i> is (Name):	<b>Eskom Holdings SOC Limited (reg no: 2002/015527/30), a juristic person incorporated in terms of the company laws of the Republic of South Africa</b>
	Address	<b>Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg, 2000</b>
	Tel No.	<b>011 800 8111</b>
	Fax	<b>(011) 800 4299</b>
11.2(9)	The <i>services</i> are	<b>The design, typesetting, proofreading and printing of the integrated report, annual financial statements, sustainability report, Corporate Plan, interim financial statements and other ad-hoc reports of various lengths for a period of five (5) years</b>
11.2(10)	The following matters will be included in the Risk Register	<b>None</b>
11.2(11)	The Scope is in	<b>Part 3: Scope of Work</b>

<sup>1</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009

12.2	The <i>law of the contract</i> is the law of	<b>the Republic of South Africa</b>
13.1	The <i>language of this contract</i> is	<b>English</b>
13.3	The <i>period for reply</i> is	<b>5 [five] working days</b>
13.6	The <i>period for retention</i> is	<b>5 [five] years following Completion or earlier termination.</b>

## 2 The Parties' main responsibilities

25.2	The <i>Employer</i> provides access to the following persons, places and things	<b>access to</b>	<b>access date</b>
		<b>All necessary areas that the consultant needs to gain access to in order to perform the services required.</b>	<b>During the contract period as and when required</b>

## 3 Time

31.2	The <i>starting date</i> is	as soon as possible thereafter	
11.2(3)	The <i>completion date</i> for the whole of the <i>services</i> is.		
11.2(6)	The <i>key dates</i> and the <i>conditions</i> to be met are:	<b>Condition to be met</b>	<b>key date</b>
		None	
31.1	The <i>Consultant</i> is to submit a first programme for acceptance within	1 [one] week of the Contract Date	
32.2	The <i>Consultant</i> submits revised programmes at intervals no longer than	1 [one] week	

## 4 Quality

40.2	The quality policy statement and quality plan are provided within	<b>1 [one] weeks of the Contract Date</b>
42.2	The <i>defects date</i> is	<b>4 [four] weeks after Completion of the whole of the services</b>

## 5 Payment

50.1	The <i>assessment interval</i> is	Between the [25 <sup>th</sup> ] day of each successive month	
50.3	The <i>expenses</i> stated by the <i>Employer</i> are	Item	Amount
		None	
51.1	The period within which payments are made is	4 [four] weeks	
51.2	The <i>currency of this contract</i> is the	South African Rand	

51.5 The *interest rate* is zero percent above the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and

6	Compensation events	No data required for this section of the <i>conditions of contract</i> .		
7	Rights to material	No data required for this section of the <i>conditions of contract</i> .		
8	Indemnity, insurance and liability			
81.1	The amounts of insurance and the periods for which the <i>Consultant</i> maintains insurance are			
	Event	Cover	Period following Completion of the whole of the <i>services</i> or earlier termination	
	Liability for failure by the <i>Consultant</i> to use the skill and care normally used by professionals providing services similar to the <i>services</i>	Whatever the <i>Consultant</i> deems necessary in respect of each claim, without limit to the number of claims	See Notes to Consultants in Annexure A	
	death of or bodily injury to a person (not an employee of the <i>Consultant</i> ) or loss of or damage to property arising from or in connection with the <i>Consultant's</i> Providing the Services.	Whatever the <i>Consultant</i> deems necessary for any occurrence or series of occurrences arising out of one event without limit to the number of claims.	See Notes to Consultants in Annexure A	
	death of or bodily injury to employees of the <i>Consultant</i> arising out of and in the course of their employment in connection with this contract	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Consultant's</i> common law liability for people falling outside the scope of the Act with a limit of indemnity of not less than R500 000-00 (five hundred thousand) in respect of each claim, without limit to the number of claims	As <i>Consultant</i> deems necessary	



81.1	The <i>Employer</i> provides the following insurances	<b>Refer to Annexure A for details of insurance provided by the <i>Employer</i>.</b>
82.1	The <i>Consultant's</i> total liability to the <i>Employer</i> for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	<b>The total of the Prices</b>
	The <i>Consultant</i> provides these additional insurances. 1 Insurance against:	<b>Whatever the <i>Consultant</i> deems necessary including cover provided for payment of deductibles</b>
<b>9</b>	<b>Termination</b>	<b>No data required for this section of the <i>conditions of contract</i>.</b>
<b>10</b>	<b>Data for main Option clause</b>	
<b>A</b>	<b>Priced Contract with Activity Schedule</b>	
21.3	The price for services provided to date is the total of the prices for the activities which have been completed. The <i>Consultant</i> prepares forecasts of the total expenses for the whole of the services at intervals of no longer than	<b>4 (four) weeks</b>
<b>11</b>	<b>Data for Option W1</b>	
W1.1	The <i>Adjudicator</i> is	<b>To be appointed when a dispute arises and to be selected from the <i>Employer's</i> panel of Adjudicators on Annexure B</b>
W1.2(3)	The <i>adjudicator nominating body</i> is:	<b>the Chairman of the Joint Civils Division of the South African Institution of Civil Engineering. (See <a href="http://www.jointcivils.co.za">www.jointcivils.co.za</a>).</b>
W1.4(2)	The <i>tribunal</i> is:	<b>arbitration</b>
W1.4(5)	The <i>arbitration procedure</i> is  The place where arbitration is to be held is  The person or organisation who will choose an arbitrator • if the Parties cannot agree a choice or • if the <i>arbitration procedure</i> does not state who selects an arbitrator, is	<b>the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.  South Africa, Johannesburg  the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.</b>
<b>12</b>	<b>Data for Secondary Option clauses</b>	
<b>X1</b>	<b>Price Adjustment for Inflation</b>	<b>CPI,</b>

<b>X2</b>	<b>Changes in the law</b>	
X2.1	The law of the project is	<b>Any law within the Republic of South Africa which applies to the Consultant's providing the Services</b>
<b>X9</b>	<b>Transfer of Rights</b>	
X9.1		<b>The Employer owns the Consultant's rights over material prepared for this contract by the Consultant except as stated otherwise in the scope. The Consultant obtains other rights for the Employer as stated in the scope and obtains from a Subcontract equivalent rights for the Employer over the material prepared by the subconsultant. The consultant provides to the Employer the documents which transfer these rights to the Employer.</b>
<b>X10</b>	<b>The Employer's Agent</b>	
X10.1	The Employer's Agent is	
	Name:	
	Tel No.	
	Address	<b>Megawatt Park, Maxwell Drive Sunninghill</b>
	The authority of the Employer's Agent is	<b>To carry out all the actions of the Employer in this contract</b>
<b>X11</b>	<b>Termination by the Employer</b>	
<b>X11.1</b>	The Employer may terminate the Consultant's obligation to provide the Services for a reason not stated in this contract by notifying the consultant.	
<b>X18</b>	<b>Limitation of liability</b>	
X18.1	The Consultant's liability to the Employer for indirect or consequential loss is limited to:	<b>R0.00 (Zero Rand)</b>
X18.2	The Consultant's liability to the Employer for Defects that are not found until after the defects date is limited to:	<b>The total of the Prices</b>
X18.3	The end of liability date is	<b>The completion date of the whole of the services.</b>
<b>Z</b>	<b>The Additional conditions of contract are</b>	
		<b>Z1 to Z11 always apply.</b>

**Z1 Cession delegation and assignment**

- Z1.1 The Consultant does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the Employer.

- Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Consultant* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry and the Electricity Distribution Industry.

## **Z2 Joint ventures**

- Z2.1 If the *Consultant* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Employer* for the performance of this contract.
- Z2.2 Unless already notified to the *Employer*, the persons or organisations notify the *Employer* within two weeks of the Contract Date of the key person who has the authority to bind the *Consultant* on their behalf.
- Z2.3 The *Consultant* does not substantially alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Employer* having been given to the *Consultant* in writing.

## **Z3 Change of Broad Based Black Economic Empowerment (B-BBEE) status**

- Z3.1 Where a change in the *Consultant's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Consultant's* B-BBEE status, the *Consultant* notifies the *Employer* within seven days of the change.
- Z3.2 The *Consultant* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Employer* within thirty days of the notification or as otherwise instructed by the *Employer*.
- Z3.3 Where, as a result, the *Consultant's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Consultant's* obligation to Provide the Services.
- Z3.4 Failure by the *Consultant* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are those stated in core clause 91. The payment on termination includes a deduction of the forecast of the additional cost to the *Employer* of completing the whole of the *services* in addition to the amounts due in terms of core clause 92.1.

## **Z4 Ethics**

- Z4.1 Any offer, payment, consideration, or benefit of any kind made by the *Consultant* which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for terminating the *Consultant's* obligation to Provide the Services or taking any other action as appropriate against the *Consultant* (including civil or criminal action).

- Z4.2 The *Employer* may terminate the *Consultant's* obligation to Provide the Services if the *Consultant* (or any member of the *Consultant* where the *Consultant* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations) is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices.

Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the *Employer* or other people or organisations and including in circumstances where the *Consultant* or any such member is removed from the an approved vendor data base of the *Employer* as a consequence of such practice.

- Z4.3 If the *Employer* terminates in terms of this clause, the procedures on termination are those stated in core clause 91. The payment on termination includes a deduction of the forecast of the additional cost to the *Employer* of completing the whole of the *services* in addition to the amounts due in terms of core clause 92.1.

## **Z5 Confidentiality**

- Z5.1 The *Consultant* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Consultant*, enters the public domain or to information which was already in the possession of the *Consultant* at the time of disclosure (evidenced by written records in existence at that time). Should the *Consultant* disclose information to Others in terms of clause 23.1, the *Consultant* ensures that the provisions of this clause are complied with by the recipient.
- Z5.2 If the *Consultant* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Employer*.
- Z5.3 In the event that the *Consultant* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Consultant*, to the extent permitted by law prior to disclosure, notifies the *Employer* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Consultant* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.
- Z5.4 The taking of images (whether photographs, video footage or otherwise) of the *Employer's* project works or any portion thereof, in the course of Providing the Services and after Completion, requires the prior written consent of the *Employer*. All rights in and to all such images vests exclusively in the *Employer*.

## **Z6 Waiver and estoppel: Add to core clause 12.3:**

- Z6.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, or the *Adjudicator* does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.

## **Z7 Provision of a Tax Invoice and interest. Add to core clause 51**

- Z7.1 The *Consultant* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer's* VAT number 4740101508 on each invoice he submits for payment.

**Z8            Notifying compensation events**

- Z8.1 Delete from the last sentence in core clause 61.3, “unless the *Employer* should have notified the event to the *Consultant* but did not”.

**Z9            *Employer’s* limitation of liability**

- Z9.1 The *Employer’s* liability to the *Consultant* for the *Consultant’s* indirect or consequential loss is limited to R0.00 (zero Rand)

**Z10            Termination: Add to core clause 90.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":**

- Z10.1      or had a judicial management order granted against it.

**Z11            Delay damages: Addition to secondary Option X7 Delay damages (if applicable in this contract)**

- Z11.1 If the *Consultant’s* payment of delay damages reaches the limits stated in this Contract Data for Option X7 or Options X5 and X7 used together, the *Employer* may terminate the *Consultant’s* obligation to Provide the Services.
- Z11.2 If the *Employer* terminates in terms of this clause, the procedures on termination are those stated in core clause 91. The payment on termination includes a deduction of the forecast of the additional cost to the *Employer* of completing the whole of the *services* in addition to the amounts due in terms of core clause 92.1.
-

## Annexure A: Notes to Consultants

*This is guidance to Consultants to assist their decision making about what cover to arrange in the insurance to be provided by the Consultant. The guidance is not part of the contract and the Employer carries no liability for it.*

1. For the purpose of works contracts, insurance provided by Eskom (the *Employer*) has been arranged on the basis of “project” or “contract” value, where the value is the total of the Prices at Completion of the whole of the works including VAT.

A “project” is a collection of contracts or work packages to be undertaken as part of a single identified capital expansion or refurbishment of a particular asset or facility.

A “contract” is a single contract not linked to or being part of a “project”.

2. There are three main “formats” of cover and deductible structure; Format A, Format B and Format Dx.

**Format A** is for a project or contract value less than or equal to R350M (three hundred and fifty million Rand) inclusive of VAT.

**Format B** is for a project or contract value greater than R350M (three hundred and fifty million Rand) inclusive of VAT.

In the case of contracts / packages within a project:

- For a contract / package of R50M which is part of a R400M project, Format B will apply
- For a contract / package of R250M which is part of a R6 billion project, Format B will apply;
- For a contract / package of R120M which is part of a R350M project Format A will apply;

For a contract which is not part of a project the same limits apply:

- For a contract of R50M, Format A will apply
- For a contract of R355M, Format B will apply.

**Format Dx** applies only to Distribution Division projects and contracts. If a Distribution Division project or contract exceeds the Format A limit, the Eskom Insurance Management Services [EIMS] need to be contacted for advice on how to formulate the insurance cover. Cover and deductibles for Distribution Division are per the relevant policy available on the internet web link given below.

**Format A generally applies to Transmission Division** projects and contracts. If a Transmission Division project or contract exceeds the Format A limit, the Eskom Insurance Management Services [EIMS] need to be contacted for advice on how to formulate the insurance cover.

3. **Further information and full details of all Eskom provided policies and procedures may be obtained from:**

[http://www.eskom.co.za/live/content.php?Item\\_ID=9248](http://www.eskom.co.za/live/content.php?Item_ID=9248)

4. The Insurance which the *Consultant* is to provide against his liability for claims made against him arising out of his failure to use reasonable skill and care (first row in the Insurance Table of clause 81.1 in the PSC3) should also indemnify the *Consultant* for those sums which he could become legally liable to pay as damages arising from any claim first made against him and reported to Insurers some time after Completion of the whole of the *services*. Hence the *Consultant* needs to ensure that his cover is in place at least until all his liabilities under the contract have expired. Such claims could arise out of any negligent act, error or omission committed or alleged to have been committed by the *Consultant* in the conduct of professional services in connection with the contract.

## C1.2 Contract Data

### Part two - Data provided by the *Consultant*

**[Instructions to the tendering consultant]:**

1. The tendering consultant is advised to read both the NEC3 Professional Services Contract (June 2005) and the relevant parts of its Guidance Notes (PSC3-GN)<sup>2</sup> in order to understand the implications of this Data which the tenderer is required to complete. An example of the completed Data is provided on pages 146 to 150 of the PSC3 Guidance Notes. The number of the clause in the PSC3 which requires the data is shown in the left hand column for each statement however other clauses may also use the same data.
2. Whenever a cell is shaded in the left hand column it denotes this data is optional and would be required in relation to the option selected. The *Employer* should already have made the selection and deleted the rows not required.

Completion of the data in full, according to Options chosen, is essential to create a complete contract.

Clause	Statement	Data
10.1	The <i>Consultant</i> is (Name): Address Tel No. Fax No.	
22.1	The <i>Consultant's</i> key persons are:  1 Name: Job: Responsibilities: Qualifications: Experience:  2 Name: Job Responsibilities: Qualifications: Experience:  3 Name: Job Responsibilities: Qualifications:	

<sup>2</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009

Info.	Experience:							
	4 Name:							
	Job							
	Responsibilities:							
	Qualifications:							
	Experience:							
	5 Name:							
	Job							
	Responsibilities:							
	Qualifications:							
	Experience:							
	6 Name:							
	Job							
	Responsibilities:							
	Qualifications:							
	Experience:							
	7 Name:							
	Job							
	Responsibilities:							
	Qualifications:							
	Experience:							
	8 Name:							
	Job							
	Responsibilities:							
	Qualifications:							
	Experience:							
	CV's (and further <i>key persons</i> data including CVs) are appended to Tender Schedule entitled_____.							
11.2(3)	The <i>completion date</i> for the whole of the services is							
11.2(10)	The following matters will be included in the Risk Register	To be inserted at contract award						
11.2(13)	The <i>staff rates</i> are:	<table border="1"> <thead> <tr> <th>name/designation</th> <th>rate</th> </tr> </thead> <tbody> <tr> <td colspan="2">Either complete here or cross refer to a schedule in Part C2.2</td> </tr> <tr> <td colspan="2">Not applicable</td> </tr> </tbody> </table>	name/designation	rate	Either complete here or cross refer to a schedule in Part C2.2		Not applicable	
name/designation	rate							
Either complete here or cross refer to a schedule in Part C2.2								
Not applicable								



25.2	The <i>Employer</i> provides access to the following persons, places and things	<b>access to</b>	<b>access date</b>
		<b>All necessary areas that the consultant needs to gain access to in order to perform the services required.</b>	<b>During the contract period as and when required</b>
50.3	The <i>expenses</i> stated by the <i>Consultant</i> are	<b>item</b>	<b>amount</b>
		<b>Please refer to C2.2 “The activity schedule”</b>	
A	<b>Priced contract with activity schedule</b>		
11.2(14)	The <i>activity schedule</i> is in	<b>Part C2.2 “The activity schedule”</b>	
11.2(18)	The tendered total of the Prices is	_____ (in figures)	
		_____ (in words), excluding VAT	

## PART 2: PRICING DATA

### PSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	<i>The activity schedule</i>	2

## C2.1 Pricing assumptions: Option A

### How work is priced and assessed for payment

Clause 11 in NEC3 Professional Services Contract, June 2005 (PSC3) Option A states:

<b>Identified and defined terms</b>	11	
	11.2	(14) The Activity Schedule is the <i>activity schedule</i> unless later changed in accordance with this contract.
		(15) The Price for Services Provided to Date is the total of the Prices for the activities which have been completed. A completed activity is one which is without Defects which would delay immediately following work.
		(18) The Prices are the lump sum prices for each of the activities on the Activity Schedule unless later changed in accordance with this contract.

This confirms that Option A is a lump sum form of contract where the work is broken down into activities, each of which is priced by the tendering consultant as a lump sum. Only completed activities are assessed for payment at each assessment date; no part payment is made if the activity is not completed by the assessment date.

### Function of the Activity Schedule

Clause 53.1 in Option A states: "Information in the Activity Schedule is not Scope." This confirms that instructions to do work or how it is to be done are not included in the Activity Schedule but in the Scope. This is further confirmed by Clause 21.1 which states, "The *Consultant* Provides the Services in accordance with the Scope". Hence the *Consultant* does **not** Provide the Services in accordance with the Activity Schedule. The Activity Schedule is only a pricing document.

### Link to the programme

Clause 31.4 states that "The *Consultant* provides information which shows how each activity on the Activity Schedule relates to the operations on each programme which he submits for acceptance". Hence when compiling the *activity schedule*, the tendering consultant needs to show each activity on the programme he submits with his tender.

### Preparing the activity schedule

The tendering consultant prepares the *activity schedule* and should study the PSC3 Guidance Notes pages 2 and 24 before doing so. The *Employer* may have instructed the tendering consultant to include particular activities which he has specified and requires the *Consultant* to identify them in his *activity schedule*.

1 Generally it is the *Consultant* who prepares the Activity Schedule as part of his tender by breaking down the work described within the Scope into suitable activities which can be well defined, priced as a lump sum and shown on the programme. The *Employer*, in his Conditions of Tender or in a Tender Schedule, may have listed some items that he requires the *Consultant* to include in his *activity schedule* and be priced accordingly.

2 The Prices are defined in clause 11.2(18) as the lump sum for each activity in the activity schedule and the Price for Services Provided to Date (PSPD) (the amount due to the *Consultant*) is defined in clause 11.2(15) as the total of the Prices for each activity that has been completed. Hence activities in the

activity schedule should be structured so as to provide an acceptable monthly cash flow as they are only assessed for payment on the assessment date if they have been completed.

3 As the *Consultant* has an obligation to correct Defects (core clause 41) the lump sum Prices must also include for the correction of Defects except if the Defect is one for which the *Consultant* is not liable which is compensation event 60.1(12).

4 If the *Consultant* has decided not to identify a particular activity, the cost to the *Consultant* of doing the work must be included in, or spread across, the other Prices in order to fulfil the obligation to complete the services for the tendered total of the Prices.

5 There is no adjustment to the lump sum activity schedule price if the amount, or quantity, of work within that activity later turns out to be different to that which the *Consultant* estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event. See Clause 60.1.

6 Hence the Prices tendered by the *Consultant* in the *activity schedule* are inclusive of everything necessary and incidental to Providing the Services in accordance with the Scope, as it was at the time of tender, as well as correct any Defects except those for which he is not liable.

7 However, the *Consultant* does not have to allow in his Prices for matters that may arise as a result of a compensation event.

## **Expenses**

*Expenses* are not included in the activity schedule items and are assessed separately at each assessment date.

*Expenses* associated with employing a staff member in Providing the Services are listed separately either by the *Employer* in Contract Data provided by the *Employer* or by the *Consultant* in Contract Data provided by the *Consultant*. As only the *expenses* listed may be claimed by the *Consultant*, all other cost to the *Consultant* associated with Providing the Services must be included within the activity schedule or *staff rates*.

Rate adjustment for inflation of *expenses* is explained on page 13 of the Guidance Notes.

## **Staff rates**

When a compensation event occurs changes to the affected Activity Schedule item or new priced items in the Activity Schedule are assessed as the actual Time Charge for work already done and the forecast Time Charge for work not yet done. (See clause 63.1 and 63.14 in Option A)

The Time Charge is the sum of the products of each of the *staff rates* multiplied by the total staff time appropriate to that rate properly spent on work in this contract. (Clause 11.2(13))

Tendering consultants are advised to consult the NEC3 Professional Services Contract (June 2005) Guidance Notes and Flow Charts page 28 before entering *staff rates* into Contract Data, or in C2.2 below.

This is because *staff rates* can be established in one of three ways:

rates for named staff,  
rates for categories of staff or  
rates related to salaries paid to staff.

Rate adjustment for inflation, if necessary, can be based either on actual salary adjustments or by using Option X1: Price adjustment for inflation. See pages 13, 14 and 28 of the Guidance Notes.

## C2.2 the *activity schedule*

The *activity schedule* is as follows:

Design, typesetting, proofreading and printing of the integrated report, annual financial statements, sustainability report, Corporate Plan, interim financial statements and other ad hoc reports of various lengths for a period of five (5) years					
Company name:					
	2023/24	2024/25	2025/26	2026/27	2027/28
<b>YEAR-END REPORTS</b>					
<b>Project management, design, typesetting and proofreading</b>	-	-	-	-	-
Integrated report (160 pages plus 6-page cover)					
Annual financial statements (124 pages plus 4-page cover)					
Eskom Development Foundation report (50 pages plus 4-page cover)					
Sustainability report (60 pages plus 4-page cover)					
Corporate Plan (160 pages plus 4-page cover)					
<b>Digital navigation</b>	-	-	-	-	-
Integrated report (160 pages)					
Annual financial statements (124 pages)					
Eskom Development Foundation report (50 pages)					
Sustainability report (60 pages)					
Corporate Plan (160 pages)					
<b>Additional proofs</b>	-	-	-	-	-
Integrated report (1 daytime, 1 overtime)					
Annual financial statements (2 daytime, 1 overtime)					
Sustainability report (1 daytime)					
Corporate Plan (1 daytime)					
<b>Printing</b>	-	-	-	-	-
Integrated report (200 copies)					
Annual financial statements (200 copies)					
Eskom Development Foundation report (50 copies)					
Sustainability report (50 copies)					
Corporate Plan printing (100 copies)					
<b>Photography</b>	-	-	-	-	-
3 day photoshoot					
<b>INTERIM REPORTS</b>					
<b>Project management, design, typesetting and proofreading</b>	-	-	-	-	-
Condensed interim financial statements (30 pages)					
<b>Digital navigation</b>	-	-	-	-	-
Condensed interim financial statements (30 pages)					
<b>AD HOC REPORTS</b>					
<b>Project management, design, typesetting and proofreading</b>	-	-	-	-	-
Eskom Factor Report - 2023/24 only (60 pages)					
Three additional reports (50 pages each)					
<b>Digital navigation</b>	-	-	-	-	-
Eskom Factor Report - 2023/24 only (60 pages)					
Three additional reports (50 pages each)					
<b>TOTAL PER YEAR</b>	-	-	-	-	-
<b>TOTAL VALUE EXCLUDING VAT</b>					R -
<b>TOTAL VALUE INCLUDING VAT</b>					R -
Additional notes/comments					

This section can be used when the *staff rates* and *expenses* are considerable in number and more conveniently located here than in the Contract Data. Entries in the Contract Data should refer to this section of Part 2.

## The expenses are:

The following Eskom's standard Travel and subsistence allowance guidelines will be applicable where necessary.

<b>Km's:</b>	<ul style="list-style-type: none"> <li>From workplace (i.e. Suppliers office / Megawatt Park / College) to venue of appointment or meeting. Claims must specify from where to where and for what purpose.</li> <li>When Eskom provides offices for the duration of the contract, then km's from Suppliers office to Eskom's office cannot be claimed. (Km's from the Suppliers home to Eskom office cannot be claimed.)</li> </ul>
<b>Km rates:</b>	<input type="checkbox"/> R3.18/km
<b>Car rentals:</b>	<ul style="list-style-type: none"> <li>Group B or similar <ul style="list-style-type: none"> <li>At least have 2 airbags,</li> <li>Air-conditioning and</li> <li>ABS brakes for safety purposes.</li> </ul> </li> </ul>
<b>Accommodation:</b>	<input type="checkbox"/> Maximum 3 star, bed and breakfast.
<b>Flights:</b>	<input type="checkbox"/> Economy class. To be made and paid for by consultants. This must then be claimed back once a month together with all other T&S expenses on a VAT invoice.

## PART 3: SCOPE OF WORK

Document reference	Title	No of pages
C3.1	This cover page	1
	<i>Employer's Scope</i>	9
	Total number of pages	10

## C3.1: EMPLOYER'S SCOPE

### **Specification and description of the services:**

**Design, typesetting, proofreading and printing of the integrated report, annual financial statements, sustainability report, Corporate Plan, interim financial statements and other ad hoc reports of various lengths for a period of five (5) years**

#### ***Timing***

Eskom follows a strict process whereby tight year-end and half-year deadlines have to be met. To meet these deadlines, the design process will typically commence in January, with typesetting of year-end reports from March to July/August and typesetting of interim reports during November/December of each year. The Corporate Plan is to be produced from February to April of each year, while ad hoc reports will be on an as-and-when-required basis.

Eskom's year-end reporting period tends to span over long weekends and public holidays and therefore, overtime may be required. In addition, certain deliverables must be completed simultaneously, meaning that multiple deliverables may have the same delivery dates. Consequently, the supplier should have the capacity to produce more than one deliverable simultaneously to a satisfactory quality standard and within agreed timelines.

It is important that the supplier has the capacity to make late changes and reprint part or all of a publication (in exceptional circumstances). This expectation could entail the overnight turnaround of changes.

#### ***Project management***

A resource must be available to proactively manage all aspects of the project, including the scheduling of resources. This will include the managing of all project resources necessary to produce the various publications in the desired format to a satisfactory quality standard and within agreed timelines. Furthermore, clear and up-to-date communication with the various Eskom teams is essential.

Eskom has transitioned to a hybrid working model, with remote working being preferred. Therefore, the project team, in particular the typesetter, must be able to collaborate virtually, with the capacity for screen sharing (Microsoft Teams is preferred). *This requirement is non-negotiable.*

#### ***Design***

On an annual basis, a unique design should be created for the suite of reports to reflect Eskom's business, in compliance with Eskom's Corporate Identity guidelines. At least two cover design options must be presented for consideration. The chosen theme, consisting of cover designs and interior styles, must be approved prior to commencing with typesetting.

One integrated design will be used for the suite of year-end reports (integrated report, annual financial statements and sustainability report), with minor variations to the cover and interior styles to distinguish individual reports. For consistency, the design of the interim financial statements, Corporate Plan and ad hoc reports must be aligned to the approved year-end design, generally necessitating only one design theme per year.

The expectation is for highly visual reports (diagrams, infographics, etc.) and the design budget should be sufficient to cater for this requirement.

#### ***Typesetting***

Eskom requires direct access to the typesetter to ensure faster turnaround of authors' corrections, changes to layout and interior styles, and other changes. *This requirement is non-negotiable.*



The typesetting of documents should adhere to agreed turnaround times to ensure sufficient time for checking of each typeset version (proof) and authors' corrections. A high degree of accuracy is expected. Overtime may be required from time to time.

Quotes should be prepared based on four proofs being produced. Any subsequent changes beyond the fourth proof will be subject to additional charges.

Eskom will indicate when documents will be submitted for typesetting. The supplier should have the ability to typeset individual sections/chapters of reports as and when they are ready, rather than waiting for all content to be submitted at once. The supplier must have the ability to track proof levels for individual sections/chapters of the report – the addition of a previously unsubmitted section/chapter to an existing proof should not result in a higher proof level. *This requirement is non-negotiable.*

Eskom requires at most two unbound hard copies (digitally printed in full colour on A3, single-sided) of each proof per report, to enable verification of typeset content against the content submitted. The cost is to be included in the quoted price.

### ***Proofreading and quality control***

All typesetting of deliverables in the scope of the project must be subject to internal proof checking, including layout checks and layout advice by the design house, before being returned to Eskom. Effective version control is required to ensure all changes are accounted for and that earlier changes are not overwritten by later changes. The final technical finishing and layout of the report must be aligned to the approved design.

*Note: There is no requirement to either write or edit the content of the various reports.*

All reports are to be subjected to at least one external proofread, the cost of which is to be included in the quoted price.

### ***Digital navigation***

All final typeset reports are to be made available as bookmarked and hyperlinked pdf documents. Furthermore, Eskom is seeking to improve the interactiveness of its reports. Therefore, the design house should have the skills and expertise to produce digital publications with navigation buttons and other interactive tools/content, which is compatible with various electronic devices.

### ***Photography***

A photographer, with a proven track record of high-quality photography, should be available to take photographs of Eskom's Board members and executives on an annual basis, as well as selected business activities. The design house will be responsible for liaising with the photographer and arranging the necessary photoshoots on location, including, but not limited to, Eskom's head office at Megawatt Park, Maxwell Drive, Sunninghill.

Three days of photography should be catered for each year.

Eskom requires low-resolution versions of all photographs taken during these shoots, as well as high-resolution, deep-etched versions of photographs selected for inclusion in reports (up to 30 per year).

### ***Printing***

A printing house with the capacity and proven track record to produce a high-quality product within the specifications and deadlines (usually very tight turnaround times which could require overnight printing) is required. The printer should have the capacity, where necessary, to reprint portions of reports at short notice in the case of errors (in exceptional circumstances). The design house is responsible for managing the printing function and liaising with the printer.

Delivery of reports will be to Eskom's head office at Megawatt Park, Maxwell Drive, Sunninghill.

---

## **Specification of product or goods**

### ***Technical specifications***

Reports to be produced in iPad size (240 x 170mm); perfect bound or saddle stitched as appropriate; full colour litho print with aqueous varnish.

Paper: Galerie Silk 150gsm white; full-colour print.

Cover: Galerie Silk 350gsm white; CMYK print plus one metallic spot colour, matt laminate on one side.

Delivery of reports will be to Eskom's head office at Megawatt Park, Maxwell Drive, Sunninghill.

### ***Deliverables***

#### **A) Year-end reports for financial years ended 31 March 2023, 2024, 2025, 2026 and 2027**

1. Professional fees for design, typesetting and proofreading, made available as hyperlinked and bookmarked pdf, including digital navigation
  - Integrated report (160 pages plus 6-page cover)
  - Annual financial statements (124 pages plus 4-page cover)
  - Sustainability report (60 pages plus 4-page cover)
  - Eskom Development Foundation (50 pages plus 4-page cover)
  - Corporate Plan (160 pages plus 4-page cover)
2. Additional proofs, if required (to be quoted separately, for indicative purposes)
  - Integrated report – 1 daytime, 1 overtime proof
  - Annual financial statements – 2 daytime, 1 overtime proof
  - Sustainability report – 1 daytime proof
  - Corporate Plan – 1 daytime proof
3. Printing (based on the requirements set out under scope of work and technical specifications)
  - Integrated report (200 copies plus 5 wiro bound)
  - Annual financial statements (200 copies plus 10 wiro bound)
  - Sustainability report (50 copies)
  - Eskom Development Foundation (50 copies)
  - Corporate Plan (100 copies)
4. Photography – three-day photoshoot on location

#### **B) Interim reports for the six months ended 30 September 2023, 2024, 2025, 2026 and 2027**

1. Professional fees for typesetting and proofreading (utilising the same design as the preceding year-end reports), made available as hyperlinked and bookmarked pdf, including digital navigation
  - Condensed interim financial statements with commentary (30 pages)

#### **C) Ad hoc reports**

1. Professional fees for design, typesetting and proofreading (utilising a similar/consistent design as the year-end reports), made available as hyperlinked and bookmarked pdf, including digital navigation
-

- Eskom Factor report – 2023/24 only (60 pages)
- Additional reports – assume three reports (50 pages each) per year for the purposes of the tender

## Invoicing and payment

The following details shall be shown on or attached to each Invoice to show how the amount due has been assessed:

The *Consultant* shall address the tax invoice to the *Employer's Agent* and include on it the following information:

- Name and address of the *Consultant* and the *Employer*;
- *Employer's Agent*;
- The contract number and title;
- *Consultant's* VAT registration number;
- The *Employer's* VAT registration number 4740101508;
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT;

## Health and Safety

The *Consultant* shall at all times comply with the health and safety requirements prescribed by law as they may apply to the *services* and the following Eskom SHE rules.

## Procurement

BBBEE and preferential scheme

**"Eskom Holdings Limited has a Directive on B-BBEE implementation (32- 416). The Directive gives preference to companies complying with the B-BBEE Codes of Good Practice, Level 1 to Level 4."**

## Supplier Development and Localisation

- **Local Content**

Local Content Local to South Africa: Please indicate the percentages of the value that will be spending locally, as well as percentages spend on Black woman and Black owned companies.

Target                      Propose

100%	
------	--

- **Skills Development**

Skill type / Occupation	Eskom target	Proposed Number of Candidates
Related technical skills, aligned to the scope of work (to be discussed and firmed up during negotiations)	6	

### Job Creation

Suppliers may propose the number of jobs to be created or retained for this contract in the table below.

To be completed by Tenderer

Number of jobs to be <u>created</u> as a result of this contract	
Number of jobs to be <u>retained</u> as a result of this contract	

### Working on the *Employer's* property

Employer's entry and security control, permits, and site regulations will be adhered to.

### People restrictions, hours of work, conduct and records

N/A

### Provided by the *Employer*

- Access to the Employer's premises as and when required.
-