



NEC3 Term Service Contract (TSC3)

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

and _____
(Reg. No.: _____)

**for The provision of Coal sampling, preparation and
analyses of Coal delivered to Camden Power Station
for a period of 36 Months**

Contents:	No of pages
Part C1 Agreements & Contract Data	x
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Part C3 Scope of Work	x

Contract No.:	
Document Compiled by:	

PART C1: AGREEMENTS & CONTRACT DATA

Contents:**No of pages****C1.1 Form of Offer and Acceptance****C1.2a Contract Data provided by the *Employer*****C1.2b Contract Data provided by the *Contractor***

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 provision of Coal sampling, preparation and analyses of Coal delivered to Camden Power Station for a period of 36 Months.

The tenderer, identified in the Offer signature block, has examined the documents listed in the Tender Data and addenda thereto and by submitting this Offer has accepted the Conditions of Tender.

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 *Contractor* 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.

Options A	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
	Amount in words (Excl. VAT) _____	

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 *Contractor* in the *conditions of contract* identified in the Contract Data.

Signature _____

Name _____

Capacity _____

Date _____

Address: _____

For the tenderer:

Witness

Name _____

Signature _____

Date _____

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

THE PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED TO CAMDEN POWER STATION FOR A PERIOD OF 36 MONTHS**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 Contractor 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: Service Information

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

Signature

Name

Capacity **Camden Power Station Manager**

Date

Address: **ESKOM HOLDINGS SOC LTD., Camden Power Station, Private Bag X1002, NUCAM, 2355**

For the purchaser:**Witness**

Name

Signature

Date

THE PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED TO CAMDEN POWER STATION FOR A PERIOD OF 36 MONTHS**Schedule of Deviations to be completed by the *Employer* prior to contract award**

No.	Subject	Details
1	Station closure	Contract end date before/after or on contract term
2	Spares	The supply of equipment/ spares items to enhance or execute the works, during the contract term, which is not listed in the SOW, and/or Price Lists
3		

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 Purchaser**

Signature

Name

Capacity

Date

On behalf of:

Witness

Name

Signature

Date

Camden Power Station Manager**Eskom Holdings SOC LTD., Camden Power Station**

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

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

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the Core clauses and the clauses for main Option:	
		A: Priced contract with price list
	dispute resolution Option	W1: Dispute resolution procedure
	and secondary Options	
		X1: Price adjustment for inflation
		X2: Changes in the law
		X17: Low service damages
		X18: Limitation of liability
		X19: Task Order
		X20: Key Performance Indicators
		Z: Additional conditions of contract
	of the NEC3 Term Service Contract April 2013 ² (TSC3)	
10.1	The <i>Employer</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.	
	Email	

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

THE PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED TO CAMDEN POWER STATION FOR A PERIOD OF 36 MONTHS

10.1	The <i>Service Manager</i> is (name):	
	Address	Camden Power Station Nucam Ermelo 2351
	Tel	
	Email	
10	Actions	
10.1		The <i>Employer</i> , the <i>Contractor</i> and the <i>Service Manager</i> shall act as stated in this contract and in a spirit of mutual trust and co-operation.
11.2(2)	The Affected Property is	Camden Power Station
11.2(13)	The <i>service</i> is	The provision of Coal sampling, preparation and analyses of Coal delivered to Camden Power Station for a period of 36 Months.
11.2(14)	The following matters will be included in the Risk Register	<ul style="list-style-type: none"> • Station Closure • Spares and equipment supply and delivery through contract, not listed in Price lists • Renegotiating terms and conditions of contract during Service Period- Business requirements. • NOTE: the Risks shall be as deemed and determined by the Employer and Supplier on continues basis with regards to the Service Information in this Contract, to comply an minimize the Risks as Identified from time to time. The Risk register shall be a continual working document. See 11.2 (14) of Core Clauses
11.2(15)	The Service Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.
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
13.1		Each instruction, certificate, submission, proposal, record, acceptance, notification, reply and other communication which this contract requires is communicated in a form which can be read, copied and recorded. Writing is in the <i>language of this contract</i> .
13.3	The <i>period for reply</i> is	<ul style="list-style-type: none"> • 1 week for e- mailed communications. (out of office) • 3 days for instructions and communications in writing.

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14	The Service Manager	
14.1		The <i>Service Manager's</i> acceptance of a communication from the <i>Contractor</i> or of his work does not change the <i>Contractor's</i> responsibility to Provide the Service or his liability for his plan or his design
14.2		The <i>Service Manager</i> , after notifying the <i>Contractor</i> , may delegate any of his actions and may cancel any delegation. A reference to an action of the <i>Service Manager</i> in this contract includes an action by his delegate. Note: The Service manager delegates the management of this contract to the direct reports in EMD.
14.3		The <i>Service Manager</i> may give an instruction to the <i>Contractor</i> which changes the Service Information
14.4		The <i>Employer</i> may replace the <i>Service Manager</i> after he has notified the <i>Contractor</i> of the name of the replacement.
15	Employer provides right of access and things	
15.2		The <i>Employer</i> provides things which he is to provide as stated in the Service Information
16	Early warning	
16.1		The <i>Contractor</i> and the <i>Service Manager</i> give an early warning by notifying the other as soon as either becomes aware of any matter which could <ul style="list-style-type: none"> • increase the total of the Prices, • interfere with the timing of the service or • impair the effectiveness of the service. Note: any delay with regards to the Service rendered, should be communicated to the Service Manager
16.2		Either the <i>Service Manager</i> or the <i>Contractor</i> may instruct the other to attend a risk reduction meeting. Each may instruct other people to attend if the other agrees. Note: both parties work in mutual agreement for the benefit of both parties and the project to reduce Risks
16.4		The <i>Service Manager</i> revises the Risk Register to record the decisions made at each risk reduction meeting and issues the revised Risk Register to the <i>Contractor</i> . If a decision needs a change to the Service Information, the <i>Service Manager</i> instructs the change at the same time as he issues the revised Risk Register.

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17.	Ambiguities and inconsistencies	
17.1		The <i>Service Manager</i> or the <i>Contractor</i> notifies the other as soon as either becomes aware of an ambiguity or inconsistency in or between the documents which are part of this contract. The <i>Service Manager</i> gives an instruction resolving the ambiguity or inconsistency.
18	Illegal and impossible requirements	
18.1		<p>The <i>Contractor</i> notifies the <i>Service Manager</i> as soon as he considers that the Service Information requires him to do anything which is illegal or impossible. If the <i>Service Manager</i> agrees, he gives an instruction to change the Service Information appropriately.</p> <p>NOTE:</p> <ul style="list-style-type: none"> • The Contractor only accepts instructions from the Service manager (or delegate). • The Contractor does NO WORK, that is not approved by the Service manager • Searching for defects and repairing defects on WORK completed is not a compensation event but is seen as REWORK. (refurbishable items only) • No person executes or Instructs Work that is an Illegal act in Terms of the Law of the Country • Instructs or execute work that is an UNSAFE act. • Instructs or execute work that will benefit any party unlawful.
2	The <i>Contractor's</i> main responsibilities	Data required by this section of the core clauses is also provided by the <i>Contractor</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
20.1		The <i>Contractor</i> Provides the Service in accordance with the Service Information
21.1		The <i>Contractor</i> submits a first plan for acceptance within 1Week of the Contract Date.
21.2		<p>The <i>Contractor</i> shows on each plan which he submits for acceptance</p> <ul style="list-style-type: none"> • the starting date and the end of the service period, • the order and timing of the work of the Employer and Others as last agreed with them by the Contractor or, if not so agreed, as stated in the Service Information, • provisions for <ul style="list-style-type: none"> • time risk allowances, • health and safety requirements and • the procedures set out in this contract,

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- Plant and Materials, equipment and other things to be provided by the *Employer* and information from Others,

23	Design of Equipment	
23.1		<p>The <i>Contractor</i> submits particulars of the design of an item of Equipment to the <i>Service Manager</i> for acceptance if the <i>Service Manager</i> instructs him to. A reason for not accepting is that the design of the item will not allow the <i>Contractor</i> to Provide the Service in accordance with</p> <ul style="list-style-type: none"> • the Service Information, • the Accepted Plan or • the applicable law. • Like for like equipment <p>NOTE: for maintenance purposes we are only replacing equipment on "One to One" basis, any equipment that is not exactly the same will not be accepted, and hence the design parameters will be required to be approved by the Employers' Engineering department.</p> <p>In the event that new replacement equipment must be provided, where repair is ineffective, the product should be usable without modification on Site at the Employer.</p>
24	People	
24.2		<p>The <i>Service Manager</i> may, having stated his reasons, instruct the <i>Contractor</i> to remove an employee. The <i>Contractor</i> then arranges that, after one day, the employee has no further connection with the work included in this contract. This refers to people working or visiting the Employers Site.</p> <p>NOTE:</p> <ul style="list-style-type: none"> • Removal may include, not executing the duties as per the Service information diligently • Not reporting unsafe conditions • Be under the influence of a substance such as alcohol or drugs • Provoke violence • AWOL • Theft • Misconduct as per the Conditions of Service of the Supplier and Employer • Nonadherence to Employers Cardinal lifesaving rules
25	Working with the <i>Employer</i> and Others	
25.1		The Employer and <i>Contractor</i> co-operates with Others

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		in obtaining and providing information which they need in connection with the service. He co-operates with Others and shares the Affected Property with them as stated in the Service Information.
26	Subcontracting	
26.1		If the <i>Contractor</i> subcontracts work, he is responsible for Providing the Service as if he had not subcontracted. This contract applies as if a <i>Subcontractor's</i> employees and equipment were the <i>Contractor's</i>
26.2		The <i>Contractor</i> submits the name of each proposed Subcontractor to the <i>Service Manager</i> for acceptance. A reason for not accepting the Subcontractor is that his appointment will not allow the <i>Contractor</i> to Provide the Service. NOTE: this will assist in the requirements of SD&LI. Quarterly feedback reports will be submitted for detailing the proportions spend on SD&LI, depending on the agreed Contract terms and conditions.
26.3		Reasons for not accepting a Subcontractor: They will not allow the <i>Contractor</i> to Provide the Service, or They do not include a statement that the parties to the subcontract shall act in a spirit of mutual trust and co-operation.
27	Other Responsibilities	
27.1		The <i>Contractor</i> obtains approval from Others where necessary, when working on the Affected property of the Employer <ul style="list-style-type: none"> • PTW system • Overtime • Modifications • Access for work • Excavation permits • Modifications • Change in Service Information
27.4		The <i>Contractor</i> acts in accordance with the health and safety requirements stated in the Service Information <ul style="list-style-type: none"> • Work in accordance to OHSACT and Regulations, ACT 85 of 1993. • The rules and regulations of the Employer when on the premises of the Employer.
3	Time	
30.1	The <i>starting date</i> is.	To be inserted at contract award
30.1	The <i>service period</i> is	36 Months

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32	Instructions to stop or not to start work	
32.1		<p>The <i>Service Manager</i> may instruct the <i>Contractor</i> to stop or not to start any work and may later instruct him that he may re-start or start it.</p> <ul style="list-style-type: none"> • Due to a delay in approvals • Due to an engineering design • Due to a fault of the Contractor • Due to limitation of access • Due to a fault of the Employer
4	Testing and Defects	
40	Tests and inspections	
40.3		<p>The <i>Contractor</i> and the <i>Service Manager</i> each notifies the other of each of his tests and inspections before it starts and afterwards notifies the other of its results. The <i>Contractor</i> notifies the <i>Service Manager</i> in time for a test or inspection to be arranged and done before doing work which would obstruct the test or inspection. The <i>Service Manager</i> may watch any test done by the <i>Contractor</i>.</p> <ul style="list-style-type: none"> • All test reports to be submitted for each repairable item of the Employer at the Contractors' Works • All testing, as per the Service Information, shall be witnessed by a delegate from the Employer
40.4		<p>If a test or inspection shows that any work has a Defect, the <i>Contractor</i> repeats the work (if possible) and the test or inspection is repeated.</p> <p>NOTE:</p> <ul style="list-style-type: none"> • Defects found during inspection and Testing must be repaired at the Contractors' premises, before dispatching equipment to the Employers Site.
40.5		<p>The <i>Service Manager</i> does his tests and inspections without causing unnecessary delay to the work.</p> <ul style="list-style-type: none"> • The Employer or his delegates does not unnecessary cause delays to the works or tests required to be done by the Contractor, in order to give approval/witness of the works.

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41	Testing and inspection before delivery	
41.1		<p>The <i>Contractor</i> does not deliver those Plant and Materials which the Service Information states are to be tested or inspected before delivery until the <i>Service Manager</i> has notified the <i>Contractor</i> that they have passed the test or inspection.</p> <ul style="list-style-type: none"> All testing and inspections on Refurbishable items must be witnessed by the Service manager, or his delegate.
42.	Notifying and correcting Defects	
42.3		The <i>Service Manager</i> arranges for the <i>Employer</i> to allow the <i>Contractor</i> access if it is needed for correcting a Defect
5	Payment	
50	Assessing the amount due	
50.1	The <i>assessment interval</i> is	<p>The first assessment date is decided by the <i>Service Manager</i> to suit the procedures of the Parties and is not later than the <i>assessment interval</i> after the <i>starting date</i>. Later assessment dates occur at the end of each <i>assessment interval</i> until four weeks after the end of the <i>service period</i>.</p> <ul style="list-style-type: none"> between the 25th day of each successive month.
50.2		<p>The amount due is:</p> <ul style="list-style-type: none"> the Price for Services Provided to Date, plus, other amounts to be paid to the <i>Contractor</i>, less amounts to be paid by or retained from the <i>Contractor</i>. <p>Any tax which the law requires the <i>Employer</i> to pay to the <i>Contractor</i> is included in the amount due.</p> <ul style="list-style-type: none"> Amounts due is only for the Services provided, which includes, work done to date, and completed <p>Materials and Equipment delivered to Site</p>
50.5		<p>The <i>Service Manager</i> corrects any wrongly assessed amount due in a later payment certificate</p> <ul style="list-style-type: none"> Any amounts due, discovered to be wrongly assessed will be paid to the Contractor or recovered from the Contractor in the following month, including the proportions of CPA where applicable. Interest rate is as per 51.4
51.1	The <i>currency of this contract</i> is the	South African Rand

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51.2	The period within which payments are made is	4 weeks.
51.4	The <i>interest rate</i> is	<p>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 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</p> <p>(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 <i>mutatis mutandis</i> 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.</p>
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	Use of Equipment Plant and Materials	
70.1		The <i>Contractor</i> has the right to use equipment, Plant and Materials provided by the <i>Employer</i> only to Provide the Service.
70.2		<p>At the end of the <i>service period</i> the <i>Contractor</i></p> <ul style="list-style-type: none"> • returns to the <i>Employer</i>, equipment and surplus Plant and Materials provided by the <i>Employer</i>, • provides items of Equipment for the <i>Employer's</i> use as stated in the Service Information and • provides information and other things as stated in the Service Information.

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8 Risks and insurance

80.1	These are additional <i>Employer's</i> risks	Equipment taken over by the Employer for use or storage, after the guarantee and warranty periods have lapsed <ul style="list-style-type: none"> • see 80.1
81	The <i>Contractor's</i> risks	Equipment and material not taken over by the Employer, not delivered to Site of the Employer. Employees liability to health and Safety when on the Employers premises
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	as stated for "Format TSC3" available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance).
83.1	The <i>Employer</i> provides these additional insurances	as stated for "Format TSC3" available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance)
83.1	The <i>Contractor</i> provides these additional insurances:	<ul style="list-style-type: none"> • Insurances against damage or loss of equipment, and materials under his control • Loss of or damage caused by the <i>Contractor</i> to the <i>Employer's</i> property • The <i>Contractor's</i> liability for loss of or damage to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor's</i> Providing the Service • Liability for death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract • Material and equipment of the Employer during transportation from and to the Employers' premises.
83.1	The minimum amount of cover for insurance against loss and damage caused by the <i>Contractor</i> to the <i>Employer's</i> property is	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
83.1	The insurance against loss of or damage to the <i>works</i> , Plant and Materials is to include cover for Plant and Materials provided by the <i>Employer</i> for an amount of	Replacement and or Repair cost of the item
83.1	The minimum amount of cover for insurance in respect of loss of or damage to property (except the <i>Employer's</i>	whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i>.

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	property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor's</i> Providing the Service for any one event is:	
83.1	The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract for any one event is:	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor'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 (Five hundred thousand Rands).
9	Termination	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
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the service at intervals no longer than	4 weeks.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i>	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	Will be provided when the disputes arises
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.
W1.4(2)	The <i>tribunal</i> is:	arbitration
W1.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.

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	The place where arbitration is to be held is	South Africa
	The person or organisation who will choose an arbitrator	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.
	- if the Parties cannot agree a choice or	
	- if the arbitration procedure does not state who selects an arbitrator, is	
12	Data for secondary Option clauses	
X1	Price adjustment for inflation	
X1.1	The <i>base date</i> for indices is	
	The proportions used to calculate the Price Adjustment Factor are:	
X2	Changes in the law	There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data. <ul style="list-style-type: none"> The law of the Contract is the Law of the Country, at the time when the contract was signed..
X17	Low service damages	
X17.1	The <i>service level table</i> is in	<ul style="list-style-type: none"> Repairs during Inspection and testing at the Contractors' premises (defects found)
X18	Limitation of liability	
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	R0.0 (zero Rand)

X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	The greater of <ul style="list-style-type: none"> the total of the Prices at the Contract Date and the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles in the

THE PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED TO CAMDEN POWER STATION FOR A PERIOD OF 36 MONTHS

		Employer's assets and works / maintenance policies available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
X18.4	The <i>Contractor'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	<p>the total of the Prices other than for the additional excluded matters.</p> <p>The <i>Contractor's</i> total liability for the additional excluded matters is not limited.</p> <p>The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for</p> <ul style="list-style-type: none"> • Defects due to his design, plan and specification, • Defects due to manufacture and fabrication outside the Affected Property, • loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials), • death of or injury to a person and • infringement of an intellectual property right.
X18.5	The <i>end of liability date</i> is	2 months after the end of the <i>service period</i>.
X19	Task Order	
X19.1(2)		A Task Order is the <i>Service Manager's</i> instruction to carry out a Task
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	3 days of receiving the Task Order
Z	The <i>additional conditions of contract</i> are	Z1 to Z11 always apply.

Z1 Cession delegation and assignment

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

NOTE; to follow the Eskom procurement process for Cession

Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* 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.

THE PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED TO CAMDEN POWER STATION FOR A PERIOD OF 36 MONTHS**Z2 Joint ventures**

- Z2.1 If the *Contractor* 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 *Service Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Contractor* on their behalf.
- Z2.3 The *Contractor* does not 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 *Contractor* in writing.

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

- Z3.1 Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor's* B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change.
- Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*.
- Z3.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor's* obligation to Provide the Service.
- Z3.4 Failure by the *Contractor* 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 P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Ethics

- Z4.1 Any offer, payment, consideration, or benefit of any kind made by the *Contractor*, 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 *Contractor's* obligation to Provide the Service or taking any other action as appropriate against the *Contractor* (including civil or criminal action).
- Z4.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Service if the *Contractor* (or any member of the *Contractor* where the *Contractor* 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 *Contractor* or any such member is removed from the an approved vendor data base of the *Employer* as a consequence of such practice.

- Z4.3 Notwithstanding the provisions of core clause 90.2, the procedures on termination in terms of this clause are P1, P2 and P4 as stated in the core clause 92 and the amount due is A1 and A3 as stated in core clause 93.

THE PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED TO CAMDEN POWER STATION FOR A PERIOD OF 36 MONTHS**Z5 Confidentiality**

- Z5.1 The *Contractor* 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 *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.
- Z5.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Service Manager*.
- Z5.3 In the event that the *Contractor* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Contractor*, 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 *Contractor* 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 Affected Property or any portion thereof, in the course of Providing the Service and after the end of the *service period*, requires the prior written consent of the *Service Manager*. All rights in and to all such images vests exclusively in the *Employer*.
- Z5.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

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, the *Service 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.

Z7 Health, safety and the environment: Add to core clause 27.4

- Z7.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:
- accepts that the *Employer* may appoint him as the "Principal Contractor" (as defined and provided for under the Construction Regulations 2014 (promulgated under the Occupational Health & Safety Act 85 of 1993) ("the Construction Regulations") for the Affected Property;
 - warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations, 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 the *service*; and
 - undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and 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 *Contractor's* direction and control, likewise observe and comply with the foregoing.
- Z7.2 The *Contractor*, in and about the execution of the *service*, 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 *Contractor's* direction and control, likewise observe and comply with the foregoing.

THE PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED TO CAMDEN POWER STATION FOR A PERIOD OF 36 MONTHS

Z8 Provision of a Tax Invoice and interest. Add to core clause 51

- Z8.1 Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer's* procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.
- Z8.2 If the *Contractor* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Employer* 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 *Employer* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.
- Z8.3 The *Contractor* (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.

Z9 Notifying compensation events

- Z9.1 Delete the last paragraph of core clause 61.3 and replace with:

If the *Contractor* does not notify a compensation event within eight weeks of becoming aware of the event, he is not entitled to a change in the Prices.

Z10 Employer's limitation of liability

- Z10.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z10.2 The *Contractor's* entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the *Employer's* liability under the indemnity is limited to compensation as provided for in core clause 63 and X19.11 if Option X19 Task Order applies to this contract.

Z11 Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

- Z11.1 or had a business rescue order granted against it.

Z12 Early Termination Clause

- Z12.1 Additional Z clause

The employer have a right to terminate the contract without penalties by giving at least 30 days written notice to the Contractor where the following situations prevail:

- In instances where the approved contract price funds have been depleted;
- In instances where Eskom's business strategy changed and the continuation of the contract is no longer economically viable for Eskom business.

THE PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED TO CAMDEN POWER STATION FOR A PERIOD OF 36 MONTHS**Annexure A: Insurance provided by the Employer**

These notes are provided as guidance to tendering contractors and the Contractor about the insurance provided by the Employer. The Contractor must obtain its own advice. Details of the insurance itself are available from the internet web link given below.

1. Services provided in a TSC3 contract could include some element of construction or refurbishment as well as a continuous maintenance or operational service activity. If an event occurs which causes loss or damage, a claim could be made either against the *Employer's* "works" type policy which may be in place for the *Employer's* portion of the Affected Property concerned or against the *Employer's* assets policy which may be in place for the *Employer's* portion of the Affected Property concerned, or both.
 - The cover provided and the deductibles under the works policy are different to those under the assets policy. Each policy has a range of applicable deductibles depending on the location of the Affected Property and the nature of the insurable event.
2. The *Contractor* is required in terms of Contract Data for clause 83 to provide cover for the deductibles in the insurance provided by the *Employer*. This can be provided from his own resources on a 'self insured' basis or obtained by him from his own insurers. In order to assess the extent of this cover, tendering contractors and their brokers should consult the internet web link given below and scroll to '**Format TSC3**' to establish both the cover and the deductibles in relation to the *service* provided in terms of this contract.
3. Tendering contractors should note that cover provided by the *Employer* is only per the policies available on the internet web link listed below and may not be the cover required by the tendering contractor or as intended by each of the listed insurances in the left hand column of the Insurance Table in clause 83.2. In terms of clause 83.1 "the *Contractor* provides the insurances stated in the Insurance Table except any insurance which the *Employer* is to provide". Hence the *Contractor* provides insurance which the *Employer* does not provide and in cases where the *Employer* does provide insurance the *Contractor* insures for the difference between what the Insurance Table requires and what the *Employer* provides.
4. If Marine Insurance is required the *Contractor* needs to obtain a copy of the latest edition of Eskom's Marine Policies Procedures found at internet website given below.
5. Further information and full details of all Eskom provided policies and procedures may be obtained from:

[http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_
From_1_April_2014_To_31_March_2015.aspx](http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx)

THE PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED TO CAMDEN POWER STATION FOR A PERIOD OF 36 MONTHS

C1.2 Contract Data

Part two - Data provided by the *Contractor*

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

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name):	
	Address	
	Tel No.	
	Fax No.	
11.2(8)	The <i>direct fee percentage</i> is	0%
	The <i>subcontracted fee percentage</i> is	5%
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are:	
	1 Name:	
	Job:	
	Responsibilities:	
	Qualifications:	
	Experience:	
	2 Name:	
	Job	
	Responsibilities:	
	Qualifications:	
	Experience:	

CV's (and further key person's data including CVs) are in _____.

A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	To be completed once finalized
11.2(19)	The tendered total of the Prices is	To be completed once finalized

**THE PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED TO CAMDEN
POWER STATION FOR A PERIOD OF 36 MONTHS****PART 2: PRICING DATA****TSC3 Option A**

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The <i>price list</i>	4

C2.1 Pricing assumptions: Option A

How work is priced and assessed for payment

Clause 11 in NEC3 Term Service Contract (TSC3) core clauses and Option A states:

Identified and defined terms	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
		(17) The Price for Services Provided to Date is the total of <ul style="list-style-type: none"> the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

This confirms that Option A is a priced contract where the Prices are derived from a list of items of service which can be priced as lump sums or as expected quantities of service multiplied by a rate or a mix of both.

Function of the Price List

Clause 54.1 in Option A states: "Information in the Price List is not Service Information". This confirms that instructions to do work or how it is to be done are not included in the Price List but in the Service Information. This is further confirmed by Clause 20.1 which states, "The *Contractor* Provides the Service in accordance with the Service Information". Hence the *Contractor* does **not** Provide the Service in accordance with the Price List. The Price List is only a pricing document.

Link to the *Contractor's* plan

Clause 21.4 states "The *Contractor* provides information which shows how each item description on the Price List relates to the operations on each plan which he submits for acceptance". Hence when compiling the *price list*, the tendering contractor needs to develop his first clause 21.2 plan in such a way that operations shown on it can be priced in the *price list* and result in a satisfactory cash flow in terms of clause 11.2(17).

Preparing the *price list*

Before preparing the *price list*, both the *Employer* and tendering contractors should read the TSC3 Guidance Notes pages 14 and 15. In an Option A contract, either Party may have entered items into the *price list* either as a process of offer and acceptance (tendering) or by negotiation depending on the nature of the service to be provided. Alternatively the *Employer*, in his Instructions to Tenderers or in a Tender Schedule, may have listed some items that he requires the *Contractor* to include in the *price list* to be prepared and priced by him.

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It is assumed that in preparing or finalising the *price list* the *Contractor*:

- Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A;
- Understands the function of the Price List and how work is priced and paid for;
- Is aware of the need to link operations shown in his plan to items shown in the Price List;
- Has listed and priced items in the *price list* which are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk;
- Has priced work he decides not to show as a separate item within the Prices or rates of other listed items in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.
- Understands there is no adjustment to items priced as lump sums if the amount, or quantity, of work within that item later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the (lump sum) Prices is as a result of a compensation event.

Format of the *price list*

(From the example given in an Appendix within the TSC3 Guidance Notes)

Entries in the first four columns in the *price list* in section C2.2 are made either by the *Employer* or the tendering contractor.

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

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

If the *Contractor* is to be paid a Price for an item proportional to the length of time for which a service is provided, a unit of time is stated in the Unit column and the expected length of time (as a quantity of the stated units of time) is stated in the Expected Quantity column.

C2.2 the *price list*

PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED FOR A PERIOD OF 36 MONTHS					
ITEM	DESCRIPTION	UNIT	QTY	RATE	AMOUNT
100	Preliminaries and General				
101	Safety	Lum Sum	1	R	R
102	PPE	Yearly	3	R	R
103	Medicals	Yearly	3	R	R
104	Tools	Yearly	3	R	R
105	Transport	Monthly	36	R	R
	Preliminaries and Generals Total Cost				R
200	SAMPLING, PREPARATION AND ANALYZING				
201	Prepare and Sample two samples as per ISO18283 or 13909	Monthly	36	R	R

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202	Trucks Sampling and analysis	Monthly	80	R	R
203	Adhock Moisture Preparations on the mills	Monthly	100	R	R
204	Transportation of Samples	Monthly	36	R	R
205	Perform all analysis in accordance to the latest approved ISO standards	Monthly	36	R	R
206	Reporting of results to be done on daily basis in accordance with ISO reequipments	Monthly	36	R	R
Coal Sampling Services Cost					R
Total Cost					<u>R</u>

Note:

- Suppliers/Service Providers to include in their pricing all activities associated with providing this service.
- Please do not change or alter the above price list, but rather add attachments should you want to show your breakdown.
- Suppliers/Service Providers who change/alter the above price list will be disqualified.

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	1
C3.1	<i>Employer's Service Information</i>	7
C3.2	<i>Contractor's Service Information</i>	
	Total number of pages	

1. EMPLOYER'S SERVICE INFORMATION

- See attached **SOW** for scope details.

2. MANAGEMENT STRATEGY AND START UP

2.1 Invoicing and payment

On a monthly basis assessment to be conducted and signed off by both (The *Consultant* & the *Employer*) and once assessment has been done payment against invoice will be made.

Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice showing the amount due for payment equal to that stated in the *Service Manager's* payment certificate.

The *Contractor* shall address the tax invoice to
Invoiceseskomlocal@eskom.co.za

and include on each invoice the following information:

- Name and address of the *Contractor* and the *Service 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 List;
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT;
- (add other as required)

2.2 Records of Defined Cost to be kept by the Contractor

The contractor keeps accurate and complete books of accounts, records and other evidence relating to the Actual Costs. These are opened to audit. All documentation is kept by *Contractor* for a period of three years following completion of this contract. This information is kept up to date at all times and the *Service Manager* shall have access to them at any time.

2.3 Management of work done by Task Order

Task Order to be issued, and a Purchase order to the Contractor

3. HEALTH AND SAFETY, ENVIRONMENT AND QUALITY ASSURANCE

3.1 Health and safety risk management

The contractor will comply with the following only when the Contractor is on Employers' premises:

- Camden Power Station Health and Safety Standards as per Camden Power Station Contractors Safety manual. This manual will be handed over on contract award.
- Adhere to the Occupational Health and Safety Act 85 of 1993 with special reference to Section 44 of this act
- Compensation for Occupational Injuries and Diseases Act of 1993 (COID)
- All staff will undergo a one day Safety Induction training course one week before site occupation
- Adhere to Eskom and Camden Power Station's zero tolerance for non-compliance
- to any of Eskom's and/or Camden Power Station's safety rules and regulations
- Eskom Cardinal Rules:

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- Open, Isolate, Test, Earth, Bond and/or Insulate Before Touch
- Hook up at Heights
- Buckle Up
- Be Sober
- Ensure you have a permit to work

3.2 Minimum SHE Documentation Required from the Contractor

The following minimum documents must be provided by the contractor in terms of Health, Safety and Environmental performance contract commencement.

- Letter of good standing with COID or a registered insurance body
- An Organ gram indicating the names of all persons that will hold legal appointments on the project in terms of the Act.
- The expected roles, responsibilities and authority of those who are proposed to receive legal appointments as well as their proof of competency.
- The resume'(s) of the proposed Safety Officer(s) and Environmental Officer(s) his/their roles, responsibilities and authority is required in terms of the scope of work.
- Proof of environmental, health and safety awareness training (provided by a recognized training body) for all employees required to perform work at Camden. The contractor shall be responsible to ensure that his employees are trained before commencing work at Camden. Proof of training provided, i.e. attendance registers and the training content, shall be submitted to the Eskom Agents and/or Environmental and Safety Officers for approval before commencing work on-site. Failure to do so shall result in an immediate termination of the contract.
- The contractor's company Safety, Health and Environment policy.
- Provide an overview of the system/program that is utilized to manage Safety, Health and Environment.

4. PROCUREMENT

4.1 People

4.1.1 Minimum requirements of people employed on this site

The *Contractor's* Site Manager shall ensure that only qualified people will be allowed to work on plant. The *Service Manager* shall be entitled to verify the qualifications of the key people.

Note: The *Service Manager* and the *Contract Supervisor* must verify qualifications of all people that will be used for this contract

4.1.2 Change of Broad Based Black Economic Empowerment (B-BBEE) Status

Where a change in the *Contractor's* legal status, ownership or any other change to his/her business composition or business dealings results in a change to the *Contractor's* B-BBEE status, the *Contractor* notifies the *Employer* within Seven Days of the change.

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

Where as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate or alternatively terminate the *Contractor's* obligation to provide the works.

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Failure by the *Contractor* 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 procedure on termination will apply.

4.1.3 Supplier Development & Localisation (SD & L)

The *Contractor* complies with and fulfils the *Contractor's* obligations in respect of the SD & L in accordance with and as provided for in the Contractor's SD & L compliance schedule stated below;

Note:

SDL & I are not required for this transaction.

5. WORKING ON THE AFFECTED PROPERTY**5.1 Security arrangements**

The *Contractor* applies for access permits (Contractor's permit) at the Security gate on the start date of the contract. The *Contractor* personnel shall be required to be in possession of an access permit at all times.

In order to assist Protection Services with the issuing of permits and the identification of personnel on site the successful *contractor* is to supply a list of all personnel that he intends using on site, at least 72 hours prior to entry of the Security Area.

This list must be delivered to Protection Services. The list, identified with the *Contractor's* name, is to contain the following information:

- Employee name
- Employee ID Number
- The *Employer's* Safety Coordinator's signature
- Copy of the ID book of every employee of the *Contractor*,

Access permits must be returned to protection services when the worker/s leave the site, either after completion of the *services*, or upon earlier termination of service of a worker during the contract period.

To speed up the process of gaining access to the site, the *Contractor* must compile detailed lists of all tools and equipment (including serial numbers where applicable) to be taken on site before arriving at the Power Station Security gate. An authorised copy of this list must be retained by the *contractor* - to be used again when the tools and equipment are removed from site after the completion of the *services*.

Any additional tools or equipment brought to site, or any tools or equipment removed during the contract period must be reported to protection services and all lists amended likewise. Gate release permits will not issue for the removal of any tools or equipment not specified on the tool list.

The *Contractor's* visitors and all personnel shall conform at all times to the security arrangements in force at the site. Application forms for visitors must be filled in by the *Contractor's* Site Manager and approved by the *Service Manager*, one day before the visit and submitted to the *Employer's* Protection Services office. Visitors will not be allowed on site if the necessary forms are not in the possession of the security staff.

The Chief of Protection Services may, with valid cause, remove any, of the *Contractor's* personnel from the site, either temporarily, or permanently. He may deny access to the site to any person whom, in the opinion of the said Chief of Protection Services, constitutes a security risk.

No unauthorised vehicles will be allowed on site. Only *Contractor's* Vehicles with displayed Contract Vehicle Permits disks will be allowed on site. Contract Vehicle Applications should be directed to the *Service Manager*.

No recruiting of casual labour may be done on the *Employer's* premises, including the area outside the Power Station Security Gate.

THE PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED TO CAMDEN POWER STATION FOR A PERIOD OF 36 MONTHS**5.2 Fire Precautions**

Any tampering with the *Employer's* fire equipment is strictly forbidden.

All exit doors, fire escape routes, walkways, stairways, stair landings and access to electrical distribution boards must be kept free of obstruction, and not be used for work or storage at any time. Fire-fighting equipment must remain accessible at all times.

In case of a fire, report the location and extent of the fire to the Electrical Operating Desk at extension 3471.

Take the necessary action to safe guard the area to prevent injury and spreading of the fire.

5.3 Reporting of accidents

The *Employer* follows an accident prevention policy that includes the investigation of all accidents involving personnel and property. This is done with the intention of introducing control measures to prevent a REOCCURRENCE of the same incidents. The *Contractor* is expected to fully co-operate to achieve this objective. The *Service Manager* must be informed immediately of any incidents and any damage to property or equipment must be reported within 12 hours.

NOTE! This report does not relieve the *Contractor* of his legal obligation to report certain incidents to the Department of Labour, or to keep records in terms of the Occupational Health and Safety Act, and Compensation for Occupational Injuries and Diseases Act.

5.4 Speed Limit

All vehicles must be driven with due consideration for personnel and property. A maximum speed limit of 40 kilometres per hour will be adhered to on the premises at all times.

5.5 Health and Safety Arrangements

The *Contractor* must ensure that all his personnel attend a Health and Safety Induction Course prior to starting with their work. The Induction Course can, on request, be provided by the *Employer* and will be valid for the duration of the *services*.

Safety Risk Management has the right and authority to visit and inspect the *Contractor's* workplace or site establishment to ensure that tools, machinery and equipment comply with the minimum safety requirements.

The *Service Manager* shall be entitled to instruct the *Contractor* to stop **work**, without penalty to the *Employer*, where the *Contractor's* personnel fail to conform to safety standards or contravene health and safety regulations. The *Service Manager* is entitled to call the *Contractor* to discipline his employees and to submit disciplinary action, and submit a report to *the Service Manager*. The *Contractor* shall implement additional health and safety precautions where necessary.

The Contractor will provide all his personnel with the required personal protective equipment.

Risk Assessments, Pre-Job Briefs, Post – Job Briefs & Job Observations will be conducted for all jobs.

All Construction Regulation - safety requirements should also be adhered to.

- Safety Plan
- Fall Protection Plan (repairing / replacing of conveying lines using scaffolding)
- 16.1 and 16.2 appointments

5.6 Health and safety facilities on the Affected Property**5.6.1 Medical Facilities**

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The *Contractor* provides a First Aid service to his employees. In the case where these prove to be inadequate, as in the event of a serious injury, the *Employer's* Medical Centre and facilities will be available.

Outside the *Employer's* office hours, the *Employer's* First Aid Services will only be available for serious injuries and life threatening situations.

The *Employer* shall be entitled, however, to recover the costs incurred, in the use of the above *Employer's* facilities, from the *Contractor*.

5.7 People restrictions, hours of work, conduct and records

Lunch time is between 12:00 until 12:30, the *Contractor's* personnel working at the plant is expected to be on site until 12:00 then break for Lunch and back at 12:30 from lunch. Knock off time is 16:30.

5.8 Environmental controls, fauna & flora

All work complies with relevant environmental regulations as required.

If the work includes some toxic and hazardous substances during normal and routine maintenance activities. In this case the *Contractor* uses such hazardous substances in accordance with the applicable regulations and procedures and is disposed off by the contractor in accordance with the applicable law.

5.9 Refuse Disposal

The *Employer* will provide and empty special colour coded bins for refuse disposal.

The *Contractor* ensures that all workers under his control strictly adhere to the correct use of refuse bins:

For the full duration of the *services*, the *Contractor* is responsible to keep the work *area* clean of any rubble, and to place all refuse into the bins provided.

5.10 Records of *Contractor's* Equipment

Contractors must keep records of Equipment on Site including whether it is owned or hired. The records will include calibration certificates etc.:

6 EQUIPMENT PROVIDED BY THE EMPLOYER

None

7 SITE SERVICES AND FACILITIES

Provided by the *Employer*

7.1 Portable Water

The contractor may utilize water points on Site.

7.2 Electrical Power

Contractor may utilise power on site.

7.3 Sanitary Facilities

Permanent facilities to serve the Power Station terrace are provided by the employer.

7.4 Waste Removal

Household waste removal to the bins, as provided on site by the employer, is the responsibility of the Contractor.

7.5 Telecommunication

THE PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED TO CAMDEN POWER STATION FOR A PERIOD OF 36 MONTHS

Connections are available. The contractor applies via the Project Manager for a connection. Connection fees and calls are for the Contractor's account.

7.6 Accommodation and catering

The Contractor will be responsibility for the provision of accommodation to his personnel – the Employer does not provide accommodation.

The Contractor or any of his employees or subcontractors will be allowed to use the Employer's dining facilities.

The Contractor or any of his employees or subcontractors may also buy take away meals from the fast foods outlet on Site. Lunch time is from 12:00 to 12:30. The Contractor shall provide everything else necessary for providing the Works.

Task Order

Task Order form for use when work within the *service* is instructed to be carried out within a stated period of time on a Task by Task basis

Task Order No. *service*

To:.....
 (Contractor)

I propose to instruct you to carry out the following task:

Description

Starting date

Completion Date

Delay damages per week

Please submit your price and programme proposals below.

Signed: _____ Date _____

(for Employer)

Total of Prices for items of work on the Price List
 (details attached)

R. _____

Total of Prices for items of work not on the Price List
 (details attached).

R. _____

Total of the Prices for this Task Order R _____

The programme for the Task is [ref] (attached)

THE PROVISION OF COAL SAMPLING, PREPARATION AND ANALYSES OF COAL DELIVERED TO CAMDEN POWER STATION FOR A PERIOD OF 36 MONTHS

Signed:

Date

(for *Contractor*)

I accept the above price and programme and instruct you to carry out the Task

Signed:

Date:

(for *Employer*)