



NEC3 Term Service Contract (TSC3)

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

and
(Reg. 1962/004313/07)

for **MAINTENANCE AND REPAIR OF ELECTRICAL
DEFECTS AND EARTH LEAKAGE TESTING AT
GX REAL ESTATE PROPERTIES IN THE VAAL
TRIANGLE FOR A FIVE (5) YEAR PERIOD.**

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CONTRACT No.

PART C1: AGREEMENTS & CONTRACT DATA

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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:

MAINTENANCE AND REPAIR OF ELECTRICAL DEFECTS AND EARTH LEAKAGE TESTING AT GX REAL ESTATE PROPERTIES IN THE VAAL TRIANGLE FOR A FIVE (5) YEAR PERIOD.

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 |
| | Sub total | 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 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(s)

Name(s)

Capacity

**For the
tenderer:**

(Insert name and address of organisation)

Name &
signature of
witness

Date

Tenderer's CIDB registration number:

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*.

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(s)

Name(s)

Karabo Rakgolela

Capacity

General Manager

**for the
Employer**

**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.

Maintenance and repair of electrical defects and earth leakage testing at Gx Real Estate properties in the Vaal Triangle for a five (5) year period.

Schedule of Deviations to be completed by the *Employer* 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 Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

| No. | Subject | Details |
|-----|---------|---------|
| 1 | [•] | [•] |
| 2 | [•] | [•] |
| 3 | [•] | [•] |
| 4 | [•] | [•] |
| 5 | [•] | [•] |
| 6 | [•] | [•] |
| 7 | [•] | [•] |

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

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

For the tenderer:

Signature _____

Name _____

Capacity _____

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

Name & signature of witness _____

Date _____

For the Employer

Karabo Rakgolela

General Manager

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

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

| 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 |
| | | X13: Performance Bond |
| | | X17: Low service damages |
| | | X18: Limitation of liability |
| | | X19: Task Order |
| | | Z: Additional conditions of contract |
| | of the NEC3 Term Service Contract April 2013 ¹ (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. | 011 800 8111 |
| 10.1 | The <i>Service Manager</i> is (name): | Connie Mphahlele |
| | Address | Lethabo Power Station Private Bag X 415 Vereeniging 1830 |
| | Tel | |
| | e-mail | |
| 11.2(2) | The Affected Property is | Lethabo Power Station Properties |
| 11.2(13) | The <i>service</i> is | Maintenance and repair of electrical defects and earth leakage testing at Gx Real Estate properties in the Vaal Triangle for a five (5) year period. |

| | | |
|----------|---|--|
| 11.2(14) | The following matters will be included in the Risk Register | Access to site due to road closure Unavailability of skilled resources Unavailability of access to working area |
| 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 |
| 13.3 | The <i>period for reply</i> is | 12 hours during emergencies, 2 working days for other requests during normal operations in execution of the contract |
| 2 | The Contractor's main responsibilities | Data required by this section of the core clauses is also provided by the Contractor in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data |
| 21.1 | The Contractor submits a first plan for acceptance within | One (1) week after kick-off meeting |
| 3 | Time | |
| 30.1 | The <i>starting date</i> is. | Date of last signature of the contract as agreed by both parties |
| 30.1 | The <i>service period</i> is | Five (5) years from contract start date |
| 4 | Testing and defects | Testing and defect on suppliers' site before delivered to Lethabo power Station. Final quality inspection will be done at main stores at Lethabo Power Station for acceptance of goods and services. If a test or inspection shows that any work has a defect, the supplier corrects the defect, and the test or inspection is repeated |
| 42.1 | Notifying and correction of defects | The Contractor corrects a Defect whether or not the Service Manager notifies him/her of it. |
| 42.2 | Defects correction period is | Defect Correction Period is 52 weeks after the respective Task Order Completion Date |
| 42.3 | Access to site to correct defects | The Service Manager arranges for the Employer to allow the Contractor access if it is needed for correcting a Defect |
| 5 | Payment | |
| 50.1 | The <i>assessment interval</i> is | Assessment will be done after Five (5) working days after completion of each task. |
| 51.1 | The <i>currency of this contract</i> is the | South African Rand |
| 51.2 | The period within which payments are made is | Sixty days after assessment and receipt of undisputed contractor tax invoice ATTENTION: Eskom's standard policy on payment term for all contracts valued above R50 000 0000 (Fifty Million Rand), including VAT, is 60 days. Bidders are requested to bear this payment term in mind when submitting bids and concluding contracts. |

| | | |
|---------|---|--|
| 51.4 | The <i>interest rate</i> is | 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 |
| 6 | Compensation events | Refer to Clause 6 of the NEC3 TSC |
| 7 | Use of Equipment Plant and Materials | Refer to Clause 7 of the NEC3 TSC |
| 8 | Risks and insurance | Refer to Clause 8 of the NEC3 TSC |
| 80.1 | These are additional <i>Employer's</i> risks | 1. As per Annexure A attached to this document |
| 9 | Termination | Poor performance of work will lead to termination of contract Performance criteria will be assessed as follows: <ul style="list-style-type: none"> • Time taken to complete a task order. • Adhering to all safety measures • Number and repetition on NCR • Efficiency of equipment • NEC3 Term Service Contract termination clause will be used |
| 10 | Data for main Option clause | |
| A | Priced contract with price list | In C2.2 |
| 20.5 | The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than | Six (6) Months |
| 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 | To be known once the dispute arises |
| | Tel No. | To be known once the dispute arises |
| | Fax No. | To be known once the dispute arises |
| | e-mail | To be known once the dispute 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) | <p>The <i>arbitration procedure</i> is</p> <p>The place where arbitration is to be held is</p> <p>The person or organisation who will choose an arbitrator</p> <ul style="list-style-type: none"> - if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is | <p>the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.</p> <p>Johannesburg, South Africa</p> <p>the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.</p> |
| 12 | Data for secondary Option clauses | |
| X1 | Price adjustment for inflation | |
| X1.1 | The <i>base date</i> for indices is | The base date is one month prior to the tender closing date. |

| | The proportions used to calculate the Price Adjustment Factor are: | <div> <div>proportion</div> <div> <div>linked to index for</div> <div>Index prepared by</div> </div> </div> <div> <div>__%</div> <div>__%</div> <div>__%</div> <div>15%</div> <div>100%</div> </div> <div>non-adjustable</div> | | | | | | | | | | | | | | | |
|--------------------|---|--|--------------------|----------------|-----------------------------|-----|--|--|-----|--|--|-----|--|--|-----|--|--|
| X2 | Changes in the law | Becomes a Compensation Event only if the changes in the Law of the Republic of South Africa took place after the Contract Date. | | | | | | | | | | | | | | | |
| X3 | Multiple currencies | | | | | | | | | | | | | | | | |
| X3.1 | The <i>Employer</i> will pay for these items or activities in the currencies stated | <table> <tr> <th>Items & activities</th><th>Other currency</th><th>Maximum payn other currency</th></tr> <tr> <td>[•]</td><td></td><td></td></tr> <tr> <td>[•]</td><td></td><td></td></tr> <tr> <td>[•]</td><td></td><td></td></tr> <tr> <td>[•]</td><td></td><td></td></tr> </table> | Items & activities | Other currency | Maximum payn other currency | [•] | | | [•] | | | [•] | | | [•] | | |
| Items & activities | Other currency | Maximum payn other currency | | | | | | | | | | | | | | | |
| [•] | | | | | | | | | | | | | | | | | |
| [•] | | | | | | | | | | | | | | | | | |
| [•] | | | | | | | | | | | | | | | | | |
| [•] | | | | | | | | | | | | | | | | | |
| X3.1 | The <i>exchange rates</i> are those published in | <p>[•] on [•] (date)</p> <p>The items & activities will be paid in the other currency</p> <ul style="list-style-type: none"> - to a foreign Bank account nominated by the <i>Contractor</i> - to a valid SARB approved CFC account in South Africa - in accordance with an alternative payment method agreed with the <i>Employer</i> before the Contract Date. | | | | | | | | | | | | | | | |
| X13 | Performance bond | | | | | | | | | | | | | | | | |
| X13.1 | The amount of the performance bond is | <p>10% of the contract value</p> <p>In the event the supplier is deemed financially unstable after a financial analysis is performed, the supplier shall submit a performance bond, issued by a bank, to be acceptable to the Supply Manager before the contract award or after four weeks of contract effective date.</p> | | | | | | | | | | | | | | | |
| X17 | Low service damages | | | | | | | | | | | | | | | | |

X17.1 The *service level table* is in

| Activity / Requirement | Expectations | Low Performance Indicator | Penalty (% value of each Task Orders) |
|------------------------|--|--|---------------------------------------|
| QCP Compilation | Quality Control Plan must be submitted prior to commencement of repair activities | Failure to submit the QCP or submission after the specified deadline | 5% |
| NCR | Contractor shall not incur more than two Non-Conformance Reports related to service quality | Issuance of NCRs due to rework or deviation from approved procedures | 5% |
| Rework | All work must be completed correctly on the first attempt, complying fully with specifications | Poor workmanship necessitating rework | 5% |

Low service damage are capped at 15% of the Task Order Value

X18 Limitation of liabilityX18.1 The *Contractor's* liability to the *Employer* for indirect or consequential loss is limited to**R0.0 (zero Rand)**X18.2 For any one event, the *Contractor's* liability to the *Employer* for loss of or damage to the *Employer's* property is limited to**Total of the prices of the task order**X18.3 The *Contractor's* liability for Defects due to his design of an item of Equipment is limited to**The greater of**

- **the total of the Prices at the Contract Date**

| | | |
|------------|--|--|
| 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>and</p> <ul style="list-style-type: none"> 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 <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 | Twelve (12) months after the end of each <i>service period or completion of Task Order</i> . |
| X19 | Task Order | |
| X19.3 | The delay damages in a Task Order | 2% per day up to a maximum of 15% |
| X19.5 | The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within | Within three (3) working days of receiving the Task Order |
| Z | The <i>additional conditions of contract</i> are | Z1 to Z16 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*.
- 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.

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 Confidentiality

- Z4.1 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.
- Z4.2 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*.
- Z4.3 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.
- Z4.4 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*.
- Z4.5 The *Contractor* 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 *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.

Z6 Health, safety and the environment: Add to core clause 27.4

- Z6.1 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.
- Z6.2 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.

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 *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.
- Z7.2 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.
- Z7.3 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.

Z8 Notifying compensation events

- Z8.1 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.

Z9 Employer's limitation of liability

- Z9.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z9.2 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.

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 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 *Contractor* 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 *Contractor*, 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.

Z11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z11.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* 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 *Employer* can terminate the *Contractor's* obligation to Provide the Services for this reason.

Z11.3 If the *Employer* terminates the *Contractor'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.

Z11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Contractor* ensures that the Committing Party co-operates fully with an investigation.

Z12 Insurance**Z 12 .1 Replace core clause 83 with the following:**

Insurance cover 83

- 83.1 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.
- 83.2 The *Contractor* provides the insurances stated in the Insurance Table A from the *starting date* until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

| Insurance against | Minimum amount of cover or minimum limit of indemnity |
|---|---|
| Loss of or damage caused by the <i>Contractor</i> to the <i>Employer's</i> property | <p>The replacement cost where not covered by the <i>Employer's</i> insurance.</p> <p>The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.</p> |
| Loss of or damage to Plant and Materials | <p>The replacement cost where not covered by the <i>Employer's</i> insurance.</p> <p>The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.</p> |
| Loss of or damage to Equipment | <p>The replacement cost where not covered by the <i>Employer's</i> insurance.</p> <p>The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.</p> |
| 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 | <p><u>Loss of or damage to property</u> The replacement cost</p> <p><u>Bodily injury to or death of a person</u> The amount required by the applicable law.</p> |
| 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 | The amount required by the applicable law |

Z 12.2 Replace core clause 86 with the following:

**Insurance
by the
Employer**

- 86.1 The *Employer* provides the insurances stated in the Insurance Table B

INSURANCE TABLE B

| Insurance against or name of policy | Minimum amount of cover or minimum li 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 |

Z13 Nuclear Liability

- Z13.1 The *Employer* 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.
- Z13.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against any and all liabilities which the *Contractor* 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 *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.3 Subject to clause Z13.4 below, the *Employer* 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 *Contractor* or any other person, or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.4 The *Employer* 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.
- Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 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>Employer'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. |

Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* 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.

Z14.2 Upon written request by the *Contractor*, the *Employer* 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 *Contractor* may perform Parallel Measurements and related control measures at the *Contractor'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 Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.

Z14.3 The *Employer* manages asbestos and ACM according to the Standard.

Z14.4 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.

Z14.5 The *Contractor'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.

- Z14.6 The *Contractor* 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, 2001.
- Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer's* expense, and conducted in line with South African legislation.

C1.2 Contract Data

Part two - Data provided by the *Contractor*

Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract April 2013 and the relevant parts of its Guidance Notes (TSC3-GN)¹ 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>Contractor</i> is (Name): Address Tel No. Fax No. | |
| 11.2(8) | The <i>direct fee percentage</i> is | % |
| | The <i>subcontracted fee percentage</i> is | % |
| 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: | |

¹ Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 5391902 or www.ecs.co.za

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 _____ | | |
| 11.2(19) | The tendered total of the Prices is | R | _____ |

C1.3 Forms of Securities

Pro formas for Bonds & Guarantees

For use with the NEC3 Term Service Contract (TSC3)

The *conditions of contract* stated in the Contract Data Part 1 include the following Secondary Options:

Option X13: Performance Bond

The organisation providing the bond / guarantee does so by copying the pro forma document onto his letterhead without any change to the text or format and completing the required details. The completed document is then given to the *Employer* within the time stated in the contract.

Pro forma Performance Bond – Demand Guarantee (for use with Option X13) *(to be reproduced exactly as shown below on the letterhead of the Bank providing the Guarantee)*

Eskom Holdings SOC Ltd
Megawatt Park
Maxwell Drive
Sandton
Johannesburg

Reference No. [●] *[Drafting Note: Bank reference number to be inserted]*

Date:

Dear Sirs

Performance **Bond – Demand Guarantee:** *[Drafting Note: Name of Contractor to be inserted]*

Project [] Contract Reference: *[Drafting Note: Contractor contract reference number to be inserted]*

1. In this Guarantee the following words and expressions shall have the following meanings:-
 - 1.1 “Bank” - means [●], [●] Branch, (Registration No. [●]); *[Drafting Note: Name of Bank to be inserted]*
 - 1.2 “Bank’s Address” - means [●]; *[Drafting Note: Bank’s physical address to be inserted]*
 - 1.3 “Contract” — means the written agreement relating to the Services, entered into between Eskom and the Contractor, on or about the [●] day of [●] 200[●] (Contract Reference No. [.] as amended, varied, restated, novated or substituted from time to time; *[Drafting Note: Signature Date and Contract reference number to be inserted]*
 - 1.4 “Contractor” — means [●] a company registered in accordance with the laws of [●] under Registration Number [●]. *[Drafting Note: Name and details of Contractor to be inserted]*
 - 1.5 “Eskom” - means Eskom Holdings SOC Ltd, a company registered in a “Expiry Date” - means the earlier of
 - the date that the Bank receives a notice from Eskom stating that all amounts due from the Contractor as certified in terms of the contract have been received by Eskom and that the Contractor has fulfilled all his obligations under the Contract, or
 - the date that the Bank issues a replacement Bond for such lesser or higher amount as may be required by Eskom
 - 1.6 “Guaranteed Sum” - means the sum of R [●] ([●] Rand);
 - 1.7 “Services” - means [insert as applicable].
 - 1.8 ccordance with the laws of the Republic of South Africa under Registration Number 2002/015527/30].
2. At the instance of the Contractor, we the undersigned _____ and _____, in our respective capacities as _____ and _____ of the Bank, and duly authorized thereto, confirm that we hold the Guaranteed Sum at the disposal of Eskom, as security for the proper performance by the Contractor of all of its obligations in terms of and arising from the Contract and hereby undertake to pay to Eskom, on written demand from Eskom received prior to the Expiry Date, any sum or sums not exceeding in total the Guaranteed Sum.
3. A demand for payment under this guarantee shall be made in writing at the Bank’s address and shall:
 - 3.1 be signed on behalf of Eskom by a Group Executive, Divisional Executive, Senior General

Maintenance and repair of electrical defects and earth leakage testing at Gx Real Estate properties in the Vaal Triangle for a five (5) year period.

Manager or its delegate;

3.2 state the amount claimed ("the Demand Amount");

3.3 state that the Demand Amount is payable to Eskom in the circumstances contemplated in the Contract.

4. Notwithstanding the reference herein to the Contract the liability of the Bank in terms hereof is as principal and not as surety and the Bank's obligation/s to make payment:

4.1 is and shall be absolute provided demand is made in terms of this bond in all circumstances; and

4.2 is not, and shall not be construed to be, accessory or collateral on any basis whatsoever.

5. The Bank's obligations in terms of this Guarantee:

5.1 shall be restricted to the payment of money only and shall be limited to the maximum of the Guaranteed Sum; and

5.2 shall not be discharged and compliance with any demand for payment received by the Bank in terms hereof shall not be delayed, by the fact that a dispute may exist between Eskom and the Contractor.

6. Eskom shall be entitled to arrange its affairs with the Contractor in any manner which it sees fit, without advising us and without affecting our liability under this Guarantee. This includes, without limitation, any extensions, indulgences, release or compromise granted to the Contractor or any variation under or to the Contract.

7. Should Eskom cede its rights against the Contractor to a third party where such cession is permitted under the Contract, then Eskom shall be entitled to cede to such third party the rights of Eskom under this Guarantee on written notification to the Bank of such cession.

8. This Guarantee:

8.1 shall expire on the Expiry Date until which time it is irrevocable;

8.2 is, save as provided for in 7 above, personal to Eskom and is neither negotiable nor transferable;

8.3 shall be returned to the Bank upon the earlier of payment of the full Guaranteed Sum or expiry hereof;

8.4 shall be regarded as a liquid document for the purpose of obtaining a court order; and

8.5 shall be governed by and construed in accordance with the law of the Republic of South Africa and shall be subject to the jurisdiction of the Courts of the Republic of South Africa.

8.6 Any claim which arises or demand for payment received after expiry date will be invalid and unenforceable.

9. The Bank chooses domicilium citandi et executandi for all purposes in connection with this Guarantee at the Bank's Address.

Signed at _____

Date _____

For and behalf of the Bank

Bank Signatory: _____

Bank Signatory: _____

ESKOM HOLDINGS SOC Ltd

CONTRACT NUMBER _____

Maintenance and repair of electrical defects and earth leakage testing at Gx Real Estate properties in the Vaal Triangle for a five (5) year period.

Witness: _____

Bank's seal or stamp

Witness: _____

PART 2: PRICING DATA

TSC3 Option A

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

C2.1 Pricing assumptions: Option A

1. 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.

2. 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.

3. 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).

4. 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.

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.

4.1. 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*

| LABOUR | Quantity | Unit of Measure | Rates | PER MONTH | PER YEAR (12 MONTHS) | PER FIVE (5) YEARS (60 MONTHS) |
|--|---------------|-----------------|-------|-----------|----------------------|--------------------------------|
| STAND BY ALLOWANCE (per day) | 1 | Rate/day | | | | |
| SUPPLY OF 1 FULL TIME QUALIFIED ELECTRICIAN (Per month). | 1 | Rate/month | | | | |
| 1 FULL TIME ELECTRICAL UTILITY MAN (Per month). | 1 | Rate/month | | | | |
| OVERTIME COSTS - ELECTRICIAN 1.50 (Midweek & Saturdays) | Rate/Hr | Rate/Hr | | | | |
| OVERTIME COSTS 2:00 (Sunday/public holiday). | Rate/Hr | Rate/Hr | | | | |
| OVERTIME COST - UTILITY 1.50 (Midweek & Saturdays) | Rate/Hr | Rate/Hr | | | | |
| OVERTIME COST - UTILITY 2.00 (Sunday/public holiday). | Rate/Hr | Rate/Hr | | | | |
| TRAVELLING per km | Per Kilometer | Rate/km | | | | |
| HEALTH & SAFETY (once off per year) | 1 | Rate Each Year | | | | |
| Site Establishment | 1 | Once-Off | | | | |
| | | | | | | |

The total of the Prices

R

Document reference

No of
pages

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This cover page

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C3.2

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Total number of pages

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1 Description of the service

1.1 Executive overview

The Work Comprises the Maintenance and Repair Of Electrical Defects and Earth Leakage Testing At Gx Real Estate Properties At Redan, Vaal Township, Sebokeng, Three Rivers And Vaalpark.

1.2 Employer's requirements for the service

1. PACKAGE SCOPE

In general, the work / product covered by this Contract include the following:

Detailed scope of work is expected from the contractor:-

- The Contractor is expected to do all preparation, finishes and have the necessary tools and equipment to perform the works at all Eskom Real Estate premises in the Vaal Triangle area
- To be onsite daily for a period of five years for electrical repairs and maintenance.
- To have their own transportation with necessary tools according to Eskom standard.
- Contractor is responsible for own transport as well as the costs for their employees to and from work as well as to perform daily working duties, cost to be included in the original costs.
- Contractor to ensure that daily attendance registers for their employees are signed and handed to the responsible Eskom supervisor.
- Respond to Power outages 24hours on all Eskom Real Estate Properties which results from electrical faults.
- Replace all worn out electrical equipment's such as switches, housing wirings, geysers, stoves etc. (return all replaced equipment to Eskom.)
- Provide COC (Certificate of Compliance) on an as and when required basis for houses.
- Annual inspection of Distribution Boards and make recommendations.
- Dispose correctly of all florescent tubes as per Eskom's Standard Procedures.
- Contractor is responsible to supply, inspect and maintaining all needed and required equipment to carry out all electrical duties.
- Contractor to ensure that toolbox talks and a signed risk assessment has been conducted and that all employees have signed both documents for work that is to be conducted and ensure that they are signed by the Eskom supervisor responsible before work commences.
- Contractor responsible person to attend a morning meeting held at the Eskom properties maintenance office Monday to Friday from 08h00 for daily works requests and feedback on defects completed, Contractor to supply a monthly standby list to Eskom and ensure that the standby electrician is available after hours, over weekends and including public holidays.
- Contractor is responsible for all excavation works as well as the barricading of such excavations need for electrical repairs if required and site to be left in the original condition when work has been completed.
- Responsible for total electrical house inspections before tenants move in. (COT).
- Contractor shall inform the employer (Eskom) in writing of any unsafe and or illegal electrical installations at any of Eskom's property.

Response time on defects

- **Call outs:** Contractor to be on the site within 30 minutes.
- **Priority 1 (Urgent defects)** Defects to be completed or assessed within 1 hour.
- **Priority 2 (As soon as possible)** Defects to be completed the same day.

Maintenance and repair of electrical defects and earth leakage testing at Gx Real Estate properties in the Vaal Triangle for a five (5) year period.

- **Priority 3 (Normal)** Defects to be completed the same day if possible but not longer than 5 working days.

Transport

- 1 vehicle to be supplied by the contractor for normal working hours (08h00 to 16h00 Monday to Thursday and from 08h00 to 12h00 on Fridays) Of which will be used for after-hours call out, weekends and public holidays.
- Contractor to have a vehicle installed with Pedestal Mounted Ladder when working at heights
- Costs of transport for daily working hours and after hours to be included in the original costs. (Transport costs to Vaal Township, Redan, Vaalpark, Sebokeng and Three Rivers will be paid additional as per kilometer driven as stipulated in contract).
- Vehicle to be clearly marked with company name and logo.
- Weekly vehicle inspection check sheet to be completed by the contractor and be available for inspection by Eskom when required.
- Vehicle to be as per safety, Health and Environmental requirements.
- Contractor's vehicle is to comply with the Eskom transport procedure.
- Contractors to ensure that no employees are transported at the back of open LDV.

1.3 Interpretation and terminology

The following abbreviations are used in this Service Information:

| Abbreviation | Meaning given to the abbreviation |
|---------------------|---|
| C&I | Control & Instrumentation |
| DTIC | Department of Trade, Industry and Competition |
| N/A | Not Applicable |
| EMP | Environmental Management Plan |
| OEM | Original Equipment Manufacture |
| ISO | International Organization for Standardization |
| OHSA | Occupational Health and Safety Act |
| PPE | Personal Protective Equipment |
| QCP | Quality Control Plan |
| SDL&I | Supplier Development Localisation & Industrialisation |
| SHE | Safety, Health, and Environment |

2 Management strategy and start up.

2.1 The *Contractor's* plan for the service

- To be discussed before each task can be carried out between the Contractor and Employer
- Programme to be supplied on request on a signed hard copy as well as a soft copy, see Scope of Work
- The Contractor can start work after the Task Order has been issued, unless given Instruction by the Service Manager

2.2 Management meetings

There will be planning meetings held by (the employer and service providers) when there is works required, on planning how long will the works take.

Safety meetings are also held on an and as when required basis to ensure safe working environment.

Prior to invoicing, the service provider and the service manager will have a meeting where the assessment will be reviewed, based on the works completed in the plant.

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

All meetings shall be recorded using, virtual, 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.

2.3 *Contractor's* management, supervision and key people

The *Contractor* is required to be onsite on an as and when required basis to provide or execute the corrective maintenance services. The Contractor to provide a key list of personnel who will carry out the work on site, i.e., Maintenance personnel executing the scope of work, e.g., the supervisor, technician, etc. with their qualifications, certifications, etc.

A company organogram will be needed by the Service Manager to communicate accordingly to comply with the NEC 3 Term Services Contract communication structures

2.4 Provision of bonds and guarantees

The form in which a bond or guarantee required by the *conditions of contract* (if any) is to be provided by the *Contractor* is given in Part 1 Agreements and Contract Data, document C1.3, Sureties.

The *Employer* may withhold payment of amounts due to the *Contractor* until the bond or guarantee required in terms of this contract has been received and accepted by the person notified to the *Contractor* by the *Service Manager* to receive and accept such bond or guarantee. Such withholding of payment due to the *Contractor* does not affect the *Employer's* right to termination stated in this contract.

2.5 Documentation control

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 language of this contract. Assessment supporting documentation to be handed to the Employer / Service Manager (to be announced by the Employer). All communications must be printed and filed in the Service Managers file.

2.6 Invoicing and payment

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 Purchaser and include on each invoice the following information:

- Name and address of the *Contractor* and the *Service Manager*;
- The contract number and title;

Maintenance and repair of electrical defects and earth leakage testing at Gx Real Estate properties in the Vaal Triangle for a five (5) year period.

- *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;

Including VAT; Procedure for invoice submission and payment

- All Electronic invoices must be sent in PDF format only.
- An Invoice that was printed and then scanned to PDF by the Vendor is not acceptable as this is not an original tax invoice by SARS definition but a copy.
- The following wording needs to appear on the invoice: "Your invoice is encrypted in order to comply with SARS requirements that invoices, and statements sent electronically are tamperproof."
- All queries and follow up on invoice payments should be made by contacting the FSS Contact Centre: Tel: 011 800 5060 or email: fss@eskom.co.za.

2.7 Contract change management

Any changes to the contract or any change of the *Contractor's* company ownership should be communicated through to the *Service Manager*. Failing to do this may lead to contract termination with legal consequences.

The correct processes and procedures will be communicated through to the *Contractor* by the Procurement officer.

If the Employer's *Service Manager* changes the Contractor will be notified as soon as possible to ensure that the Contractor is aware of these changes

2.8 Insurance provided by the Employer

As per TSC3 Core Clause 86.1.

2.9 Training workshops and technology transfer

This will be determined by the needs of the station and will be communicated to the service provider as and when the need arises.

2.10 Design and supply of Equipment

Not Applicable

2.11 Things provided at the end of the service period for the Employer's use

2.11.1 Equipment

Not applicable.

2.11.2 Information and other things

- All Reports / Documents to be compiled, filed, discussed, and handed over to the Employer (will be announced by Employer) and at the end of the service.
- On Completion of contract the Contractors safety file will be hand over to the Service Manager and will be saved for 40 Years after completion / termination of the contract
- Contractor is Responsible to ensure that his Letter of Good standing is always valid as stipulated in the construction regulations point 7 (C) (iv) and the specifications 2.5.2 (iv) and 3.10 Contractor will not be allowed on site if his letter of good standing is not valid
- As per clause 70.2 to provide other things as stated in the Service Information
- The Contractors Health and safety file is to be submitted for approval to the Employer's Safety Officer before contract commencement and must be kept up to date at all times
- MSDS for handling all chemicals are needed.

2.12 Management of work done by Task Order

- A Task Order is the instruction to commence work.

Maintenance and repair of electrical defects and earth leakage testing at Gx Real Estate properties in the Vaal Triangle for a five (5) year period.

- No work shall commence until Task Order is issued and has been finalised and accepted and signed by both the Employer and Contractor.
- All work will be issued via SAP Maintenance or as per Task /Purchase Order system. The Work Order, Purchase Requisition and Purchase Order will be created via the SAP PM system.
- Task orders, Assessments with all supporting documentation and Completion Certificates will be used for work required.

3 Health and safety, the environment and quality assurance

3.1 Health and safety risk management

The Contractor shall comply with the health and safety requirements contained in Annexure SHE Specification 14RISK SRM — 084 to this Service Information.

- All The Employer's health and safety procedures and regulations to be adhered to by the Contractor
- A SHEQ file to be handed in at the SHEQ department for approval prior to work commencement and kept up to date for the duration of the contract

SHEQ Policy

Employer's SHEQ Policy

The Employer has made a commitment to conduct business with respect and care for people, the environment and assets and that no operating condition or urgency of service justifies exposing anyone to negative risks arising from the Employer's business.

Compliance with the SHEQ Policy and applicable regulations is the responsibility of every employee and Contractor.

Contractor SHEQ Policy

All Contractors shall have an OHS policy signed by the CEO of the Contractor and prominently displayed where employees normally report for duty.

Signed copy of the OHS policy shall form part of the SHEQ file.

SHE PLAN REQUIREMENTS: -

- Principal Contractors shall develop a suitable and sufficiently documented site specific SHE plans, based on the scope of work and client SHEQ specification.
- The SHE plans must be pre-approved by the client for implementation. The principal Contractor/Contractor has a responsibility to send the SHE plans to the client for approval prior to commencement of work.
- The SHE plans must be applied from the commencement of and for the duration the construction work, which must be updated /reviewed as the work progresses/changes.

When a principal Contractor intends appointing Contractor, the principal Contractor shall ensure that the Contractor provides and demonstrate a suitable, sufficiently documented and coherent site-specific health and safety plan, based on the client's SHEQ specifications and scope of work.

3.1.1. Health and Safety Arrangements

The Contractor ensures that all his personnel attend a Health and Safety Induction Course prior to contract starting date, and annual re- induction. The Induction Course is presented by the Employer's Safety Risk Department at Lethabo Power Station. Arrangements are made with Safety Risk Management, by the Contractor.

The Employer's Safety Risk Manager visits and inspects the Contractor's workplace or site yard and the working areas to ensure that tools; machinery and Equipment comply with the minimum safety requirements.

The Service Manager may instruct the Contractor to stop work, where the Contractor's personnel fail to conform to safety standards or contravene health and safety regulations. Such stop-work order is not a compensation event. The Service Manager may instruct the Contractor to discipline his employees and to submit a disciplinary action report to the Service Manager. The Contractor implements additional health and safety precautions where necessary.

Health and safety

The Contractor complies with the Occupational Health and Safety Act 85 of 1993, as well as the Employer's procedure as stipulated below:

- SHEQ Policy 32-727
- The Employer's Procurement and Supply Chain Management Procedure 32-1034
- SHE Requirements for the Employer's Commercial Process 32-726
- Contractor Health and Safety Requirements 32-136
- Integrated SHE Organization; Roles and Responsibilities and Statutory Appointments 32- 296
- Live-saving Rules 240-62196227
- Working at Heights 32-418
- The Employer's Vehicle Safety Specifications 32-345
- Lethabo Contractor SHEQ Specifications 14RISK SRM – 084

The Contractor acknowledges that it is fully aware of the requirements of all the above and undertakes to employ only people who have been duly authorised in terms thereof and who have received sufficient safety training to ensure that they can comply therewith.

The Contractor undertakes not to do, or not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.

Do safety audits at the Contractor's premises, its workplaces and on its employees;

Refuse any employee, sub-Contractor or agent of the Contractor access to its premises if such person has been found to commit any unlawful act or any unsafe working practice or is found to be not authorised or qualifies in terms of the OHS ACT.

Issue the Contractor with a work stop order or a compliance order should the Employer's become aware of any unsafe working procedures or conditions or any non-compliance with the Act, Regulations and Procedures by the Contractor or any of its employees, sub-Contractors or agents.

The Contractors Health and safety file is to be submitted for approval to the Employer's Safety Officer before contract commencement.

All work stoppages called by the Employer to be adhered to

Contractor is Responsible to ensure that his Letter of Good standing is valid at all times as stipulated in the construction regulations point 7 (C) (iv) and she specifications 2.5.2 (iv) and 3.10..Contractor will not be allowed on site if his letter of good standing is not valid

3.1.2 First aid and fire fighting

Adequate first aid and firefighting equipment to be provided by the Employer.

All Contractor personnel must have First aid and firefighting training Fire extinguishers to be provided by the Contractor.

3.1.3 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 is kept free of obstruction and are not used for work or storage at any time. Fire-fighting equipment must remain accessible at all times.

The Contractor takes the necessary action to safeguard the area to prevent injury and the spreading of the fire.

3.1.4. Security, fire protection and safety

The Contractor shall be responsible for ensuring the security of the works, and of his plant, equipment and materials. To that end he shall make adequate provision for access control, lighting and watchman to the works where required

3.1.5. Fire protection

Maintenance and repair of electrical defects and earth leakage testing at Gx Real Estate properties in the Vaal Triangle for a five (5) year period.

The provision of Employer's standard NWS 1494 "Fire Prevention and Protection of Contractor's premises at New Works sites" shall be applicable.

3.1.6 Safety and incident prevention

The Contractor shall implement and maintain an active Site Safety and Accident Prevention Programme in accordance with the Lethabo SHEQ Specifications. The overriding regulations will however be the Occupational Health and Safety Act.

- Incident Management, Corrective & Prevention Action Procedure to be adhered to – 14Risk IM PC- 019

3.1.7. 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 recurrence 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. A written report to be submitted to the Employer within 24 Hours of incidents and any damage to property or equipment.

NOTE! This report does not relieve the Contractor of his legal obligations 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.

3.1.8 Occupational Health and Safety Act 85 of 1993 – SECTION 37

In accordance with Section 37 (2) of the Act, the Contractor is appointed by the Employer as mandatory to assume Health and Safety duties and responsibilities. The Contractor ensures compliance with all requirements of the Act and any instruction or notification that enhances those requirements.

The Contractor acknowledges that he is fully aware of all the requirements of the Occupational Health and Safety Act and undertakes to employ only staff who have been duly authorised in terms thereof and who receive sufficient safety training to ensure that they can comply therewith.

The Contractor undertakes not to do, and not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.

3.1.9 The Contractor appoints a person who liaises with the Employer's Safety Officer, responsible for the premises relevant to the Contract. The person appointed shall on request:

- Supply the Employer's Safety Officer with copies of minutes of all Health and Safety Committee meetings, whenever required.
- Supply the Employer's Safety Officer with copies of all appointments in respect of employees employed on this contract, in terms of the Act and Regulations and shall notify the Employer's Safety Officer of any changes thereto.

The Employer may, at any stage during the duration of this contract:

- perform safety audits at the Contractor's premises, its workplace and its employees;
- refuse any employee, Subcontractor or agent of the Contractor access to its premises if such person is found to commit any unsafe act or any unsafe working practice or is found not to be duly authorised nor qualified in terms of the Act;
- Issue the Contractor with an instruction to stop work should the Employer become aware of any unsafe working procedure or condition or any non - compliance with the Act, Regulations and Procedures referred to in the Occupational Health and Safety Act - 85 of 1993 and all Regulations made hereunder as well as all the Employer's Safety and Operating Procedures. Any such instruction is not a compensation event. Furthermore, no amendments to the act or the Regulations or reasonable amendment to the Employer's Safety and Operating Procedures will entitle the Contractor to claim any additional costs or time incurred in complying therewith, from the Employer

3.1.10 Safety Regulations of the Employer

- The Contractor conforms to the Employer's Plant Safety Regulations

Maintenance and repair of electrical defects and earth leakage testing at Gx Real Estate properties in the Vaal Triangle for a five (5) year period.

- The Employer makes available to the Contractor, on request, a copy of the latest revision of the Plant Safety Regulations.

3.2 Environmental constraints and management

Contractor to be familiarized with Lethabo Environmental statement of commitment (PS010)

SHE File to be approved by the Environmental Department.

Contractor shall submit an Aspect and Impact Register that complies with the ISO 14001:2015 standard.

Contractor shall submit an Environmental Management Plan (EMP) associated with its significant risks, EMP shall comply with the ISO 14001:2015 standard.

Contractor shall familiarise him/herself with the Environmental procedures related to the activity (Waste Management procedure LBE 22004PC and Environmental Spill management LBE22005)

Self-audits during work execution will be conducted weekly whereby environmental risks are identified.

Contractor shall report all incidents or risks whilst on the job to the Eskom Project leader who will inform the environmental department.

All oil shall be removed from the gearbox prior to transportation to minimise risk of oil spillages

Oil must be drained into designated containers for waste oil and transported to the temporary hazardous waste site.

3.3 Quality assurance requirements

The Contractor who executes a maintenance activity is responsible for the quality of their work. Formal quality control shall be applied as appropriate to all level 1 and 2 plants and to all critical activities on level 3 plants. The quality inspection plan must contain the minimum quality control requirements. Internal quality inspection plans must be numbered according to LMT00001.

3.3.1 Quality inspection plans

Quality inspection plans define the sequence of activities to be performed. The QIP must indicate all associated hold and witness points as well as the person responsible for these activities. All controlling documentation must be indicated as well as the documentation required.

3.3.2 Lethabo Quality Control Inspectors

Quality control inspections will be conducted on behalf of Eskom by a quality inspector from Maintenance Support Services Section. The quality inspector must be authorised by the Power Station Maintenance Manager in terms of LMA10002. The inspections will be carried out to provide an assessment of conformance to specification and quality requirements.

- Inspections do not take any responsibility away from the supervisor or artisan performing the work.
- The quality inspector's responsibilities include the following:
Reviewing maintenance procedures and work instructions and indicating witness and hold points
Verifying that specified quality requirements have been achieved by inspecting work in progress and indicating acceptance on the quality control plan.

| RISK | MITIGATING FACTORS | LEVEL (HIGH/MEDIUM/LOW) |
|--|---|----------------------------|
| Cost: The contractor to be financially fit to execute the work | Lethabo Finance Department to perform financial analysis on the recommended supplier following outcome of tender evaluations. | High |

| | | |
|--|---|--------|
| Scope: Work according to provided scope of work | The contract supervisor to monitor the work done before any payment is processed. | Medium |
| People: Poor Workmanship due to incompetence of personnel on site. | The Contracts Manager oversees the deployment of the team approved on the technical evaluation or personnel with equivalent experts. | Medium |
| Suppliers: Unsuccessful work execution due to lack of expertise from the supplier. | Only suppliers which will meet 80% on the technical evaluation will be considered. | High |
| Time: Delay in execution of the task order | 2% per day up to a maximum of 15% of the task order value per each complete day of delay Time will be one of constraints that will be highlighted in the contract and the contractor will have to plan their resources accordingly. | Medium |
| Quality Poor Workmanship | Service provider to execute SOW as per requirements. For all reworks during execution an NCR will be issued. | High |
| Quality Management Documents Requirements not being effective | A fully detailed Quality Control Plan (QCP) for acceptance within three (3) weeks of the Contract Date, which details all the aspects of the quality management system to be applied. It includes the methods that will be utilized to ensure quality assurance, control and improvement of the identified activities as stated in the Scope of Works | Medium |
| Inspections not carried out | The service provider is required to conduct sufficient inspections and tests to satisfy that all requirements of the SOW are met, and the results of inspections and tests are made available to the client. | Medium |
| Non-Conformance and Defects | NCR's and defects notifications are issued, the Service provider will acknowledge the receipt within 48 hours and proposes corrective and preventive actions to the client as per the | Medium |

| | | |
|--|--|--------|
| | contract response period. The corrective and preventive actions will include the implementation and completion dates. | |
| Preservation and transportation Requirements not being met | The service provider is to ensure that all products are preserved in their appropriate manner as described in their specifications or in Eskom's Preservation, Shipping and Transportation procedures as applicable. The service provider ensures that all storage requirements for products are properly implemented to preserve the products against adverse conditions, deterioration, damage, etc. Storage and preservation procedures for the different products must be submitted to the <i>client</i> for review and acceptance. The <i>client</i> may request to inspect the stored products at any given point during the storage period of the product | Medium |
| Inadequate Method Statement development and submission | The service provider to submit a detailed Method Statements for each activity of his work, together with activity durations, to the client for review and acceptance prior to starting any work | Medium |
| Lack of Documented information control | All documents and records management should be performed according to Technical Document and Record Management Work Instruction (240-76992014). The Project Manager ensures that the service provider is provided with the latest revision | Medium |

| | | |
|--|---|---------------|
| <p>Quality Requirement Category 3</p> | <p>Quality requirement as per Category 2 of Eskom Supplier Quality Management Specification QM 58 240-105658000.</p> <p>SECTION A: Quality Management System Requirements ISO 9001 (Option 1) Valid certification of Quality Management System by an ISO accredited body:</p> <ul style="list-style-type: none"> • A.1 Product / Service Scoping on ISO 9001 certificate is defined and relevant. • A.2 Certificate by Approved and Authorized certification authority. • A.3 Certification Authority has Recognized International Accreditation. • A.4 Validity (expiry date) of certificate. <p>SECTION A: Quality Management System Requirements ISO 9001 (Option 2) Objective evidence of documented QMS that is not certified but complies with ISO 9001</p> <ul style="list-style-type: none"> • A.1 QMS Manual or a document that defines and describes the QMS and its scope • A.2 Quality Policy Approved by top management. • A.3 Quality Objectives Approved by top management. • A.4 Control of documented information (i.e. document and record control) Clause 7.5 of ISO 9001:2015. | <p>Medium</p> |
|--|---|---------------|

- A.5 Documented information for Control of nonconforming outputs Clause 8.7 of ISO 9001:2015.
- A.6 Documented information for Nonconformity and Corrective action Clause 10.2 of ISO 9001:2015.
- A.7 Documented information for Internal audit Clause 9.2 of ISO 9001:2015.

SECTION B: Evidence of QMS in operation (Tender Quality Requirements -Ref 240-105658000)

- B.1 Documented information for defined roles, responsibilities and authorities - Organization chart and Responsibility matrix (must include but not limited to quality management function/role) (Clause 5.3 of ISO 9001:2015).
- B.2 Documented information for Control of Externally Provided Processes, Products and Services - Must include criteria for evaluation, selection, monitoring of performance, and re-evaluation of external providers (Clause 8.4 of ISO 9001:2015).
- B.3 Latest copy of an internal management system audit report (with Nonconformity, Correction and/ or Corrective Action Reports) - Report must include but not limited to

Objective, Scope, Criteria and outcomes of the audit. (Clause 9.2 of ISO 9001:2015).

- B.5 Records of Management Review meetings (minutes, attendance registers etc.).

SECTION C: Contract Quality Plan Requirements (Ref 240-105658000 and 240-109253698).

Draft Contract Quality Plan specific to the scope of work as described in the tender documents (Ref ISO 10005).

NB! Draft Contract/Project Quality Plan has important QA deliverables.

SECTION D: Quality Control Plan Requirements (Ref 240-105658000 or 240-109253302)

- QCP /Checklist/ ITP (Quality Control Plans) as per Scope of Works (Ref ISO 10005).

NB! Draft/ Example of an Inspection and Test Plan (ITP) or Quality Control Plan (QCP) on similar and/ or previous work done.

SECTION E: User defined additional Requirements & miscellaneous (Ref 240-105658000)

Customer specific requirements & other standards and required can be listed and evaluated here.

- E.1 Form A is completed and signed.
- E.2 Historical Information (list) of similar work performed < 2yrs as per the scope of work and/ or specification.

| | | |
|--|--|---------------|
| <p>Safety:</p> <p>Non-compliance to statutory SHE and legal requirements which could result to injuries, near misses and penalties.</p> | <p>Service Provider shall demonstrate compliance with the Eskom Safety Standards and Specifications, Occupational Health and Safety Act of 1993, Standard 32-136: Standard Contractor Health and Safety Requirements. Health and safety specifications: LBS0067PC-H.</p> | <p>High</p> |
| <p>Environment</p> | <p>No EIA needed, however to ensure compliance to environmental requirements ISO14001, the following Lethabo environmental procedures will be provided with tender documents. LBE21001; LBE21002; LBE22001; LBE22002; LBE22004; LBE2205; LBE23001; LBE23003; LBE23004</p> <p>Contractor to be familiarized with Eskom SHEQ Policy 32-727</p> <p>Contractor to be ISO14001:2015 compliant.</p> <p>All waste generated from the project to be disposed through applicable pathways, i.e., hazardous waste.</p> <p>Contractor shall submit an Environmental Management Plan (EMP) associated with environmental risks related to the project, EMP shall comply with the ISO 14001 standard. to be returned with tender documents</p> <p>Contractor shall submit an Aspect and Impact Register that complies with the ISO 14001:2015 standard and to be returned with tender documents.</p> <p>SHE File to be approved by the Environmental Department</p> | <p>Medium</p> |

| | | |
|--|---|--|
| | <p>using LFM 443 checklist.</p> <p>Self-audits during work execution will be conducted weekly whereby environmental risks are identified.</p> <p>Contractor shall report all incidents or risks whilst on the job to the Eskom Project leader who will inform the environmental department.</p> <p>All waste generated during execution of work must be disposed through proper pathways.</p> <p>Contractor shall comply to all environmental procedures on site, including the following</p> | |
|--|---|--|

4 Procurement

4.1 People

4.1.1 Minimum requirements of people employed

As per scope of work

4.1.2 BBBEE and preferencing scheme

As per the SDL&I requirements

4.1.3 Supplier Development Localisation & Industrialisation (SDLI) Obligations

Objective criteria

Section 1: Specific Goals

A maximum of 10/20 points may be awarded to a tenderer for the specific goal specified for the tender. The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places. Subject to section 2(1)(f) of the Preferential Procurement Policy Framework Act, the contract must be awarded to the tenderer scoring the highest points.

| B-BBEE Status Level of Contributor | Number of points (90/10 system) | Number of points (80/20 system) |
|------------------------------------|---------------------------------|---------------------------------|
| 1 | 10 | 20 |
| 2 | 9 | 18 |
| 3 | 6 | 14 |
| 4 | 5 | 12 |
| 5 | 4 | 8 |
| 6 | 3 | 6 |
| 7 | 2 | 4 |
| 8 | 1 | 2 |
| Non-compliant contributor | 0 | 0 |

NB: The following documents are required to claim preference points,

- Valid B-BBEE certificate issued by a SANAS accredited verification agency / sworn affidavit / CIPS affidavit
- Proof of ownership / shareholding (preferably CIPC documentation) inclusive of shareholding breakdown
- Certified ID copies of shareholder(s)
- Proof of Disability (where applicable)
- In a case of a trust, consortium or joint venture (including incorporated consortia and joint ventures), a consolidated B-BBEE status level verification certificate.

Tenderer failing to provide documentation for the allocation of preference points will not be disqualified, but'

- May only score point out of 90/80 for price
- Scores 0 points out of 10/20 for specific goals

Section 2: Objective criteria

The inclusion of objective criteria is not mandatory but a condition for contract award. If the tenderer does not meet objective criteria; it may lead to the second-ranked tenderer being recommended for award.

2.1 Designated Sectors

When applicable the following stipulated minimum threshold for Local Production and Content must be achieved in full by the tenderer

a) Is this Commodity or part of it a Designated Sector?

| YES | NO |
|-------------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Please indicate below Designate

| Commodity | Components | Local Content Threshold |
|-------------------------------|-------------------|-------------------------|
| Electrical and Telecom cables | Electrical cables | 90% |

NOTE: SBD 6.2 Declaration Form and Annex C, D and E (Local Content Declaration-Summary Schedule) are tender returnable if applicable.

Section 3: SDL&I Objectives in line with Reconstruction and Development Programme (RDP) Goals

Tenderers who complete and submit the objectives as required, but who do not meet Eskom's targets, will not be disqualified. SDL&I objectives do not form part of scoring but commitments will form part of contractual obligations

1. Transformation - BBBEE Improvement or Retention Plan

Transformation remains an area of focus, where Eskom continuously strives to align itself with national transformation imperatives to unlock growth, drive industrialization, create employment and contribute to skills development.

Eskom encourages its suppliers to constantly strive to improve their B-BBEE rating. Whereas Tenderer/s will be allocated points in terms of a preference point system based on specific goals, Eskom also requests that tenderer/s submits their B-BBEE improvement or retention plan within 30 days of signing the contract.

Tenderer/s are therefore requested to indicate the extent to which they will maintain (only if the respondent is a Level 1) or may improve/maintain their B-BBEE status over the contract period if their B-BBEE status is level 2 or 3. Tenderer/s with a B-BBEE status level 4 at the time of contract award, shall migrate and achieve as a non-negotiable a milestone of B-BBEE Level 3 by the end of the first year of the contract and thereafter improve their B-BBEE status level or migrate by one level higher.

Tenderer/s with a B-BBEE recognition status of Level 5 to Level 8 or non-compliant at the time of contract award, shall migrate and achieve as a non-negotiable a milestone of Level 4 by the end of

the first year of the contract and thereafter improve at least one B-BBEE Level higher of each year from the second year of the contract.

Tenderer/s are requested to submit their B-BBEE Improvement Plan as an essential document within 30 days of signing the contract.

NB: A valid B-BBEE certificate or Sworn Affidavit is a condition for contract award, if your company's annual Total Revenue is R10 Million or less you qualify as an Exempted Micro Enterprise therefore you can submit Sworn Affidavit. If your annual Total Revenue is R50 Million or less, you qualify as Qualifying Small Enterprise and must comply with all of the elements of QSE score card relevant to your sector unless an entity is at least 51% Black owned you are required to obtain a Sworn affidavit. If your Annual Total Revenue is above R50m you need to submit a Valid B-BBEE certificate

2. Local Procurement Content

"Local Procurement Content" refers to value added in South Africa by South African resources. Where a single contract involves a combination of local and imported goods and/or services, the tender response must be separated into its components as per the Price Schedule included with the tender documents. Local procurement content is total spending minus the imported component.

Tenderers are required to submit their proposals in the table below.

| Local Procurement Content | Eskom target | Tenderer Proposal |
|---------------------------|--------------|-------------------|
| | 100% | |

3. **Jobs.** Tenderers are required to submit proposals for the type and number of jobs that will be created and retained in South Africa as a direct result of being awarded a contract.

| Type of Jobs to be created | Number of Jobs to be created |
|----------------------------|------------------------------|
| | |

| Type of Jobs to be retained | Number of Jobs to be retained |
|-----------------------------|-------------------------------|
| | |

4. **Skills development**

Tenderers are required to submit proposals in a table below for developing the skills of unemployed candidates in the country. Skills development is intended to address Eskom's core, scarce and critical skills and the scarce and critical skills. These skills are also included in a 2020 list of occupations in high demand as stipulated in the Government Gazette 43937. Candidates shall be from all provinces in the country, and their composition shall be representative of the population demographics of South Africa:

| Skill type / Occupation | Eskom target | Entry Level | Output | Tenderers Proposal |
|-------------------------|--------------|---------------------------|------------|--------------------|
| Artisan Electrical | 02 | N3 / Matric or Equivalent | Trade Test | |

The process of developing these skills shall involve the participation by tenderers directly and through their supply network. In certain cases, the SETA's accredited training providers can be approached to participate in developing critical and scarce skills.

Note: That these targets for skills development candidates categorically exclude Eskom employees and registered learners. The tenderers are required to take full responsibility for the total cost of developing the requisite skills, and Eskom shall not make any financial contribution towards the fulfilment of this obligation. Tenderers also are advised to approach their relevant SETAs to access grants, subsidies, and incentives as well as South African Revenue Services for tax rebates that are earmarked for skills development initiatives

Section 3: SDL&I Penalty and Performance Security

Eskom will apply a penalty of 1.5% of the Contract Value for failure to meet SDL&I obligations.

For the duration of the contract, Eskom will retain 1.5% of every invoice (excluding VAT) as security for the fulfilment of all SDL&I Obligations. The retained amounts shall only be released to the Contractor upon fulfilment of all SDL&I obligations by the contractor.

Section 4: Reporting and Monitoring

- The suppliers shall on a quarterly basis submit a report to Eskom in accordance with Data Collection Template on their compliance with the SDL&I obligations described above.
- Eskom shall review the SDL&I reports submitted by the suppliers within 30 (thirty) days of receipt of the reports and notify the suppliers in writing if their SDL&I obligations have not been met.
- Upon notification by Eskom that the suppliers have not met their SDL&I obligations, the suppliers shall be required to implement corrective measures to meet those SDL&I obligations before the commencement of the following report, failing which Retention clauses shall be invoked.
- Every contract shall be accompanied by the SDL&I Implementation Schedule, which must be completed by the suppliers and returned to SDL&I representative for acceptance 28 days after contract award. This will be used as a reference document for monitoring, measuring and reporting on the supplier's progress in delivering on their stated SDL&I commitments

Section 5: Market Research

The following information demonstrates market analysis and assisted in arriving at the

targets above.

Current Suppliers Providing the Services

- None

Potential Suppliers:

- Open market

Section 6: General Information on Validity of Sworn Affidavits

The following must be considered when it comes to validity of Affidavits;

Tenderers submitting B-BBEE Sworn Affidavits must ensure that the affidavits meet the following key pointers to ensure their validity:

- Name/s of deponent as they appear in the identity document and the identity number.
- Designation of the deponent as the **director, owner** or **member** must be indicated in order to know that person is duly authorised to depose of an affidavit. **(Mark the applicable option).**
- Name of enterprise as per enterprise registration documents issued by the CIPC, where applicable, and enterprise business address.
- Percentage of black ownership, black female ownership and designated group. In the case of specialised enterprises as per Statement 004, the percentage of black beneficiaries must be reflected. **(No blank spaces to be left).**
- Indicate total revenue for the year under review and whether it is based on **audited financial statements** or **management account**. **(Mark the applicable option).**
- Financial year end as per the **enterprise's registration documents**, which was used to determine the total revenue. **(Financial year end to be stipulated by day/month/year).**
- B-BBEE Status level. An enterprise can only have one status level. **(Tick applicable level)**
- Empowering supplier status must be indicated. For QSEs, the deponent must select the basis for the empowering supplier status.
- Date deponent signed and date of Commissioner of Oath must be the same. **(The sworn affidavit must be signed in the presence of the Commissioner of Oath. Furthermore the Commissioner must also sign and stamp)**
- Commissioner of Oath cannot be an employee or ex officio of the enterprise because, a person cannot by law, commission a sworn affidavit in which they have an interest.

4.2 Plant and Materials

4.2.1 Specifications

All spares supplied shall have the same technical specification of the item or component being removed or replaced and shall be tested to ensure it is fit for purpose.

4.2.2 Correction of defects

As per clause 4 of the NEC TSC

4.2.3 *Contractor's* procurement of Plant and Materials

N/A

4.2.4 Tests and inspections before delivery

All spares, materials or equipment supplied by the service provider shall have the same technical specification of the item or component being removed or replaced and shall be tested and proved to ensure it is fit for purpose.

4.2.5 Plant & Materials provided "free issue" by the *Employer*

Not applicable

4.2.6 Cataloguing requirements by the *Contractor*

Not applicable

5 Working on the Affected Property

5.1 Employer's site entry and security control, permits, and site regulations

In the event the Contractor / Service provider or his delegate is required to be on site to execute any maintenance activities or for a meeting or any other reason which is related to this contract, the following will apply,

- The Contractor applies for temporary access permits (Contractor's Permit) at the Security gate, prior to the Possession Date.
- The Contractor personnel are required to be always in possession of a Contractor's Permit.
- All Contractor personnel are issued with a temporary access permit (Contractor's Permit) which contains the following information: Name, ID Number, Company, Validity date.
- All Contractors' permits are submitted to Protective Services when leaving the site.
- To assist Protective Services with the issuing of permits, the Contractor supplies a list of all personnel that he intends using on site, at least 24 hours prior to entry of the Security Area.
- This list is delivered to Protective Services.
- The list, identified with the Contractor's name, contains the following information: Employee Name, Employee ID Number, Eskom Safety Co-ordinator signature, Eskom Employers Representative signature, Copy of the first page of the ID book of every employee of the Contractor,
- To speed up the process of gaining access to the site, the Contractor compiles detailed lists of all tools and equipment to be taken on site before arriving at the Power Station Security gate.
- An authorised copy of this list is retained to be used again when the tools and equipment is removed from site after the completion of the works.
- The Chief of Protective Services may, with valid cause, remove any of the Contractor's personnel from the site, either temporarily or permanently, without any prejudice. He may deny access to the site to any person whom, in the opinion of the said Chief of Protective Services, constitutes a security risk.
- Only Contractor's vehicles with displayed Contract Vehicle Permits disks are allowed on site.

Note: Five Life Saving Rules have been developed that will apply to all Eskom employees, agents, consultants, and contractors. All Eskom employees, agents, consultants, and contractors to comply with the following Eskom life Saving Rules:

- Rule 1: Open, Isolate, Test, Earth, Bond, And / Or insulate before touch - that is any plant operating above 1 000 V.
- Rule 2: Hook up at heights - no person may work at height where there is a risk of falling.
- Rule 3: Buckle up — no person may drive any vehicle on Eskom business and/or on Eskom premises: unless the driver and all passengers are wearing seat belts.
- Rule 4: Be sober (no person is allowed to work under the influence of drugs and alcohol.
- Rule 5: Use a permit to work — where an authorization limitation exists, no person shall work without the required permit to work.

5.2 People restrictions, hours of work, conduct and records

In the event the Contractor / Service provider or his delegate is required to be on site for a meeting or any other reason which is related to this contract, the following will apply,

- Normal working hours is the Employers working hours, i.e.
Monday to Thursday 07h15 — 16h30

Maintenance and repair of electrical defects and earth leakage testing at Gx Real Estate properties in the Vaal Triangle for a five (5) year period.

Friday's

07h15 – 12h15

- The Contractor provides the necessary resources to carry out the services as stated in the Works Information.
- It is the responsibility of the *Contractor* to keep records of his people working on the Affected Property. The *Service Manager* shall have access to all records at any time if deemed necessary.

5.3 Health and safety facilities on the Affected Property

Refer to section 3.1.

5.4 Environmental controls, fauna & flora

Refer to section 3.2.

5.5 Cooperating with and obtaining acceptance of Others

In the event the Contractor / Service provider or his delegate is required to be on site for a meeting or any other reason which is related to this contract, the Contractor/service provider or his delegate shall cooperate and work closely with Eskom, Lethabo Power Station Service Manager for this contract, or his delegate.

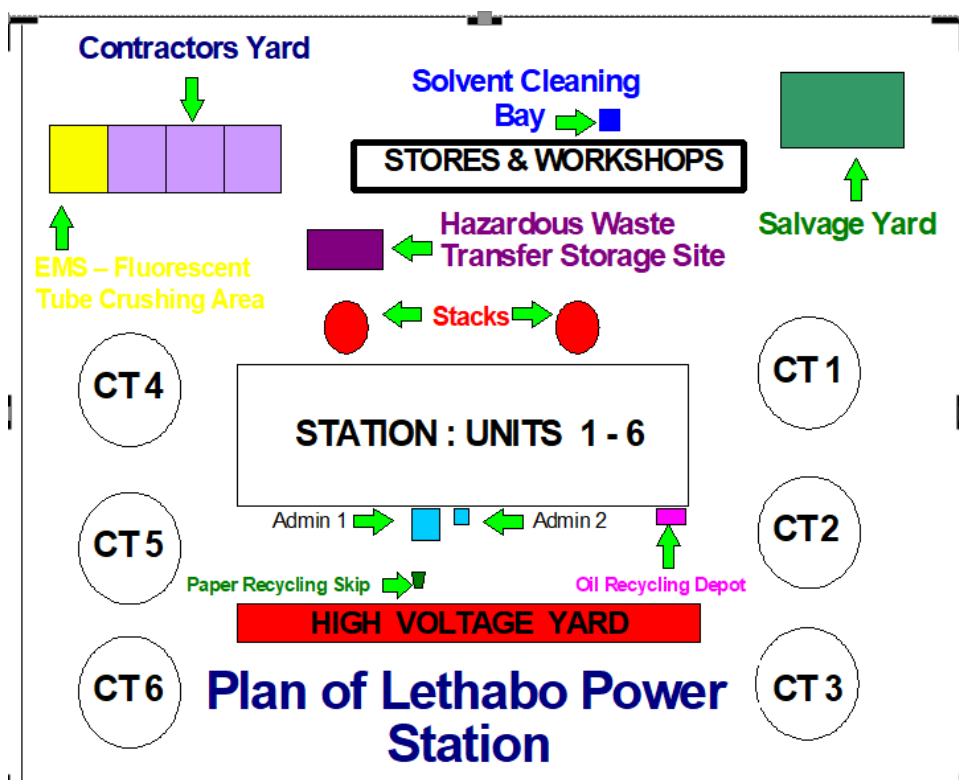
Environmental Policy and Waste Handling

The Contractor shall submit an Environmental Management Plan (EMP) to be reviewed and approved by Eskom environmental officer, one week before the commencement of works if required as per the Works Information.

Disposal of Waste

Waste shall be removed promptly to the designated disposal area as per below requirements:

- Domestic waste to the white waste bins
- No stockpiling will be permitted.
- Production waste in the marked bins i.e., coal and ash only
- Paper in its recycling bin
- Contact Civil Engineering for the disposal of building rubble.
- Scrap metal, Wood & Rubber, Redundant Valves, Pipes, and Equipment etc. to be placed in the marked bins in the Salvage Yard. Solvents and cloths used to the Cleaning Bay.



Hazardous Waste Disposal and Handling

- Any new hazardous waste that comes to the temporary hazardous waste site must be accompanied by an SDS; all other hazardous waste can be delivered without the SDS.
- An inventory is signed by the person who delivers the hazardous waste, and the waste coordinator must acknowledge the receipt of the waste.
- A 210l drum with lid will be issued to the person who has delivered the waste after the inventory is signed.
- Drums with incorrect colour coding or drums without lids will not be accepted at the temporary hazardous waste site.

Additional General information

LBS00067 to be used as it contains statutory requirements as well as the minimum, SHE requirements to which Eskom employees and contractors must comply whilst performing work on the premises of Lethabo Power Station.

The purpose of the procedure is to assist the Contract Supervisor or Project Manager, and the contractor to develop, implement and maintain an organised Safety, Health and Environment Management Plan performing work.

Contractors are accountable for taking all the necessary steps to protect all persons (including employees, visitors, and the public), to protect the environment and property against any harm during performing work or services in relation to their contractual obligations. In addition, all work procedures and equipment will be carried out in accordance with Eskom and legislative requirements.

Eskom's contractors have the fundamental accountability and responsibility for executing on-site safety, health, and environment issues for their activities, services, products, and work. Each contractor is responsible for ensuring that its employees and the employees of any appointed contractors comply with all occupational safety, health, and environmental (SHE) statutory requirements and the policies and procedures of Eskom Holdings SOC Limited.

This procedure is supplementary to the requirements of relevant legislation and the conditions of the contract.

Plant & Materials

- The *Employer* may at his own discretion, supply any Plant and Materials as may be required by the *Contractor* to Provide the Works.
- The *Contractor* is to notify the *Employer* in writing, 48 hrs in advance, of such Plant and Materials required.

Equipment or Material Access and Removal

Access

- The Contractor ensures that all equipment and materials brought through the security gate is signed in at the main security gate on an OV18 form.

Removal

- The *Contractor* is not allowed to remove any equipment or materials from site without producing the relevant OV18 forms or the equipment lists. (Security Access Sign In)
- If the equipment or material is to be removed the same day, on which they were brought on to site, then the OV18 form will need to be produced at the gate when leaving the site.
- If the equipment or material is removed after this time then a Non-Returnable Gate Release will be provided by the *Employer's Representative*, on receipt of the original OV18, with which the *Contractor* brought the equipment on site.

Site or Area Establishment and Evacuation

Application for Site Establishment:

Maintenance and repair of electrical defects and earth leakage testing at Gx Real Estate properties in the Vaal Triangle for a five (5) year period.

- Sites are allocated according to availability, the period for which the *Contractor* is going to be on site, or if special circumstances warrant the allocation of a site. Documentation to support this application to be submitted as stipulated below.
- The location of the site or area is indicated during the site or area take-over inspection.

Site Establishment:

- The *Contractor* does not occupy any site or area other than that allocated to him.
- The *Contractor* does not occupy the site or area prior to the take-over inspection.
- The *Contractor* maintains the site or area provided to him to the satisfaction of the *Employer*. A site inspection to be conducted by both parties prior to site establishment.
- The *Employer* will require full access at all times of the *Contractor's* site or area for inspection.
- The *Contractor* will remain accountable for the security of his designated site area. The *Employer* will accept no accountability for any theft, losses or damage under the *Contractors'* control.

Site De Establishment:

- The *Contractor* advises the *Employer* in writing, five (5) days prior to site de establishment in accordance with LBA 00030.
- Site de establishment cannot proceed without the approval of the *Employer* in writing. Final payment and the first portion of the retention (where applicable) will not be released if not supported by the *Employer*, as this is seen as part of the works.

Information Required for Site Establishment:

- Note that the below will be based on the Contractor's planning for execution of the works. The price schedule should be completed as per required Section A
- The information supplied will assist in site allocation.

6 List of drawings

6.1 Drawings issued by the *Employer*

This is the list of drawings issued by the *Employer* at or before the Contract Date and which apply to this contract.

[illegible]