



NEC3 Supply Contract (SC3)

**Between ESKOM HOLDINGS SOC Ltd
(Reg No. 2002/015527/30)**

and

**for Pulleys Supply and Delivery Contract as and when
required for 5 years**

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CONTRACT No. 46000

PART C1: AGREEMENTS & CONTRACT DATA

Contents:	No of pages
C1.1 Form of Offer and Acceptance	
[to be inserted from Returnable Documents at award stage]	
C1.2a Contract Data provided by the <i>Purchaser</i>	
C1.2b Contract Data provided by the <i>Supplier</i>	
[to be inserted from Returnable Documents at award stage]	
C1.3 Proforma Guarantees	

C1.1 Form of Offer & Acceptance

Offer

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

Pulleys Supply & Delivery Contract

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 *Supplier* 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	R [●]
	Value Added Tax @ 15% is	R [●]
	The offered total of the amount due inclusive of VAT is ¹	R [●]
	(in words) [●]	

This Offer may be accepted by the Purchaser 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 *Supplier* 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

¹ This total is required by the *Purchaser* for budgeting purposes only. Actual amounts due will be assessed in terms of the *conditions of contract*.

Acceptance

By signing this part of this Form of Offer and Acceptance, the Purchaser identified below accepts the tenderer's Offer. In consideration thereof, the Purchaser shall pay the Supplier 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 Purchaser 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: Goods Information including Supply Requirements

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 Purchaser 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 Purchaser'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 and signed original copy of this document, including the Schedule of Deviations (if any).

Signature(s)

Name(s)

Capacity

**for the
Purchaser**

**Eskom Holdings SOC Ltd, Megawatt Park, Maxwell Drive, Sandton, Johannesburg,
2199**

(Insert name and address of organisation)

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 to be completed by the *Purchaser* prior to contract award

Note:

1. 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 Purchaser 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 Purchaser 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 Purchaser 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 Purchaser

Signature

Name

Capacity

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

Name &
signature
of witness

Date

Zweli Witbooi

Power Station General Manager (Acting)

**Eskom Holdings SOC Ltd, Megawatt
Park, Maxwell Drive, Sandton,
Johannesburg, 2199**

C1.2 SC3 Contract Data

Part one - Data provided by the *Purchaser*.

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for Options	
		X1: Price adjustment for inflation
		X2 Changes in the law
		X7: Delay damages
		X17: Low performance damages
		Z: Additional conditions of contract
	of the NEC3 Supply Contract (April 2013) ²	(If the December 2009 edition is to be used delete April 2013 and replace by December 2013)
10.1	The <i>Purchaser</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	014 762 2000
	Fax No.	N/A
10.1	The <i>Supply Manager</i> is (name):	Senesh Pillay
	Address	Medupi Power Station, Steenbokpan Road, Lephalale, 0555
	Tel	017 612 6663
	Fax	N/A
	e-mail	PillaySn@eskom.co.za
11.2(13)	The <i>goods</i> are	Pulleys
11.2(13)	The <i>services</i> are	Supply and Delivery of Pulleys to Medupi Power Station
11.2(14)	The following matters will be included in the Risk Register	<ul style="list-style-type: none"> ▪ Inclement Weather (rain) ▪ Labour strike and Community Unrest ▪ Lead time of material ▪ Poor quality of material ▪ Wrong material delivered

² Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902, www.ecs.co.za.

11.2(15)	The Goods Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.	
11.2(15)	The Supply Requirements as part of the Goods Information is in	Annexure A to this Contract Data	
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa	
13.1	The <i>language of this contract</i> is	English	
13.3	The <i>period for reply</i> is	3 working days	
2	The <i>Supplier's</i> main responsibilities	Data required by this section of the core clauses is provided by the <i>Supplier</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data.	
3	Time		
30.1	The <i>starting date</i> is.		
30.1	The <i>delivery date</i> of the goods and services is:	<i>goods and services</i>	<i>delivery date</i>
		1 Pulleys	As per Purchase Order Placed
30.2	The <i>Supplier</i> does not bring the goods to the Delivery Place more than one week before the Delivery Date.	As per the Accepted Programme by the <i>Supply Manager</i>	
31.1	The <i>Supplier</i> is to submit a first programme for acceptance within	2 weeks of the Contract Date	
32.2	The <i>Supplier</i> submits revised programmes at intervals no longer than	Submit a delivery schedule after PO issue. 1 week.	
4	Testing and defects		
42	The <i>defects date</i> is	2 weeks after Delivery.	
43.2	The <i>defect correction period</i> is	2 weeks	
42.2	The <i>defects access period</i> is	2 days	
5	Payment		
50.1	The <i>assessment interval</i> is	Between the 20th day of each successive month. (or Continuous assessment upon safe delivery and having met all the required standard and signed off)	
51.1	The <i>currency of this contract</i> is the	South African Rand	
51.2	The period within which payments are made is	Four (4) after invoice	
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365 day year) charged from time to time by the Standard Bank of South Africa Limited (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

(ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted *mutatis mutandis* every 6 months thereafter and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.

6	Compensation events	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
7	Title	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
8	Risks, liabilities, indemnities and insurance	
80.1	These are additional <i>Purchaser's</i> risks	1. Incorrect Items Delivered 2. Long lead-time for items to be delivered
88.1	The <i>Supplier's</i> liability to the <i>Purchaser</i> for indirect or consequential loss, including loss of profit, revenue and goodwill is limited to	R0.0 (zero Rand)
88.2	For any one event, the <i>Supplier's</i> liability to the <i>Purchaser</i> for loss of or damage to the <i>Purchaser's</i> property is limited to	(1) for the <i>Purchaser's</i> existing and surrounding property in the care, custody and control of the <i>Supplier</i> the amount of the deductible (first amount payable) relevant to the event and (2) for all other existing <i>Purchaser's</i> property the applicable deductible as at contract date
88.3	The <i>Supplier's</i> liability for Defects due to his design which are not notified before the last <i>defects date</i> is limited to:	R0.00
88.4	The <i>Supplier's</i> total liability to the	R0.00

Purchaser, for all matters arising under or in connection with this contract, other than the excluded matters, is limited to

88.5 The *end of liability date* is **1 year(s) after Delivery of the whole of the goods and services.**

9 Termination and dispute resolution

94.1 The *Adjudicator* is **the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).**

Address **Johannesburg, South Africa**

Tel No. **[•]**

Fax No. **[•]**

e-mail **[•]**

94.2(3) The *Adjudicator nominating body* is: **the Chairman of ICE-SA, a Division of the South African Institution of Civil Engineering, or its successor body (See www.ice-sa.org.za)**

94.4(2) The *tribunal* is: **arbitration**

94.4(5) The *arbitration procedure* is **the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.**

94.4(5) The place where arbitration is to be held is **Johannesburg, South Africa**

The person or organisation who will choose an arbitrator

- if the Parties cannot agree a choice or
- if the arbitration procedure does not state who selects an arbitrator, is

the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.

10 Data for Option clauses

X1 Price adjustment for inflation

X1.1 The *base date* for indices is **Rates are fixed and firm for first 12 months after first order placement date. There after CPA escalation will apply. Base date will be the month before the month which the enquiry closes.**

The proportions used to calculate the Price Adjustment Factor are:

Proportion	linked to index for	Index prepared by

		12%	Transport Table L2A	SEIFSA, Road Freight Costs
		73%	Material Table U-A	SEIFSA, (PPI) Final Manufactured goods
		15%	non- adjustable	Fixed
		100.00		
X2	Changes in the law			
X2.1	A change in the law of	becomes a compensation event if it occurs after the Contract Date		
X7	Delay damages			
X7.1	Delay damages for Delivery are	Delivery of		amount per day
		Late Delivery of items		2 % of total value of task order every day that the order is late to a maximum of 20%
X17	Low performance damages			
X17.1	The amounts for low performance damages are:	Amount	performance level	
		% 2 of PO	For incorrect and spares delivered	
Z	The <i>additional conditions of contract</i> are			
Z1 to Z15 always apply for Eskom				

Z1 Cession delegation and assignment

- Z1.1 The *Supplier* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Purchaser*.
- Z1.2 Notwithstanding the above, the *Purchaser* may on written notice to the *Supplier* 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.

Z2 Joint ventures

- Z2.1 If the *Supplier* 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 *Purchaser* for the performance of this contract.

Z2.2 Unless already notified to the *Purchaser*, the persons or organisations notify the *Supply Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Supplier* on their behalf.

Z2.3 The *Supplier* does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Purchaser* having been given to the *Supplier* in writing.

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

Z3.1 Where a change in the *Supplier's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Supplier's* B-BBEE status, the *Supplier* notifies the *Purchaser* within seven days of the change.

Z3.2 The *Supplier* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Supply Manager* within thirty days of the notification or as otherwise instructed by the *Supply Manager*.

Z3.3 Where, as a result, the *Supplier's* B-BBEE status has decreased since the Contract Date the *Purchaser* may either re-negotiate this contract or alternatively, terminate the *Supplier's* obligation to Provide the Goods and Services.

Z3.4 Failure by the *Supplier* to notify the *Purchaser* of a change in its B-BBEE status may constitute a reason for termination. If the *Purchaser* terminates in terms of this clause, the procedures on termination are P1, P2 and P3 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Confidentiality

Z4.1 The *Supplier* 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 *Supplier*, enters the public domain or to information which was already in the possession of the *Supplier* at the time of disclosure (evidenced by written records in existence at that time). Should the *Supplier* disclose information to Others in terms of clause 23.1, the *Supplier* ensures that the provisions of this clause are complied with by the recipient.

Z4.2 If the *Supplier* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Supply Manager*.

Z4.3 In the event that the *Supplier* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Supplier*, to the extent permitted by law prior to disclosure, notifies the *Purchaser* 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 *Supplier* 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.

Z4.4 The taking of images (whether photographs, video footage or otherwise) of the *goods* or any portion thereof, in the course of Providing the Goods and Services and after Delivery, requires the prior written consent of the *Supply Manager*. All rights in and to all such images vests exclusively in the *Purchaser*.

Z4.5 The *Supplier* ensures that all his subcontractors abide by the undertakings in this clause.

Z5 Waiver and estoppel: Add to core clause 12.3:

- Z5.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, the *Supply Manager* 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.

Z6 Health, safety and the environment: Add to core clause 25.4

- Z6.1 The *Supplier* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the provision of the *goods* and execution of the *services*.

Without limitation the *Supplier*:

- warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of supply and
- undertakes, in and about the execution of the supply, to comply with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Supplier's* direction and control, likewise observe and comply with the foregoing.

- Z6.2 The *Supplier*, in and about the execution of the supply, complies with all applicable environmental laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Supplier's* direction and control, likewise observe and comply with the foregoing.

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

- Z7.1 Within one week of receiving a payment certificate from the *Supply Manager* in terms of core clause 51.1, the *Supplier* provides the *Purchaser* with a tax invoice in accordance with the *Purchaser's* procedures stated in the Goods Information, showing the amount due for payment equal to that stated in the payment certificate.
- Z7.2 If the *Supplier* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Purchaser* is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the *Purchaser* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.
- Z7.3 The *Supplier* (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 *Purchaser'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 the words, "unless the event arises from the *Supply Manager* giving an instruction, changing an earlier decision or correcting an assumption".

Z9 Purchaser's limitation of liability

- Z9.1 The *Purchaser's* liability to the *Supplier* for the *Supplier's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z9.2 The *Supplier's* entitlement under the indemnity in 83.1 is provided for in 60.1(12) and the

Purchaser's liability under the indemnity is limited.

Z10 Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

Z10.1 or had a business rescue order granted against it.

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

Z11.1 If the amount due for the *Supplier's* payment of delay damages reaches the limits stated in this Contract Data for Option X7, the *Purchaser* may terminate the *Supplier's* obligation to Provide the Goods and Services using the same procedures and payment on termination as those applied for reasons R1 to R15 or R18 stated in the Termination Table.

Z12 Ethics

For the purposes of this Z-clause, the following definitions apply:

Affected Party means, as the context requires, any party, irrespective of whether it is the *Supplier* or a third party, such party's employees, agents, or Subcontractors or Subcontractor's employees, or any one or more of all of these parties' relatives or friends,

Coercive Action means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,

Collusive Action means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,

Committing Party means, as the context requires, the *Supplier*, or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,

Corrupt Action means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,

Fraudulent Action means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,

Obstructive Action means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action, and

Prohibited Action means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

Z12.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z12.2 The *Purchaser* may terminate the *Supplier's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Supplier* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Purchaser* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Purchaser* can terminate the *Supplier's* obligation to Provide the Services for this reason.

Z12.3 If the *Purchaser* terminates the *Supplier's* obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.

Z12.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Purchaser* does not have a contractual bond with the Committing Party, the *Supplier* ensures that the Committing Party co-operates fully with an investigation.

Z13Insurance

Z 13.1 Replace core clause 84 with the following:

- | | | |
|------------------------|-------------|---|
| Insurance cover | 84 | |
| | 84.1 | When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force. |
| | 84.2 | The <i>Supplier</i> provides the insurances stated in the Insurance Table A for events which are at the <i>Supplier's</i> risk from the <i>starting date</i> until the last <i>defects date</i> or a termination certificate has been issued. |

INSURANCE TABLE A

Insurance against	Minimum amount of cover or minimum limit of indemnity
Loss of or damage to the <i>goods</i> , plant and materials	The replacement cost where not covered by the <i>Purchaser's</i> insurance. The <i>Purchaser's</i> policy deductible as at Contract Date, where covered by the <i>Purchaser's</i> insurance.
Liability for loss of or damage to property (except the <i>goods</i> , plant and materials and equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Supplier</i>) caused by activity in connection with this contract	<u>Loss of or damage to property</u> <u>Purchaser's property</u> The replacement cost where not covered by the <i>Purchaser's</i> insurance. The <i>Purchaser's</i> policy deductible as at Contract Date, where covered by the <i>Purchaser's</i> insurance. <u>Other property</u> The replacement cost <u>Death of or bodily injury</u> The amount required by the applicable law.
Liability for death of or bodily injury to employees of the <i>Supplier</i> arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law

Z 13.2 Replace core clause 87 with the following:

**Insurance by
the *Purchaser***

87

87.1 The *Purchaser* provides the insurances stated in the Insurance Table B

INSURANCE TABLE B

Insurance against or name of policy	Minimum amount of cover or minimum of indemnity
Assets All Risk	Per the insurance policy document
Contract Works insurance	Per the insurance policy document
Environmental Liability	Per the insurance policy document
General and Public Liability	Per the insurance policy document
Transportation (Marine)	Per the insurance policy document
Motor Fleet and Mobile Plant	Per the insurance policy document
Terrorism	Per the insurance policy document
Cyber Liability	Per the insurance policy document
Nuclear Material Damage and Business Interruption	Per the insurance policy document

Nuclear Material Damage Terrorism	Per the insurance policy document
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Z14 Nuclear Liability

- Z14.1 The *Purchaser* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.
- Z14.2 The *Purchaser* is solely responsible for and indemnifies the *Supplier* or any other person against any and all liabilities which the *Supplier* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Supplier* or any other person or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.
- Z14.3 Subject to clause Z14.4 below, the *Purchaser* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Supplier* or any other person, or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.
- Z14.4 The *Purchaser* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.
- Z14.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z15 Asbestos

For the purposes of this Z-clause, the following definitions apply:

AAIA	means approved asbestos inspection authority.
ACM	means asbestos containing materials.
AL	means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.
Ambient Air	means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
Compliance Monitoring	means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
OEL	means occupational exposure limit.
Parallel Measurements	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.

Safe Levels	means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
Standard	means the <i>Purchaser's</i> Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
SANAS	means the South African National Accreditation System.
TWA	means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

- Z15.1 The *Purchaser* ensures that the Ambient Air in the area where the *Supplier* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.
- Z15.2 Upon written request by the *Supplier*, the *Purchaser* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Supplier* may perform Parallel Measurements and related control measures at the *Supplier's* expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z15.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
- Z15.3 The *Purchaser* manages asbestos and ACM according to the Standard.
- Z15.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.
- Z15.5 The *Supplier's* personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.
- Z15.6 The *Supplier* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations.
- Z15.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Purchaser* at the *Purchaser's* expense, and conducted in line with South African legislation.

Annexure A: Supply Requirements

The Supply Requirements for this contract are as follows:

1. The requirements for the supply are	As stipulated on Part 3: scope of Works	
2. The requirements for transport are	The spares shall be transported to site by road.	
3. The delivery place is	Medupi Power Station Warehouse	
4. Actions of the Parties during supply	Action	Party which does it
	Giving notice of Delivery	Supplier
	Checking packing and marking before dispatch	Supplier
	Contracting for transport	Supplier
	Pay costs of transport	Supplier
	Arrange access to delivery place	Supplier
	Loading the <i>goods</i>	Supplier
	Unloading the <i>goods</i>	Supplier
For international procurement	Undertake export requirements	Supplier
	Undertake import requirements	Supplier
5. Information to be provided by the Supplier	Title of document	
	Packing lists for cases and their contents	
	Copy of invoice for the <i>goods</i>	
	Delivery Note	
	Test results and maintenance manuals	
	As prescribed on the following documents Annexure A: Scope of Work	
For international procurement	Licences, authorisations and other formalities associated with export of the <i>goods</i>	
	Air Waybill or Bill of Lading with associated landing, delivery and forwarding order	
	The Bill of Entry endorsed by the importation authority	
	Customs work sheets, showing tax, duties and surcharges which the law of the country into which the <i>goods</i> are being imported requires the importer to pay	
	Invoice from the importation clearing agent showing airline fees, landing charges, wharfage and dock dues as applicable	
	Specify other import documents required by authorised officials.	

All other information NOT pertinent to the above is given in the balance of the Goods Information.

C1.2 Contract Data

Part two - Data provided by the *Supplier*

Notes to a tendering supplier:

1. Please read both the NEC3 Supply Contract (SC3)³ and the relevant parts of its Guidance Notes (SC3-GN)⁴ in order to understand the implications of this Data which the tenderer is required to complete.
2. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data
3. Where a form field like this [] appears, data is required to be inserted relevant to the option selected. Click on the form field **once** and type in the data. Otherwise complete by hand and in ink.

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

Clause	Statement	Data												
10.1	The <i>Supplier</i> is (Name): Address Tel No. Fax No.													
11.2(8)	The Goods Information for the <i>Supplier's</i> design is in:													
11.2(11)	The tendered total of the Prices is	R , (in words)												
11.2(12)	The <i>price schedule</i> is in:													
11.2(14)	The following matters will be included in the Risk Register													
25.2	The restrictions to access for the <i>Supply Manager</i> and Others to work being done for this contract are													
30.1	The <i>delivery date</i> of the goods and services is:	<table border="1"> <thead> <tr> <th></th><th><i>goods and services</i></th><th><i>delivery date</i></th></tr> </thead> <tbody> <tr> <td>1</td><td>[•]</td><td>[•]</td></tr> <tr> <td>2</td><td>[•]</td><td>[•]</td></tr> <tr> <td>3</td><td>[•]</td><td>[•]</td></tr> </tbody> </table>		<i>goods and services</i>	<i>delivery date</i>	1	[•]	[•]	2	[•]	[•]	3	[•]	[•]
	<i>goods and services</i>	<i>delivery date</i>												
1	[•]	[•]												
2	[•]	[•]												
3	[•]	[•]												
31.1	The programme identified in the Contract Data is contained in:													

³ Either April 2013 or December 2009 Edition as stated by *Purchaser* in Contract Data part 1.

⁴ Available from Engineering Contract Strategies Tel 011 803 3008, Fax 086 539 1902, or www.ecs.co.za

63.2	The <i>percentage for overheads and profit</i> added to the Defined Cost is	%
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PART 2: PRICING DATA
NEC3 Supply Contract

Document reference	Title	No of pages
C2.1	Pricing assumptions	2
C2.2	The <i>price schedule</i>	4

C2.1 Pricing Assumptions

How *goods* and *services* are priced and assessed for payment

Clause 11 in NEC3 Supply Contract, (SC3) core clauses states:

Identified and defined terms	11	
	11.2	(11) The Prices are the amounts stated in the price column of the Price Schedule. Where a quantity is stated for an item in the Price Schedule, the Price is calculated by multiplying the quantity by the rate.
		(12) The Price Schedule is the <i>price schedule</i> unless later changed in accordance with this contract.
Assessing the amount due	50.2	The amount due is
		<ul style="list-style-type: none">• the Price for each lump sum item in the Price Schedule which the <i>Supplier</i> has completed,• where a quantity is stated for an item in the Price Schedule, an amount calculated by multiplying the quantity which the <i>Supplier</i> has completed by the rate,• plus other amounts to be paid to the <i>Supplier</i>,• less amounts to be paid by or retained from the <i>Supplier</i>.
		Any tax which the law requires the <i>Purchaser</i> to pay to the <i>Supplier</i> is included in the amount due.

This confirms that the Supply Contract is a priced contract where the Prices are derived from a list of items of *goods* and *services* which can be priced as lump sums or as expected quantities of *goods* and *services* multiplied by a rate, or a mix of both.

Function of the Price Schedule

Clause 53.1 states: "Information in the Price Schedule is not Goods Information". This confirms that instructions to do work or how it is to be done are not included in the Price Schedule but in the Goods Information. This is further confirmed by Clause 20.1 which states, "The *Supplier* Provides the Goods and Services in accordance with the Goods Information". Hence the *Supplier* does **not** Provide the Goods and Services in accordance with the Price Schedule. The Price Schedule is only a pricing document.

Preparing the *price schedule*

Items in the *price schedule* may have been inserted by the *Purchaser* and the tendering supplier should insert any additional items which he considers necessary. Whichever party provides the items in the *price schedule* the total of the Prices is assumed to be fully inclusive of everything necessary to Provide the Goods and Services as described at the time of entering into this contract.

It will be assumed that the tendering supplier has

- Read Pages 8, 11, 12 and Appendix 5 of the SC3 Guidance Notes before preparing the *price schedule*;
- Included in his Prices and rates for correction of Defects (core clause 43.1) as there is no compensation event for this unless the Defect is due to a *Supplier's* risk;
- Spread the cost of doing work he chooses not to list as separate items in the *price schedule*

across other Prices and rates in order to fulfil the obligation to Provide the Goods and Services for the tendered total of the Prices;

- Understood that there is no adjustment to lump sum prices in the *price schedule* if the amount, or quantity, of work within that lump sum item later turns out to be different to that which the *Supplier* estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event per clause 60.1;
- Understood that the *Supplier* does not have to allow in his Prices and rates for matters that may arise as a result of a compensation event.

Format of the *price schedule*

Entries in the first four columns in the *price schedule* in section C2.2 are made either by the *Purchaser* or the tendering supplier.

If the *Supplier* is to be paid an amount for the item which is not adjusted if the quantity of work in the item changes, the tendering supplier enters the amount in the Price column only, the Unit, Quantity and Rate columns being left blank.

If the *Supplier* is to be paid an amount for the item which is the rate for the item multiplied by the quantity completed, the tendering *Supplier* enters the rate which is then multiplied by the Quantity to produce the Price, which is also entered.

If the *Supplier* is to be paid an amount for an item proportional to the length of time for which the *goods* and *services* are provided, a unit of time is stated in the Unit column and the length of time (as a quantity of the stated units of time) is stated in the Quantity column.

C2.2 the *price schedule*

Material Number	Full Description		Unit of Measure	QTY	Rate	Price
502246	PULLEY SPC	PULLEY SPC PULLEY, SPACE: DRAWING NO: B114116-75-31-ID04-00001 REV 0; FOR USE ON FD FAN MOTOR; KKS: HLB10/20AN001 LAB CODE: ACT	EA	2		
502247	PULLEY SPC	PULLEY SPC PULLEY, SPACE: DRAWING NO: B114116-75-31-ID04-00002 REV 0; FOR USE ON ID FAN MOTOR; KKS: HNC10/20AN001 LAB CODE: ACT	EA	2		
692972	PULLEY:CES;400 V;3 KW;SCREW-IN PULLEY	PULLEY:CES;400 V;3 KW;SCREW-IN PULLEY PULLEY: TYPE: CES; POTENTIAL: 400 V; POWER: 3 KW; DIMENSIONS: IMMERSSED LENGTH ET 880 MM; UNHEATED LENGTH LUD 40 MM; MOUNTING METHOD: SCREW-IN PULLEY; ELECTRICAL SCREW PULLEY: 3 KW; 400V; 2W/CM2; TYPE: CES; 2.5 KG; SCREW HEAD; STEEL;SET POINT; LIMITER; 60 DEGREE CELCIUS; IP66 LAB CODE: BAP	EA	6		
616839	PULLEY IMRSN:ROD;DIA 52 X LG 700 MM	PULLEY IMRSN:ROD;DIA 52 X LG 700 MM PULLEY, IMMERSION: TYPE: ROD; DIMENSIONS: DIA 52 X LG 700 MM; POTENTIAL: 400 VAC; POWER: 1.14 KW LAB CODE: BFI	EA	1		
616932	PULLEY IMRSN:TUBULAR SHEATHED;400 VAC	PULLEY IMRSN:TUBULAR SHEATHED;400 VAC PULLEY, IMMERSION: TYPE: TUBULAR SHEATHED; DIMENSIONS: DIA 8 X LG 850 MM; POTENTIAL: 400 VAC; POWER: 3 KW; SPECIFICATION: IHE LAB CODE: BFI	EA	1		

Material Number	Full Description		Unit of Measure	QTY	Rate	Price
616936	PULLEY IMRSN:TUBULAR SHEATHED;400 VAC	PULLEY IMRSN:TUBULAR SHEATHED;400 VAC PULLEY, IMMERSION: TYPE: TUBULAR SHEATHED; DIMENSIONS: DIA 48 X LG 850 MM; POTENTIAL: 400 VAC; POWER: 1.5 KW; INCALLOY MINERAL LAB CODE: BFP	EA	1		
621681	PULLEY IMRSN:OIL TANK;DIA 8 X LG 850 MM	PULLEY IMRSN:OIL TANK;DIA 8 X LG 850 MM PULLEY, IMMERSION: TYPE: OIL TANK; DIMENSIONS: DIA 8 X LG 850 MM; POTENTIAL: 400 VAC; POWER: 1.5 KW; SUPPL P/N: HE/1.5KW/400VAC/850; INCALLOY MINERAL TUBULAR SHEATHED LAB CODE: BFP	EA	1		
585001	PULLEY:EXH3F-U1500-80-R;WATER;400 V	PULLEY:WATER;400 V;10 KW;3 A;FLANGE PULLEY: TYPE: WATER; POTENTIAL: 400 V; POWER: 10 KW; DIMENSIONS: DIA 98 X LG 430 MM; CURRENT: 3 A; MOUNTING METHOD: FLANGE; MANUF P/N: EXH3F-U1500-80-R; THERMOSTAT RANGE: 0-70 DEG CEL; ENCLOSURE RATING: IP66 LAB CODE: CTS	EA	2		
659241	PULLEY IMRSN:4502743-04;FLANGE MOUNT	PULLEY IMRSN:FLANGE MOUNT;400 V;9 KW PULLEY, IMMERSION: TYPE: FLANGE MOUNT; DIMENSIONS: OD 260 X LG 205 MM; POTENTIAL: 400 V; POWER: 9 KW; CURRENT: 16 A; SPECIFICATION: 11 2G FXDE 11C T4 GB; MANUF P/N: 4502743-04; -20 DEG C TO 60 DEG C; TR 0-120 DEG C; TB 130 DEG C; AB NR 917161 A 3/3; FOR USE ON THE SEAL OIL SYSTEM LAB CODE: CTS	EA	3		
576696	PULLEY:CUBICLE; 240 V;400 W	PULLEY:CUBICLE;240 V;400 W PULLEY: TYPE: CUBICLE; POTENTIAL: 240 V; POWER: 400 W; DIMENSIONS: 80 X 140 X 118 MM; MANUF P/N: SK3107 LAB CODE: EXC	EA	2		

Material Number	Full Description		Unit of Measure	QTY	Rate	Price
576736	PULLEY:CONTROL CABINET;230 V;90 W	PULLEY:CONTROL CABINET;230 V;90 W PULLEY: TYPE: CONTROL CABINET; POTENTIAL: 230 V; POWER: 90 W; DIMENSIONS: 142 X 72 X 53 MM; MANUF P/N: 2309ALO LAB CODE: EXC	EA	2		
582693	PULLEY:IMMERSION;230 V;1650 W	PULLEY:IMMERSION;230 V;1650 W PULLEY: TYPE: IMMERSION; POTENTIAL: 230 V; POWER: 1650 W; DIMENSIONS: 10.2 X 4.8 MM; DRAWING NO: Z123981 REV 0; FOR USE ON FULE OIL UNLOADING STATION, LP PUMP STATION AND HP PUMP STATION DUPLEX FILTERS LAB CODE: FUL	EA	2		
584983	PULLEY STRP:07-5803-260A;TAPE;208-254VAC	PULLEY STRP:TAPE;208-254VAC;208-254VAC PULLEY, STRIP: TYPE: TAPE; POTENTIAL: 208-254VAC; POWER: 60 W PER METER; DIMENSIONS: 10.2 X 4.8 MM; CURRENT: 208-254VAC; MANUF P/N: 07-5803-260A; SELF-LIMITING; PARALLEL; WITH PROTECTIVE BRAID AND PROTECTIVE OUTER JACKET OF FLUOROPOLYMER; FOR USE ON FUEL OIL UNLOADING STATION PIPES LAB CODE: FUL	EA	2		
502249	PULLEY SPC:MOTOR SPACE PULLEY;1 KW	PULLEY SPC:MOTOR SPACE PULLEY;1 KW PULLEY, SPACE: TYPE: MOTOR SPACE PULLEY; DIMENSIONS: WD 190 X HT 390 MM; POWER: 1 KW; POTENTIAL: 230 V; DRAWING NO: B114116-75-31-ID04-00004 REV 0; FOR USE ON COAL MILL MOTOR; KKS: HFC10-50AJ001 LAB CODE:MIL	EA	12		
660420	PULLEY IMRSN:ANTICONDITON;220 V	PULLEY IMRSN:ANTICONDITON;220 V PULLEY, IMMERSION: TYPE: ANTICONDITON; DIMENSIONS: WD 300 X LG 1136 MM; POTENTIAL: 220 V; POWER: 12.75 KW; REFERENCE NO: 4180-HG300-35; FLANGE CONNECTION LAB CODE:TGN	EA	3		

Material Number	Full Description		Unit of Measure	QTY	Rate	Price
660421	PULLEY IMRSN:ANTICONDI TION;400 V	PULLEY IMRSN:ANTICONDIT ION;400 V PULLEY, IMMERSION: TYPE: ANTICONDIT ION; DIMENSIONS: WD 300 X LG 1136 MM; POTENTIAL: 400 V; POWER: 7.35 KW; REFERENCE NO: 2600- HG300-35; FLANGE CONNECTION LAB CODE:TGN	EA	3		

The total of the Prices

PART 3: SCOPE OF WORK

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C3.2	Supplier's Goods Information	1
	Total number of pages	12

C3.1: *PURCHASER'S* GOODS INFORMATION

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1 Overview and purpose of the *goods and services*

The reliability and availability of the Pulleys in general is a concern for Medupi Power station due to increase in unplanned downtime, and the lack of spares have contributed to the increase production risks on the Units. Initiatives to improve the reliability and availability of the Pulleys amongst others includes, placing a spares supply contracts for continuous involvement on the plant on a daily basis. This document will describe the scope of work required for this contract.

2 Specification and description of the *goods*

This document will cover the requirements for the Supply of a specific spare for the Pulleys at Medupi Power Station. The Pulleys are tables on the Price list

Refer to Section C2.2 (Pricing Schedule)

2.1 Procedure for submission and acceptance of *Supplier's* design

Not Applicable

2.2 Other requirements of the *Supplier's* design

Not Applicable

2.3 Use of *Supplier's* design

Not Applicable

2.4 Manufacture & fabrication

Not Applicable

2.5 Factory acceptance testing (FAT)

Both Parties shall arrange a factory visits as and when it is required

2.6 Other tests and inspections and commissioning in place of use

QC shall be conducted as per *Employer's* requirements

2.7 Operating manuals and maintenance schedules

Not Applicable

3 Supply Requirements

1. The description of the spares and the quantities that the employer envisages for the duration of the contract is indicated in Table 1 and also on section C2.2 (Pricing Schedule). This value will be used with other estimates to determine the overall contract value. It should be noted that this is just an estimate and it does not mean that the Employer will definitely consume

the spares in the duration of the contract. These quantities are therefore not fixed and the *Contractor* will only supply spares when instructed by a purchase order, from the *Employer*, to do so.

2. Spares that are for some reason not included in the list will be supplied on a 'cost-plus-profit-basis', as indicated in Table 2 below.
3. The spares and components will be supplied to the "goods received" section of the Medupi main store where it will be received by the material management section. The spares will be delivered with all of the required data books and certificates, where required.

Medupi Stores Working Times:

Monday – Thursdays: 07h00 – 16h15

Fridays: 07H00 – 12h00

4. Only once the spares have passed the Quality control checks and are booked into the system can payment be effected.
5. The Spares has to be the same in all respects when compared to the description under this Scope of Work. This includes all aspects such as design, materials and material specifications, manufacturing, including manufacturing processes, calibration certificates and acceptance testing. Where spares offered deviate from the original in any respect, it should be indicated to the *Employer*.
6. It is the *Contractor's* responsibility to ensure that correct spares are delivered. If the incorrect spares are delivered, the spares will have to be replaced with the correct spares at the *Contractor* cost. This includes transport and delivery.
7. The Delivery and Transport Costs must be included in the quotation.
8. The following packaging requirements should be adhered to:
 - The Goods are to be packaged in such a manner that it can be transported and stored for an extended period of time without resulting in damage to the goods.
 - This includes damage due to moisture ingress, corrosion, vibration from the power station etc.
 - Where lifting gear is utilised to move the goods, the packaging should allow the lifting operation and ensure that the goods are not damaged in any way during the process.
 - It will also not be necessary to open packaging for any lifting or transport operation.
 - Where eye bolts are fitted to move the goods, these eye bolts should be fitted such a way that they can be easily removed and replaced with the Purchaser's eye bolts, ensuring that the packaging stays intact.
 - The different spares types are to be packaged separately in such a way that each type can be stored separately.
 - Packaging and labelling of spares should ensure that the spare can be identified without opening the packaging.
 - Where possible the packaging should ensure that parts can be positively identified through the packaging. Where this is not possible the packaging should allow opening and closing of the packaging and still maintain the packaging integrity afterwards.

- Delivery packaging to have the following detail on it as a minimum
 - Order number,
 - A short description of component
 - The stock number
 - Manufacturing date, where possible

4 Specification of the *services* to be provided

Maintenance – Materials Management is responsible and accountable for ensuring that the Service is provided as per the SOW. Maintenance – Materials Management will also be managing the contract. Engineering will be involved in documentation review and will be part of the quality control. Commercial will be part of the contract placement process and communication with the contractor until contract award.

5 Constraints on how the *Supplier* Provides the Goods

5.1 Programming constraints

Every Purchase Order shall be accompanied by the Programme as per NEC3 SC Clause 30; 31 and 32.

5.2 Work to be done by the Delivery Date

All items on the Pricing schedule C2.2 shall be delivered as per the Programme accepted by the *Supply Manager* on each Purchase Order.

5.3 Marking the *goods*

Not applicable

5.4 Constraints at the delivery place and place of use

Medupi Power Station is a National Key Point with access control system. Arrangements shall be made with the *Supply Manager* to avoid delays during delivery

5.5 Cooperating with Others

The supplier shall co-operate with all stakeholders involved in the supply of spares.

5.6 Services & other things to be provided by the *Purchaser* or *Supplier*

All the requirements by the Supplier are stated in Annexure A

5.7 Management meetings

Regular meetings of a general nature may be convened and chaired by the *Supply Manager* as follows:

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	Weekly or as and when required	MS Teams	Both Parties
Overall contract progress and feedback	Monthly	MS Teams	Both Parties

Contractual meeting	Monthly	MS Teams	Both Parties

Meetings of a specialist nature may be convened as specified elsewhere in this Goods Information or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the manufacture of the *goods*. Records of these meetings shall be submitted to the *Supply Manager* by the person convening the meeting within five days of the meeting.

All meetings shall be recorded using minutes or a register prepared and circulated by the person who convened the meeting. Such minutes or register shall not be used for the purpose of confirming actions or instructions under the contract as these shall be done separately by the person identified in the *conditions of contract* to carry out such actions or instructions.

5.8 Documentation control

All documents issued shall be numbered, dated and registered on the project document management system, maintained by the *Contractor* and conforming to the *Contractor's* Quality Management Plan. The documents shall be available at the recorded locations as noted in the document management system.

All documents supplied by the *Contractor* are subject to the *Employer's* acceptance. The *Contractor* includes the *Employer's* drawing number in the drawing title block. This requirement only applies to design drawings developed by the *Contractor* and his Sub-*Contractors*. Drawing numbers are assigned by the *Employer* as drawings are developed. The *Contractor* shall establish a document tracking system to record the dates for the supply and receipt of all design drawings, calculations and requests for information. The *Contractor* will be issued with a series of project drawing numbers which shall apply to all drawings including those from Subcontractors. These numbers will then be used for reference throughout the project.

5.9 Health and safety risk management

The *Contractor* shall comply with the Eskom's Minimum Requirements for Health and Safety. SHE Specification 240-146140396 and applicable procedures, policies, guidelines and standards provided in this Works Information. The *Contractor* shall comply with the Occupational Health and Safety Act (OHS Act No 85 of 1995) and Regulations and the *Contractor* shall comply with any additional current statutory requirements of any relevant Government Departments regarding health.

Only the latest version/ revision of the applicable legislation, acts and regulations shall be deemed to be accepted at Medupi Power Station. Not limited to the following below legislation, acts and regulations are complied with:

- Compensation for Occupational Injuries and Diseases Act 130 of 1993
- National Water Act 36 of 1998
- Occupational Health and Safety Act and Regulations (85 of 1993)
- National Environmental Management Act 107 of 1998
- Applicable South African National Standards (SANS)
- National Road Traffic Act 93 of 1996
- Basic Conditions of Employment Act 75 of 1997
- National Veld and Forest Fire Act and Regulations 101 of 1998
- Environmental Conservation Act and Regulations 73 of 1989
- SACPCMP Act no. 48 of 2000
- Radiation Protection Act
- COVID-19 Occupational Health And Safety Measures In Workplaces COVID-19 (C19 OHS), 2020

The *Contractor* shall establish and enforce rules to ensure the health and safety of his own employees and those of its Sub *Contractors* so that high standards of personnel health and safety are achieved and maintained. The *Contractor* shall exercise and enforce all necessary care and measures to preclude exposure of personnel, labour and nearby residents (if any) to potential health hazards and environmental pollutants.

The *Contractor* shall ensure that all persons which are employed and or deployed to work on site undergo police clearance, and are certified to have no criminal records. This shall be done prior to them being allowed or given access to start work on site.

The *Contractor* is required to compile a SHE file as per the scope of work to comply with the *Employer's* specification, which includes but not limited to the following;

- Safety, Health and Environmental Plan (SHE Plan)
- SHE organization within the Company-Responsibility & Accountability
- OHS Incident management Procedure (32-95)
- Planning of conduct of work activities including planning for changes and emergency work (Operational Plan)
- Management of PPE- Personal Protective Equipment (Procedure with the matrix)
- Emergency planning and fire risk management
- Vehicle and driver behaviour safety (Competency, Traffic Management, etc.)
- Sub-*Contractor* or supplier selection and management
- Design and specifications (Drawings)
- Key personnel competency, training, appointments
- Communication and awareness Plan
- Management commitment and visible felt leadership (32-407)
- *Employer's* Baseline SHE Risk Assessment (BRA)
- *Contractor's* Baseline Risk Assessment in line with the *Employer's* BRA (Identification, assessment and management of Safety, Health and Environmental risks related to the scope of work. The methodology used for the risk assessment must be provided together with the BRA.)
- Valid Letter of Good Standing (COIDA or equivalent)
- SHE policy signed by CEO/ MD- Comply to OHS Act Section 7 or OHSAS 18001
- Occupational hygiene and health risk assessment
- Medical surveillance

5.10 Environmental constraints and management

The mitigation requirements are recorded in the Environmental Management Plan (EMP). The *Contractor* shall acquaint himself fully with the contents of the EMP to ensure that the *Contractor* is fully aware of the requirements of the EMP and its implications on the works. The *Contractor's* rates tendered shall cover all costs that will be incurred to comply with all requirements of the EMP. Special attention is drawn inter alia to the following aspects:

- Site demarcation: The *Contractor* shall demarcate his camp site, be restricted to that specific area and take full responsibility to restore the area to its original condition before the contract commenced
- Waste management: The *Contractor* shall dispose of all waste off-site at a licensed waste disposal facility and submit proof to Eskom
- Sanitation: The *Contractor* shall provide an appropriate enclosed temporary sanitation facility not a bucket system
- Dust control: The *Contractor* shall be responsible to apply effective dust control measures
- Re-vegetation: The *Contractor* shall be responsible to re-vegetate the locations of trial pits, boreholes, roads and tracks through the veld, the camp site and any area of activity related to the works, as may be required
- Fire prevention: It shall be the responsibility of the *Contractor* to prevent veld fires at all times during the contract

The *Contractor* shall take full responsibility for protecting the natural environment and eliminating or minimising the negative impacts of construction on the environment during construction. Nothing specified herein shall relieve the *Contractor* of any obligations or responsibilities in this regard.

The *Contractor* shall implement an Environmental Policy, in line with various statutory regulations. The *Contractor's* Environmental Management Plan shall be submitted to the *Project Manager* within 14 days for

review and acceptance after the awarding of the contract. Upon the *Project Manager's* acceptance, the *Contractor* shall immediately implement the policy and any amendments, and keep it in operation for the duration of the contract.

The *Contractor* shall keep the Environmental Management Plan updated in accordance with his Quality Management Procedures and make amendments as required by the *Project Manager* and the circumstances prevailing at the time. The *Contractor* shall immediately supply the *Project Manager* with a copy of an updated Environmental Management Plan which shall clearly indicate the revisions undertaken. The following documents shall be submitted and accepted by the environmental department before commencement of work:

- Environmental Policy
- Objectives and Targets
- Aspects and Impacts Register (related to scope of work)
- Operational Work Instructions (related to scope of work)
- Competency, training and awareness (including Training matrix)
- Waste Management Plan

5.11 Quality

All Quality Management System requirements shall comply with QM-58 Category 2. The *Contractor* shall be responsible for the quality of and testing of materials, workmanship and production processes used in completing the works. Within fourteen (14) calendar days after Contract Date, the *Contractor* shall submit to the *Project Manager* the Quality Management Plan for quality control and quality assurance of the works.

5.12 Invoicing and payment

Within one week of receiving a payment certificate from the *Project Manager* in terms of core clause 51.1, the *Contractor* submits a tax invoice showing the amount due for payment equal to that stated in the *Project Manager's* payment certificate. The invoices must be send to Finance Shared Service email address invoiceseskomlocal@eskom.co.za

The *Contractor* shall address the tax invoice to Eskom Holdings SOC Ltd and include on each invoice the following information:

- Name and address of the *Contractor* and the *Project Manager*
- The contract number and title
- *Contractor's* VAT registration number
- The *Employer's* VAT registration number 4740101508
- Description of service provided for each item invoiced based on the Price Schedule
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT

5.12.1 Schedule of Actual Costs and Accounts

The *Contractor* shall submit a detailed monthly schedule of his actual costs with all the necessary backup information at the monthly measurement meeting, for review by the *Supervisor*. The various schedule items as detailed in the Schedule of Cost Components, shall be submitted in a spreadsheet format, itemized in terms of People, Equipment, Plant and Materials, charges, and manufacture and fabrication. Schedule items shall be grouped into work area activities as outlined in the *activity schedule*, with such work area activity groupings referenced against the *activities schedule* item numbering.

Before each successive monthly measurement meeting (i.e. on a weekly basis), the *Contractor* shall submit to the *Supervisor* all current (or cumulative to that assessment date) backup documentation for acceptance. Backup documentation shall include, but not limited to: all calculation sheets, citing each completed task and item in the Bill of Quantities, drawings, etc.; acceptance of completed work payment purposes, including confirmation of attainment of each criteria set out either in the specification or any other document which this contract prescribes.

Following the monthly measurement meeting, the *Contractor* shall present a detailed final schedule (with revisions agreed to at the monthly measurement meeting incorporated), including the necessary backup documentation, to the *Supervisor* for final checking.

Once accepted by the *Supervisor*, he will submit it to the *Project Manager*. This will then be used by the *Project Manager* to assess the amount due in terms of Clause 50 of the ECC.

The final format and layout of this monthly schedule as well as the level of detail of backup information required are to be agreed between the *Project Manager* and the *Contractor*. Clause 52 of the ECC shall apply in terms of accounts to be kept by the *Contractor* to verify the above monthly schedule of actual costs.

5.12.2 Records and Returns

This Section relates to the preparation and submission of records and returns by the *Contractor*, to be submitted to the *Supervisor* in a form that is acceptable to him.

- At Start Up of the works
- Prior to First Commencement of a Particular Work Activity
- On Completion of a Work Activity or Part Thereof
- Daily
- Weekly
- Monthly
- On Completion of the works

5.13 Insurance provided by the *Purchaser*

Not applicable

5.14 Records of Defined Cost, payments & assessments of compensation events to be kept by the *Supplier*

The supplier will keep records of approved invoices and assessment.

6 Procurement

6.1 Subcontracting

No *Sub-Contractor* shall be appointed without the written acceptance of the *Supply Manager*, refer to Clauses 11 and 26 of the NEC. The *Supplier* shall manage his *Sub-Contractors* to ensure that the works are carried out in accordance with:

- The Accepted Programme
- The conditions of contract
- The Service Information

C3.2 *SUPPLIER'S* GOODS INFORMATION

The Supplier will only be requested to submit a programme 2 weeks after placement of contract
