



NEC3 Term Service Contract (TSC3)

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

and **[Insert at award stage]**
(Reg No. _____)

for **Provision of Commuter Transport Services between**
MATLA POWER STATION and OGIES & PHOLA & WILGE
AREA for normal day workers, scheduled shift workers
and unscheduled shift workers, and unplanned trips as
and when required for a period of 5 year.

Contents:	No of pages
Part C1 Agreements & Contract Data	[•]
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CONTRACT No. [Insert at award stage]

PART C1: AGREEMENTS & CONTRACT DATA

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

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:

Provision of Commuter Transport Services between MATLA POWER STATION and OGIES & PHOLA & WILGE AREA for normal day workers, scheduled shift workers and unscheduled shift workers, and unplanned trips as and when required for a period of 5 year.

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 or C	The offered total of the Prices exclusive of VAT is	R [•]
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Option E	The first forecast of the total Defined Cost plus the Fee 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)

Capacity

**for the
Employer**

(Insert name and address of organisation)

Name &
signature of
witness

Date

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

Schedule of Deviations to be completed by the *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	CPA	The price will remain fixed and firm for the first 12 months of the contract, thereafter subject to escalation as per SEIFSA tables and AECMSA. CPA formula will be from the beginning of the second year on the monthly basis of the contract.
2	[•]	[•]
3	[•]	[•]
4	[•]	[•]
5	[•]	[•]
6	[•]	[•]
7	[•]	[•]

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

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

For the tenderer:

For the Employer

Signature

Name

Capacity

On behalf
of

(Insert name and address of organisation)

(Insert name and address of organisation)

Name &
signature
of witness

Date

Document reference	Title	No of pages
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C3.2	<i>Contractor's Service Information</i>	
	Total number of pages	

C3.1: EMPLOYER'S SERVICE INFORMATION

Contents

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1 Description of the service

1.1 Executive overview

Provision of Commuter Transport Services between MATLA POWER STATION and OGIES & PHOLA & WILGE AREA for normal day workers, scheduled shift workers and unscheduled shift workers, and unplanned trips as and when required for a period of 5 year.

1.2 Employer's requirements for the service

GENERAL

Provision of Commuter Transport Services between MATLA POWER STATION and OGIES & PHOLA & WILGE AREA for normal day workers, scheduled shift workers and unscheduled shift workers, and unplanned trips as and when required for a period of 5 year.

Provision of Commuter Transport Services between MATLA POWER STATION and OGIES & PHOLA & WILGE AREA for normal day workers, scheduled shift workers and unscheduled shift workers, and unplanned trips as and when required for a period of 5 year.

The following are required:

- 1 x 14 Seater Bus Ogies Town and Phola - normal day workers
- 1 x 14 Seater Bus Ogies Town and Phola – Shift workers
- 1 x 14 Seater Bus Total Ogies and Phola area – Unscheduled shift workers
- Passenger transport for Unplanned / Unscheduled trips as and when required

The transportation service will be rendered in accordance with the following:

The Supplier shall abide by the detailed time table and routes as defined by Matla Power Station. Eskom Holdings Limited shall, however, have the exclusive right to amend the aforesaid time tables and routes from time to time in consultation with the Supplier.

All drivers should always have a Cellular phone and sufficient airtime to be able to communicate with passengers, with their company and Eskom in case of emergency or any other unforeseen circumstances.

The Supplier undertakes to provide a replacement bus of same standard and quality in the case of a mechanical breakdown or vehicle service and to get the Eskom employees to their destination as speedily as possible.

Buses are only allowed to pick up and drop off passengers at the designated bus stops at Matla.

Only Eskom Matla employees and Eskom Matla students will be allowed on the busses as passengers.

Failure by the Contractor to comply may result in cancellation of the contract. Furthermore, Eskom Holdings Limited will not be held liable for possible injuries to 'illegal' passengers if allowed onto the busses by the Contractor.

Any changes to this transport service as agreed to between the two parties may result in an increase or decrease in the number of busses required to render the service or discontinue the service at any time.

The Supplier / Contractor shall, on request by Eskom Holdings Limited, exchange any of the allocated busses for a smaller or bigger bus depending on Matla's requirements.

The Supplier undertakes to make transport available on Eskom's request for any special occasion which may be arranged by Eskom Holdings Limited.

Should the Supplier not be able to comply with this request, Eskom Holdings Limited reserves the right to obtain the required bus from an alternative source and to cancel the specific exchange item with the Supplier.

The Supplier undertakes to make transport available for any emergency evacuation of the station and to participate in drills and re-enactments of evacuations. The supplier will attend the Emergency planning meetings and sessions and work together with Fleet and any Matla emergency team to evacuate people in case of a threat by following the correct protocol.

The supplier also undertakes to serve as back-up transport for emergency evacuation in the adjacent power stations – Kriel and Kendal.

The service so provided will be subject to the same conditions and requirements as laid down in this contract.

Prices will be adjusted in accordance with negotiated agreements.

The Supplier shall not be entitled to alienate, pledge, cede or deal in any manner whatsoever, with any claim he may have arising from this contract or his rights and obligations, in terms of such contract, without the prior, written approval of Eskom Holdings Limited.

The Supplier undertakes to limit his service to the prescribed number of Eskom passengers per bus. Should additional Eskom passengers require transport, this requirement may be accommodated provided the additional passengers are able to produce a valid Eskom Matla employee permit.

Safety Matla power station induction must be done before any work commences. Eskom

Worker's register must be completed and daily risk assessment conducted before any work commences.

- Eskom Holdings Limited reserves the right to inspect the busses at any reasonable time for roadworthiness and it is the responsibility of the Contractor to at all times maintain the busses in a road worthy condition.
- The Contractor shall at his expense ensure that his vehicles are serviced and maintained by a recognized service agent.
- Vehicles shall be kept neat and tidy inside and out at all times.
- The Supplier shall operate the transportation service in a safe, reasonable, proper and efficient manner and shall ensure that his employees are fully authorized and conduct their allocated tasks in a proper, responsible, safe and professional manner.
- A Supplier provided fully equipped First Aid Box and serviceable fire extinguisher must be kept in a reachable and reasonably visible position in the driver's cab of each bus.
- All busses must at all times be equipped with either a two way radio or hands free telephone for direct communication between the busses, the contractor's depot and the Matla Fleet Officer.
- Before every trip: The interior and exterior of the busses are inspected for any damage or default, with specific attention to brakes, tyres, all lighting equipment and safety belts

Payments At the end of every calendar month the Supplier must furnish Eskom Matla Power Station's Fleet Management Services with a detailed statement / invoice together with a copy of his month's Safety Meeting minutes.

- Failure to provide these documents will lead to the withholding of payments until the required documents were submitted.
- Any claim to non-scheduled journeys and / or distances must be supported by properly kept records of such occurrences, but any of these trips should have been pre-approved by the contract manager.

Legal requirements and

permits The Supplier undertakes and guarantees that he is legally authorized, qualified and properly equipped to render the bus transportation service required and that he is fully conversant with the legal provisions with regard to the transportation service to be rendered and undertakes to abide by such legal provisions during the contract period.

- He shall at all times comply with all legal requirements in respect of the required bus transportation service and shall be the holder of all licenses, permits and insurance that may be required in terms of the contract and all applicable legislation.
- The Tenderer when tendering must supply copies of all legally and administratively required licenses and insurance documents, as part of the tender documents. Should any other vehicle than those tendered for be used when the contract starts, these documents should be provided to the Matla Power Station's Fleet Officer prior to commencement of the service.
- The Supplier acknowledges that he has insurance cover in terms of the Compensation for Occupational Injuries and Diseases Act, 1993, and undertakes to supply Eskom Holdings Limited with proof of such insurance cover.
- The bus drivers must at all times be in possession of valid Public Transport Permits (PDP operator's card). The bus drivers must be able to produce their permits on demand to the Matla Fleet Officer or his representative.
- Immediately upon award of the contract, the Supplier will submit to the Matla

Power Station Fleet Officer certified copies of the following: All drivers' ID's, all drivers' PDP's, Registration certificates of busses, COF's of busses, Road transportation permit.

- When appointing a new driver the Matla Fleet Officer must immediately be notified and the driver's documentation provided.
- All contract drivers will be tested for an Eskom driver's permit and will be issued with such a permit.
- Failure to comply with this requirement will lead to the immediate cancellation of the contract as well as compensations claims by Eskom Holdings Limited against the Supplier for consequential recovery / extra expenditures.

Vehicle specifications:

ALL VEHICLES SHALL

ADHERE TO FOLLOWING

ESKOM DOCUMENT: 32-345 Eskom Vehicle Safety

Specifications which

stipulates the following

minimum specifications

for Mini and Midi Buses: "3.1 Standard minimum specifications"

...

i. All vehicles that are tested for NCAP in South Africa/Europe will comply with the Euro

NCAP 4 rating.

Factory-fitted antilock braking system (ABS).

iii. Factory-fitted driver and passenger airbags.

iv. Alarm/immobiliser – factory-fitted. Factory-fitted power steering.

v. Tyres in conformity with the manufacturer's specifications for the intended work

vi. Two emergency warning triangles (in all vehicles).

vii. Factory-fitted air conditioner

viii. Factory-fitted seatbelt reminder.

ix. Daytime running lights for all vehicles travelling on open roads. (When the ignition is in the "on" position, lights should switch on automatically.) Vehicles not fitted with daytime lights must use the dipped lights (also called driving lights) in the "on" position for daylight driving (all vehicles).

xi. Reverse beeper shall be standard on all heavy commercial vehicles, buses, and construction equipment, or vehicles being used on construction sites.

"Clause: 3.4 Minibus safety specifications"

- In addition to the standard minimum specifications and in compliance with the provisions of the

- National Road Traffic Act, as amended, all minibuses shall meet the following basic

- specifications:

- SANS-approved three-point safety belts for every seat.

No fold-up or jockey seats.

- A speed warning sign shall be displayed on the back of the minibus in accordance with the National Road Traffic Act.

- Yellow reflective tape shall be fitted in compliance with the National Road Traffic Act requirement.

- The driver's seat shall be adjustable and partitioned in compliance with the National Road Traffic Act specification.

- The tyres shall comply with the manufacturer's specification for commercial use. Tyres of two different makes or models may not be fitted on the front axle. The front tyres should always be the same.

- The minibus shall have at least one emergency exit for every 12 passengers.

- Panel vans or vehicles designed for goods delivery may not be converted into a minibus.

- A sign should be affixed to the vehicle to indicate that the bus is equipped to transport people with disability.

“3.5 Midi-bus and bus safety specifications”

- In addition to the standard minimum specifications and in compliance with the provisions of the Road Traffic Act, as amended, all midi-buses and buses shall meet the following basic specifications:
- SANS-approved safety belts for every seat.
- No fold-up or jockey seats.
- A speed warning sign shall be displayed on the back of every midi-bus/bus.
- Yellow reflective tape shall be fitted in compliance with the National Road Traffic Act specification.
- The driver's seat shall be adjustable. The driver's compartment shall be partitioned in compliance with the National Road Traffic Act specification.
- The tyres shall comply with the manufacturer's specification. Tyres of two different makes or models may not be fitted on the front axle. The front tyres should always be the same.
- The midi-bus/bus shall have at least two identified emergency exits for every 12 passengers.
- Steps shall have anti-slip treads.
- A panel van or vehicle designed for goods delivery may not be converted into a midi-bus.
- Identified buses and midi-buses transporting employees with disabilities should be wheelchair-friendly to accommodate a wheelchair entering the vehicle. A sign should be affixed to the vehicle to indicate that the bus is equipped to transport people with disabilities only if the vehicle has been designed to transport disabled people.

ADDITIONAL REQUIREMENTS FOR VEHICLES

All buses must be fitted with tinted side windows and curtains/blinds.

- 14 seater buses must not be older than 2 years (Proof of registration) when the contract commences.
- Mini buses must not be older than 2 year (proof of registration) when the contract commences.
- Buses must be fitted with On Board Computer with active tracking system which will be paid for and fitted by Eskom Holdings SOE.
- No AMC, Tata or buses not build on a bus chassis will be used for Matla.
- All buses must comply with the Road Transportation act.
- Reverse-park distance control sensor for all vehicles

ADDITIONAL REQUIREMENTS FOR DRIVERS

All drivers will do induction before they resume work and must comply with the following:

- Have a Driving/operations permit
- Valid Medical Fitness to drive/operate (Red Ticket).
- Do pre-operational inspections / vehicle checklist
- Know and obey all Traffic signs and rules.
- Adhere to hazardous and restricted area access control rules.
- Stop or restrict operation due to abnormal environmental conditions (for example, rain, high winds, fog), including “Go - No Go” criteria as advised by the contract manager or representative.
- All new drivers appointed during the period of contract must do induction before starting with the contract and documentation submit to the Matla Fleet Management Department.
- Ensure all passengers adhere to safety regulations and rules put in place by government or Eskom to ensure the safety of all passengers i.e. Covid-19 rules.

1.3 Interpretation and terminology

If required include here definitions additional to those used in the *conditions of contract* which are required only for the purpose of making the Service Information easier to draft and read. Also list abbreviations used and provide a full interpretation of each one, for example:

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
VMU	Vehicle Monitoring Unit – an electronic device fitted to a vehicle to track vehicle movement and behaviour.
PDP	Public Drivers Permit – a licence issued by the Licencing authority to transport people, goods or dangerous goods

2 Management strategy and start up.

2.1 The Contractor's plan for the service

In the TSC3 the *Contractor's* plan is his "design" for performing the *service* throughout the *service period*. Section 2 of the *conditions of contract* describes what the *Contractor* is to show in his plan both in the core clauses and some additional requirements in each of the main Options.

The extent of the *Contractor's* plan will depend on whether the *Contractor* is required to develop a plan in accordance with the *Employer's* broad outline of the *service* or whether the *Employer* has provided a plan for the *Contractor* to follow. Read the TSC3 Guidance Notes pages 21 and 22 for more information on the *Contractor's* plan.

Use this section to describe any particulars which must be taken into account by the *Contractor* in developing his plan as required by clause 21.2. For example information about the order and timing or method of carrying out particular items of work.

List technical reporting and scheduling requirements which are to be incorporated into the *Contractor's* plan.

2.2 Management meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	As and when required	Matla Power Station	Contractor Manager, Safety Officer
Overall contract progress and feedback	As and when required	Matla Power Station	Contractor Manager and Contract Supervisor
Safety Engagement Session	As and when required	Matla Power Station	Contractor Manager, Safety Officer
Main SHE committee meetings	Monthly	Matla Power Station	SHE Manager

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 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

Contractor to provide an organogram and contact detail of his people and their lines of authority / communication.

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

Specify how documentation will be identified with an alpha numeric which indicates source, recipient, communication number etc. Provide details of any particular format or other constraints; for example that all contractual communications will be in the form of properly compiled letters or forms attached to e mails and not as a message in the e mail itself. State any particular routing requirements but note from TSC3 who issues what to whom.

2.6 Invoicing and payment

The Z clauses make reference to invoicing procedures stated here in this Service Information. Also include a list of information which is to be shown on an invoice.

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
ESKOM HOLDINGS SOC
MATLA POWER STATION
KRIEL-DELMAS ROAD
KRIEL
2271

and include on each invoice the following information:

- Name and address of the *Contractor* and the *Service Manager*;
- The contract number and title;
- *Contractor's* VAT registration number;
- The *Employer's* VAT registration number 4740101508;
- Description of service provided for each item invoiced based on the Price List;
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT;
- (add other as required)

Add procedures for invoice submission and payment (e. g. electronic payment instructions)

2.7 Contract change management

This section is intended to deal with any additional requirements to the compensation event clauses in section 6 of the core clauses; such as the use of standard forms. Not the same thing as documentation control.

2.8 Records of Defined Cost to be kept by the *Contractor*

Any claim to non-scheduled journeys and / or distances must be supported by properly kept records of such occurrences, but any of these trips should have been pre-approved by the contract manager.

2.9 Insurance provided by the *Employer*

The Supplier must have insurance cover in terms of the Compensation for Occupational Injuries and Diseases Act, 1993, and undertakes to supply Eskom Holdings Limited with proof of such insurance cover. Eskom does not provide insurance for the contractor or the employees travelling home-work-home.

2.10 Training workshops and technology transfer

All drivers to complete the Eskom driver permit training and receive an Eskom driver permit. Any new drivers should be inducted by sharing the route information as well as the safety requirement requested by Eskom.
At the end of the contract, the contractor must transfer their knowledge of passengers, and specially the routes to the new contractor.

2.11 Design and supply of Equipment

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

2.12.1 Equipment

None

2.12.2 Information and other things

Bus route plan and time schedule.

2.13 Management of work done by Task Order

Only use this heading if Option X19 applies to this contract.

In some cases all work may be done in terms of Task Orders in which case it may be logical to move this section closer to the start of this part 2 of the Service Information. In some cases only parts of the *service* may require to be handled by Task Order, for example a major repair which has become necessary during a continuous maintenance service contract.

Please read Option X19 before drafting requirements here as much of the procedure for the administration of Task Orders is already provided in X19, for example X19.2 specifies what a task Order should include

A Task Order format could be provided in an Annexure to this Service Information.

Many considerations can apply to Task Orders, such as availability of resources, arrangements for emergency work, Task Order reporting (work carried out and service results), assessment of additional Prices for *service* not included in the Price List etc.

Clause X19.6 requires information which should be included on a Task Order programme.
Further requirements for Task Orders include things to be provided by the *Employer* under a Task Order and the conditions under which the *Employer* or Others are to work.

3 Health and safety, the environment and quality assurance

3.1 Health and safety risk management

In addition to the requirements of the laws governing health and safety, Eskom may have some additional requirements particular to the *service* and the Affected Property for this contract. The text below provides for these being attached as an Annexure to this Service Information. PLEASE ALSO READ CORE CLAUSE 27.4 TOGETHER WITH Z7 IN THE ADDITIONAL CONDITIONS OF CONTRACT TO MAKE SURE THAT WHATEVER IS INCLUDED IN THE ANNEXURE FOLLOWS ON FROM THOSE CLAUSES.

The Divisional/Regional Safety Risk Manager or his representative having jurisdiction over the *service* must provide the relevant safety, health and environmental (SHE) criteria for incorporation into this Service Information. The SHE specification / scope must be signed off by the Divisional/Regional Safety Risk Manager or his representative confirming that the applicable safety criteria have been taken into account.

The Commodity Manager / Buyer must refer the tender to the Divisional/Regional Safety Risk Manager or his representative in order to evaluate against enquiry-specific safety criteria.

The Divisional Safety Risk Managers will be responsible for the allocation of resources to assist P&SCM with the above processes.

The *Contractor* shall comply with the health and safety requirements contained in Annexure _____ to this Service Information.

3.2 Environmental constraints and management

Describe or cross refer to environmental constraints applicable to the *Contractor's* plan and his activities on the Affected Property and how they should be managed. Include here or cross refer to an Annexure to the Service Information.

The *Contractor* shall comply with the environmental criteria and constraints stated in Annexure _____

3.3 Quality assurance requirements

Specify minimum requirements for the *Contractor's* Quality Plan and Work Procedures or provide the *Employer's* Quality Plan if that is to be used. Make sure witness and hold points are identified generally and describe any particular requirements for QA outside the Affected Property. Indicate how the *Contractor's* QA documentation is to be submitted for acceptance and any conditions that need to be imposed relating to acceptance. State whether ISO compliance is a condition and if so which ISO standard shall apply.

4 Procurement

There is a cross reference from the core clause 11.2(6) definition of Disallowed Cost to the Service Information regarding procurement procedures. This part of the Service Information MUST include any such procedures to be able to administer Disallowed Cost.

4.1 People

4.1.1 Minimum requirements of people employed

Drivers must be fluent in English, have a valid PDP to transport passengers and be medically fit.

4.1.2 BBBEE and preferencing scheme

Specify constraints which *Contractor* must comply with after contract award in regard to any Broad Based Black Economic Empowerment (B-BBEE) or preferencing scheme measures.

4.1.3 Accelerated Shared Growth Initiative – South Africa (ASGI-SA)

If the ASGI-SA requirements are to be included in this contract specify constraints which *Contractor* must comply with after contract award in regard to any ASGI-SA requirements. The ASGI-SA Compliance Schedule completed in the returnable tender schedules is reproduced here. If ASGI-SA does not apply, delete this paragraph.

The *Contractor* complies with and fulfils the *Contractor's* obligations in respect of the Accelerated and Shared Growth Initiative - South Africa in accordance with and as provided for in the *Contractor's* ASGI-SA Compliance Schedule stated below

[Insert the agreed ASGI-SA Compliance Schedule here]

The *Contractor* shall keep accurate records and provide the *Service Manager* with reports on the *Contractor's* actual delivery against the above stated ASGI-SA criteria. [Elaborate on access to and format of records and frequency of submission etc.]

The *Contractor's* failure to comply with his ASGI-SA obligations constitutes substantial failure on the part of the *Contractor* to comply with his obligations under this contract.

4.2 Subcontracting

4.2.1 Preferred subcontractors

TSC3 does not make use of nominated subcontracting, but the *Employer* may list which subcontractors or suppliers the *Contractor* is required to enter into subcontracts with. This is usually only required where specialist services need to be obtained from a particular supplier or group of suppliers in order to comply with operational standards.

4.2.2 Subcontract documentation, and assessment of subcontract tenders

Specify any constraints on how the *Contractor* is to prepare subcontract documentation, whether use of the NEC system is compulsory or not (compulsory is recommended) and how subcontract tenders are to be issued, received, assessed (using a joint report?) and awarded.

4.2.3 Limitations on subcontracting

The *Employer* may require that the *Contractor* must subcontract certain specialised work, or that the *Contractor* shall not subcontract more than a specified proportion of the whole of the contract.

4.2.4 Attendance on subcontractors

State requirements for attendance on Subcontractors, if any

4.3 Plant and Materials

4.3.1 Specifications

Plant and Materials are defined as items intended to be included in the Affected Property. This will refer to replacement of worn or defective parts, routine replacement as part of regular preventative maintenance and supply of spare parts. Quality is usually designed in or specified in the technical specifications. However to cover circumstances where quality may not be prescribed, this sub-paragraph could also be used to state an overarching default requirement – fitness for purpose etc.

Either specify here or provide a list of the applicable specifications and attach them as Annexure or state where they can be obtained from.

4.3.2 Correction of defects

Any defects on vehicles should be repaired immediately and a replacement vehicle should be provided until the repairs are done. Repairs should be carried out by an OEM dealer using genuine parts.

4.3.3 *Contractor's* procurement of Plant and Materials

All vehicles with their safety equipment should be supplied by the contractor. All vehicles provided shall not exceeds 7 years of age.

4.3.4 Tests and inspections before delivery

All vehicles should be inspected by a Fleet department representative prior to commencement of the service.

4.3.5 Plant & Materials provided “free issue” by the *Employer*

Eskom will provide, install, and maintain the Vehicle Monitoring Unit in each vehicle that the contractor will be using for Matla Power Station. Eskom will also arrange for the removal of this equipment after the contract end.

All other Plant and Materials are to be provided by the *Contractor*.

4.3.6 Cataloguing requirements by the *Contractor*

State whether cataloguing is applicable, if it is, reference the requirements for cataloguing that need to be satisfied by the *Contractor* (consult Procurement Instruction Number 1 of 2018 – Incorporating Cataloguing into the Procurement Environment, Unique Identifier 240-1289988974).

5 Working on the Affected Property

This part of the Service Information addresses constraints, facilities, services and rules applicable to the *Contractor* whilst he is doing work on the Affected Property.

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

Drivers must apply for permits to enter the Matla premises.

5.2 People restrictions, hours of work, conduct and records

It is very important that the *Contractor* keeps records of his people working on the Affected Property. The *Service Manager* shall have access to them at any time. These records may be needed when assessing compensation events.
Man-hour documents should be recorded on the provided Eskom documents and provided to Eskom on a monthly and as when required basis.

5.3 Health and safety facilities on the Affected Property

Section 3 deals with contractual H & S requirements in addition to those of the OHSA Act. This section allows the *Employer* to state what measures are to be taken on the Affected Property by describing where First Aid facilities provided by the *Employer* are located and any other emergency arrangements. Do not use if already addressed in 2.3.

5.4 Environmental controls, fauna & flora

This sub-paragraph may not be required in a service contract or if these matters are dealt with in the general environmental requirements referred to in section 3 above.

5.5 Cooperating with and obtaining acceptance of Others

This sub-paragraph could be used to deal with two issues.

- 1) The cross reference from core clause 25.1 about cooperation generally as well as details about Others with whom the *Contractor* may be required to share the Affected Property. See clause 11.2(9) for the definition of Others.
- 2) Requirements for liaison with and acceptance from statutory authorities or inspection agencies.

5.6 Records of *Contractor's* Equipment

This sub-paragraph is intended to address how records are to be kept of Equipment on Site including whether it is owned or hired. Include any constraints about scaffolding, rigs, heavy lifts and cranes, including removal from the Affected Property.

5.7 Equipment provided by the *Employer*

Provide details of equipment (e.g. overhead cranes) made available for use by the employer and set out conditions relating thereto.

5.8 Site services and facilities

5.8.1 Provided by the *Employer*

Only when dropping off or collecting passengers on the Matla site may the drivers make use of the ablution facilities and kitchen for making coffee or tea or warming food. The *Contractor* shall provide everything else necessary for Providing the Service.

5.8.2 Provided by the *Contractor*

Contractor to provide drivers with: telephones and airtime, Coffee, Tea, Sugar, Milk and everything else necessary to provide the service.

5.9 Control of noise, dust, water and waste

No loud noises or littering are allowed on Eskom premises.

5.10 Hook ups to existing works

State any constraints

5.11 Tests and inspections

5.11.1 Description of tests and inspections

Vehicles used will be inspected by the Fleet department before commencement of the contract. Vehicle inspection should be carried out by the drivers of the buses and be available on request by Eskom.

5.11.2 Materials facilities and samples for tests and inspections

State what materials facilities and samples for tests and inspections the *Contractor* and the *Employer* are to provide, per core clause 40.2.

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.

Drawing number	Revision	Title

C1.2 Contract Data

Part two - Data provided by the *Contractor*

[Instructions to the contract compiler: (delete this notes before issue to tenderers with an enquiry)

Whenever a cell is shaded in the left hand column it denotes this data is optional and would be required in relation to the option selected. In the event that the option is not required select and delete the whole row.]

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)² 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	

² Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 5391902 or www.ecs.co.za

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:
	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
C	Target contract with price list
11.2(12)	The <i>price list</i> is in
11.2(20)	The tendered total of the Prices is R
E	Cost reimbursable contract
11.2(12)	The <i>price list</i> is in

C1.3 Forms of Securities

Pro formas for Bonds & Guarantees

For use with the NEC3 Term Service Contract (TSC3)

[Note to contract compiler:

Once it has been decided which securities are required for this contract delete from this file the ones not required, revise the notes below accordingly and delete this note.]

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

Option X4: Parent company guarantee
Option X13: Performance Bond

Each of these secondary Options requires a bond or guarantee “in the form set out in the Service Information”. Pro forma documents for these bonds and guarantees are provided here for convenience but are to be treated as part of the Service Information.

The *Contractor* shall guarantee his ASGI-SA Obligations by providing the *Employer* with an ASGI-SA Guarantee in the form provided here.

[Note to contract compiler: If there are no ASGI-SA Obligations in this contract, delete the above statement and the ASGI_SA 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 Parent Company Guarantee (for use with Option X4)

(to be reproduced exactly as shown below on the letterhead of the Contractor's Parent Company)

Eskom Holdings SOC Ltd
Megawatt Park
Maxwell Drive
Sandton
Johannesburg

Date:

Dear Sirs,

Parent Company Guarantee for Contract No

With reference to the above numbered contract made or to be made between

Eskom Holdings SOC Ltd (the *Employer*) and

{Insert registered name and address of the *Contractor*} (the *Contractor*), for

{Insert details of the *works* from the Contract Data} (the *works*).

I/We the undersigned

on behalf of the *Contractor's*
parent company

of physical address

and duly authorised thereto do hereby unconditionally guarantee to the *Employer* that the *Contractor* shall Provide the Service in accordance with the above numbered Contract.

1. If for any reason the *Contractor* fails to Provide the Service, we hereby agree to cause to Provide the Service at no additional cost to the *Employer*.
2. If we fail to comply with the terms of this Deed of Guarantee, the *Employer* may itself procure such performance (whether or not the Agreement be formally determined). The *Employer* is to notify us and we shall indemnify the *Employer* for any additional cost or expense it incurs.
3. Our liability shall be as primary obligor and not merely as surety and shall not be impaired or discharged by reason of any arrangement or change in relationship made between the *Contractor* and the *Employer* and/or between us and *Contractor*; nor any alteration in the obligations undertaken by the *Contractor* or in the terms of the Agreement; nor any indulgence, failure, delay by you as to any matter; nor any dissolution or liquidation or such other analogous event of the *Contractor*.
4. The *Employer* shall not be obliged before taking steps to enforce the terms of this Deed of Guarantee to obtain judgement against the *Contractor* in any court or other tribunal, to make or file any claim in liquidation (or analogous proceedings) or to seek any remedy or proceed first against the *Contractor*.
5. This Deed of Guarantee shall be governed by and construed in accordance with the laws of the Republic of South Africa and we hereby submit to the non-exclusive jurisdiction of the High Court of South Africa.

Signed at _____ on this _____ day of _____ 200_

Signature(s)

Name(s) (printed)

Position in parent company

Signature of Witness(s)

Name(s) (printed)

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 accordance with the laws of the Republic of South Africa under Registration Number 2002/015527/30].
- 1.6 “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
- 1.7 “Guaranteed Sum” - means the sum of R [●] ([●] Rand);
- 1.8 “Services” - means [insert as applicable.].

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 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: _____

Witness: _____
Bank's seal or stamp

Witness: _____

Pro forma ASGI-SA Guarantee

(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

Pro-Forma ASGI-SA 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 Project, entered into between the *Employer* 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 "*Contractor's ASGI-SA Obligations*" – means the *Contractor's ASGI-SA Obligations* under and as defined in the Contract.
 - 1.6 "*Employer*" - means Eskom Holdings SOC Ltd, a company registered in accordance with the laws of the Republic of South Africa under Registration Number 2002/015527/30.
 - 1.7 "Expiry Date" - means the [●] day of [●] 200[●]; [Drafting Note: anticipated date of issue of ASGI-SA Performance Certificate to be inserted.]
 - 1.8 "Guaranteed Sum" - means the sum of R [●] ([●] Rand);
 - 1.9 "Project" – means the
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 the *Employer*, as security for the proper performance by the *Contractor* of the *Contractor's ASGI-SA Obligations* and hereby undertake to pay to the *Employer*, on written demand from the *Employer* 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 state the amount claimed ("the Demand Amount");
 - 3.2 state that the Demand Amount is payable to the *Employer* 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 the *Employer* and the *Contractor*.
6. The *Employer* 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 the *Employer* cede its rights against the *Contractor* to a third party where such cession is permitted under the Contract, then the *Employer* shall be entitled to cede to such third party the rights of the *Employer* 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 the *Employer* 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: _____

Witness: _____

Witness: _____

Bank's seal or stamp

PART 2: PRICING DATA

TSC3 Option A

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

C2.1 Pricing assumptions: Option A

How work is priced and assessed for payment

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

Identified and defined terms	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
		(17) The Price for Services Provided to Date is the total of
		4. the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and
		5. where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

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

Function of the Price List

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

Link to the *Contractor's* plan

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

Preparing the *price list*

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

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

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

Format of the *price list*

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

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

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

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

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

C2.2 the *price list*

[illegible]

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PART 2: PRICING DATA
TSC3 Option C

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option C	2
C2.2	The <i>price list</i>	[•]

C2.1 Pricing assumptions: Option C

How work is priced and assessed for payment

Clause 11 in the core clauses and Option C clauses of the NEC3 Term Service Contract (TSC3) state:

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.
		(18) The Price for Services Provided to Date is the Defined Cost which the <i>Contractor</i> has paid plus the Fee.
		(20) 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.

Payments are made at Defined Cost plus Fee (See core clauses 11.2(5), 11.2(6) and 11.2(8)). At the dates stated in the Contract Data, the *Service Manager* calculates the *Contractor's* share in terms of clause 53. If the *Contractor* has been paid more than the equivalent Prices in the Price List for the same work he pays the *Employer* a portion of the over-run (the pain) but if he has been paid less than the equivalent Prices in the Price List he is paid a portion of the under-run (the gain). The Prices in the Price List are derived from a list of items of service which can be priced as lump sums or as expected quantities of service multiplied by a rate or a mix of both.

Function of the Price List

In this Option the Price List is used as a means of arriving at a target price. Clause 54.1 in Option C 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.

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 related to items of service priced in the *price list*.

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 C 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 C;
- Understands the Price List is only used as a means of arriving at a target and that work done is

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

Format of the *price list*

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 *price list* includes 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 *price list* includes 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 *price list* includes 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*

[illegible]

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PART 2: PRICING DATA

TSC3 Option E

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option E	1
C2.2	The <i>price list</i>	[•]

C2.1 Pricing assumptions: Option E

How work is priced and assessed for payment

Clause 11 in the core and Option E clauses of the NEC3 Term Service Contract (TSC3) state:

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.
		(18) The Price for Services Provided to Date is the Defined Cost which the <i>Contractor</i> has paid plus the Fee.
		(24) The Prices are the amounts stated in the Price column of the Price List. If no Price List is included, the Prices are the Defined Cost plus the Fee.

Payments are made at Defined Cost plus Fee (See core clauses 11.2(5), 11.2(6) and 11.2(8)). As this Option is used when the definition of work is likely to be inadequate for pricing purposes, it may not be practical to establish a Price List.

Function of the Price List

In this Option the Price List (if any) is used only as a means of forecasting the final outcome.

Preparing the *price list* (if any)

It will be assumed that the tendering contractor has read Pages 14 and 15 of the TSC3 Guidance Notes before preparing the *price list*. Items in the *price list* may have been inserted by the *Employer* and the tendering contractor should insert any additional items which he considers necessary.

Format of the *price list*

Entries in the first four columns in the *price list* in section C2.2 are made either by the *Employer* or the tendering contractor. For Option E the Price List is used only for forecasting Defined Cost.

If the *price list* includes 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 *price list* includes 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 *price list* includes 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*

[illegible]

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