

NEC3 Term Service Contract

A Contract between **ESKOM ROTEK INDUSTRIES SOC LIMITED**
Reg. No.: 1990/006897/30

and

Reg. no:

for **THE SUPPLY OF SERVICES FOR THE
REFURBISHMENT OF TURBINE COMPONENTS**

Contents:

Doc Ref

Part C1 Agreements & Contract Data

C1.1 & C1.2

Part C2 Pricing Data

Part C3 Scope of Work

CONTRACT NUMBER(S)

PART C1: AGREEMENTS & CONTRACT DATA

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Form of Offer & Acceptance

Offer

The *Employer*, identified in the Acceptance page signature block on the next page, has solicited an offer for:

THE SUPPLY OF SERVICES FOR THE REFURBISHMENT OF TURBINE COMPONENTS

The tenderer, identified in the signature block below, has examined the draft contract as listed in the Acceptance page and agreed to provide this Offer.

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

Options A	The offered total of the Prices exclusive of VAT is	R
	Value Added Tax @ 15% is	R
	The offered total of the amount due inclusive of VAT is ¹	R
	(VAT inclusive) Supply of Services on an as and when required basis All payment terms will be as per the ERI and Eskom Procurement Policy and Eskom National Treasury Regulations	

This Offer may be accepted by the *Employer* by signing the form of Acceptance overleaf and returning one copy of this document including 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:

Name & signature of witness **Date**

..... **Date**

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

The Supply of Services for the Refurbishment of Turbine Components

**Name &
signature of
witness**

Tenderer's CIDB registration number:

232993

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 and Annexure. 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.

The listed documents comprise the entire agreement between the parties and supersede any prior oral and written agreement or understanding between them relating to the *Service*, Plant and Materials and /or the contract.

The tenderer shall within one week 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 to be confirmed). Unless the tenderer (now *Contractor*) within five days of the date of such receipt notifies the *Employer* in writing of any reason why he cannot accept the contents of this Form of Offer and Acceptance, this Agreement shall constitute a binding contract between the Parties.

Signature(s)

Name(s)

Capacity

for the
Employer

Name &
signature of
witness

Name &
signature of
witness

Date

Date

Gersh Bonga

General Manager, Turbo Gen Services
Eskom Rotek Industries SOC Ltd
Lower Germiston Road
Cleveland
2022

Contract Data

Part one – Data provided by the *Employer*

Rows containing the statement and data for optional clauses are identified by shading in the left-hand column.

Clause number	Statement	Data
1	General	
11.1	The conditions of contract are the core clauses and the clauses for main Option:	A: Priced contract with price list
	dispute resolution Option	W1 Dispute resolution
	and secondary Options	X1 Priced Adjustment for inflation
		X2: Changes in the law
		X18: Limitation of liability
		X19: Providing the Service by Task Order
		X20 Key Performance Indicators
		Z Additional conditions of contract
	of the NEC3 Term Service Contract April 2013	
11.2(13)	The service is	The Supply of Services for the Refurbishment of Turbine Components
10.1	The Employer is	Eskom Rotek Industries SOC Ltd.
	Address	Lower Germiston Road Cleveland 2022
10.1.1	The Contract Manager is	Grassie Govender
	Address	Lower Germiston Road Cleveland 2022
	Tel	011 629 4000
	e-mail	minyian@eskom.co.za
11.2(2)	The Affected Property is	All Eskom Power Stations
11.2(15)	The Service Information is in	Part C3: Scope of Work and all documents and drawings to which it makes reference.
12.2	The law of the contract is the law of	the Republic of South Africa.
13.1	The language of this contract is	English

13.3	The period for reply to a communication is	Two (2) working days
2	The Contractor's main responsibilities	
21.1	The Contractor is to submit a first plan for acceptance within	As stated in each Task Order, as applicable
3	Time	
30.1	The starting date is.	Signature of this Contract and issue of the official order. The Task Orders issued will stipulate the Start and end date as per the relevant program and SOW. Task Orders will be issued as and when required.
30.2	The service period is	5 years from the starting date. The completion date for each Task Order shall be the end date for completion of the services under the respective Task Order. The contract will not allow any operations to continue beyond the final completion date of the contract.
4 42.1	Testing and Defects defect correction period	52 weeks after Task Completion Date. The time to respond to a defects notification will be 2 calendar days.
5	Payment	
50.1	The assessment interval is	As indicated on each Task Order
51.1	The currency of this contract is the	South African Rand.
51.2	The interest rate is	(I) Zero (5%) percent above the average of the prime lending rates in force from time to time at South Africa's four largest commercial banks. (ii)
51.4	The period within which payments are made is	60 days after receipt of the Contractor's compliant Tax invoice.
51.5	Retention for performance measurement	Not applicable
6	Compensation events	
60.1	Compensation events	As indicated on each Task Order Work not included in the Service Information and Annexures attached
		These are additional compensation events: Any repair work not stated in the SOW to ensure the successful completion of the work.

8	Risks and insurance																		
80.1	These are additional <i>Employer's</i> risks 1. None																		
83.1	<p>The <i>Employer</i> provides the insurances stated in the Insurance Table below.</p> <p style="text-align: center;">INSURANCE TABLE</p> <table border="1"> <thead> <tr> <th>Insurance against</th> <th>Minimum amount of cover or minimum limit of indemnity as stated for "Format TSC3" available on</th> </tr> </thead> <tbody> <tr> <td>Assets All Risk</td> <td>As per the insurance policy document.</td> </tr> <tr> <td>Project insurance</td> <td>As per the insurance policy document.</td> </tr> <tr> <td>General and Public Liability</td> <td>As per the insurance policy document.</td> </tr> <tr> <td>Environmental Liability</td> <td>As per the insurance policy document.</td> </tr> <tr> <td>Transport (Marine)</td> <td>As per the insurance policy document.</td> </tr> <tr> <td>Motor Fleet and Mobile Plant</td> <td>As per the insurance policy document.</td> </tr> <tr> <td>Terrorism</td> <td>As per the insurance policy document.</td> </tr> <tr> <td>Cyber Liability</td> <td>As per the insurance policy document.</td> </tr> </tbody> </table>	Insurance against	Minimum amount of cover or minimum limit of indemnity as stated for "Format TSC3" available on	Assets All Risk	As per the insurance policy document.	Project insurance	As per the insurance policy document.	General and Public Liability	As per the insurance policy document.	Environmental Liability	As per the insurance policy document.	Transport (Marine)	As per the insurance policy document.	Motor Fleet and Mobile Plant	As per the insurance policy document.	Terrorism	As per the insurance policy document.	Cyber Liability	As per the insurance policy document.
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	of and in the course of their employment in connection with this contract	
9	Termination	No data required- Aligned to NEC3 criteria for Termination
10	Data for main Option clause, W1 and secondary Option clauses	
A:	Priced contract with Price List	The Price List is in C2: Pricing Data is fixed for a period of one (1) year. Thereafter it is subject to an annual revision The increase is calculated in terms of Option X1.
W	W1 Dispute resolution	
W1.1	The Adjudicator is (name):	To be agreed between the Parties.
W1.3	The adjudicator nominating body is	If the Parties cannot agree on the appointment of the adjudicator, the appointing authority will be the Chairperson for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successive body.
W1.4	The tribunal is:	Arbitration
W1.5	The dispute resolution procedure is	<p>The Parties undertake to follow the process hereafter to resolve a disagreement before declaring a dispute: Should any disagreement arise, which cannot be solved in the normal course of business between the Parties either Party may give the other Party written notice of such disagreement, in which event the provisions referred to below shall apply; Within 2 (two) business days of receipt of the notification (or such period as the Parties may agree in writing) the respective Parties shall meet in a spirit of goodwill and in an endeavour to resolve the matter in disagreement. The Parties shall jointly record the nature and factual details of the disagreement.</p> <p>If the Parties are unable to resolve the disagreement within the agreed time period, then either Party may, on written notice to the other Party require that the part of the disagreement which has not been settled is then referred to the applicable ROTEK, Gen Services, Service Manager and the applicable Contractor’s Head of Department. The Parties shall jointly record the nature and factual details of the disagreement.</p> <p>If they are unable to resolve the disagreement within 7 (seven) business days of receipt of notice or such period as the Parties may agree in writing, then either Party may, on written notice to the other Party require that the part of the disagreement which has not been settled is then referred to the ROTEK, Gen Services, Product Manager and Contractor’s Managing Director or their duly authorised</p>

		<p>representatives. The Parties shall jointly record the nature and factual details of the disagreement. If the Parties fail to resolve the disagreement within 14 (fourteen) business days of receipt of notice or such period as the Parties may agree in writing, then the Parties agree to declare the part of the disagreement which has not been resolved, as a dispute and submit it to an adjudicator to be chosen by the Parties.</p>
<p>W1.6</p>	<p>The arbitration procedure is</p>	<p>Arbitration shall be conducted in accordance with the rules of the Arbitration Foundation of Southern Africa (“AFSA”)</p> <p>Should the Parties fail to agree in writing on an arbitrator within 15 (fifteen) business days after arbitration has been demanded, the arbitrator shall be nominated by AFSA.</p> <p>The decision of the Arbitrator shall be final and binding.</p> <p>Nothing herein contained shall be deemed to prevent or prohibit a Party from applying to the appropriate court for urgent interim relief.</p> <p>Any arbitration in terms of this clause maybe conducted in camera and the Parties shall treat as confidential and not disclose to any Third-Party details of the dispute submitted to arbitration, the conduct of the arbitration proceedings or the outcome of the arbitration, without the written consent of all the Parties.</p>
<p>W1.7</p>	<p>The place where arbitration is to be held is</p>	<p>Johannesburg, South Africa.</p>
<p>W1.8</p>	<p>The person or organisation which will choose an arbitrator if the Parties cannot agree a choice or if the arbitration procedure does not state who selects a replacement arbitrator is:</p>	<p>The number of arbitrators shall be 3 (three). Each Party shall nominate an arbitrator. The nominated arbitrators shall agree a Chairman Arbitrator. The person or organisation which will choose a Chairman Arbitrator if the nominated arbitrators cannot agree a choice is: The Chairman of the Arbitration Foundation of Southern Africa (AFSA).</p>
<p>X1</p>	<p>Price Adjustment for Inflation</p>	<p>Cost Price Adjustment, Prices will be adjusted annually, by applying the following:</p> <p>1. For the Local Portion:</p> $P_p(n) = P_p(0) * \left[\frac{CPI(n)}{CPI(0)} \right]$ <p>Where P_p = Local payment for services in Rand (0) = Reference month is one month prior to the signature of contract (n) = Month closest to the date of contract anniversary</p>

CPI = The Consumer Price Index as published, (P0141.1)

SEIFSA Table D-1 CP1

Contract rates will be billed in ZAR, and such rates will be calculated using the USD as a reference point on each anniversary of the contract, which shall be calculated according to the following methodology:

	Exchange rate	All foreign cost will be paid on spot as per ZAR exchange rate on the date of corresponding cost incurred, substantiated by such cost incurred Eskom and the Contractor will do an exchange rate comparison simultaneously in order to reach agreement on the exchange rate to be used.
X2	Changes in the law	Add: A change in the law of the country in which the Affected Property is located or of the country of the <i>Contractor</i> is a compensation event if it occurs after the Contract Date
X18	<p>Limitation of liability X18.1 The Contractor’s liability to the Employer for indirect or consequential loss is limited to</p> <p>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</p> <p>X18.3 The Contractor’s liability for defects due to his design are:</p> <p>X18.4 The Contractor’s total liability to the Employer for all matters arising under or in connection with this contract, other than the excluded matters, is limited to</p>	<p>Zero (0) Rand</p> <p>The Parties are not liable to each other for any loss of revenue, loss of profit, loss of production, loss of contracts, loss of use, loss of power, cost of capital, cost of purchased or replacement power, cost of substitute equipment or services, financial or economic loss or claims of third parties in respect of the above or any indirect loss or damage.</p> <p>Exclusion or limitation of liability in this contract applies in contract, tort or delict (including negligence), as well as for breach of statutory duty, under any indemnity or otherwise and to the maximum extent permitted in law.</p> <p>As above in Clause 83.1</p> <p>Not Applicable</p> <p>For each <i>service</i> ordered under a Task Order, the <i>Contractor’s</i> total cumulative 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 the Task Order Price in respect of the relevant service at the Task Order date and applies in contract, tort or delict (including negligence), as well as for breach of statutory duty, under any indemnity and otherwise to the extent allowed under the law of the contract. The excluded matters are</p>

		<ul style="list-style-type: none"> • death of or injury to a person; and/or • loss of or damage to 3rd party property; and/or • infringement of intellectual property right, which arise from any negligence, wilful act or omission or breach of statutory duty of the Supplier. The Supplier shall have no liability to the Purchaser after the Defects Certificate has been issued. <p>Exclusion or limitation of liability in this contract applies in contract, delict and negligence as well as for breach of statutory duty, under any indemnity or otherwise and to the maximum extent permitted in law.</p>
X19	Providing the Service by Task Order	
X19.3		X19.3 to be deleted and replaced with: One percentage (1%) per week delay to a maximum of five percentage (5 %) of the value, of those activities causing the delay. Such delay damages shall constitute remedy that the <i>Employer</i> shall be entitled to claim in case of delay caused by the <i>Contractor</i> for the delivery of the <i>services</i>
Z	Additional Conditions of Contract	
Z1	Core Clause 11: Identified and defined terms	
Z1.1		<p>Add to core clause 11.2(4) as follows: A Defect is</p> <ul style="list-style-type: none"> • a part of the <i>Service</i> which is not provided in accordance with the Service Information or with a Task Order • where applicable, a part of the <i>Service</i> which is not in accordance with the Accepted Plan • a physical defect in the Plant or Material for which the <i>Service</i> is required arising out of the faulty design, materials or workmanship of the <i>Contractor</i>.
Z1.2		Replace core clause 11.2 (11) as follows: Plant and Material are items intended to be included in the Affected Property and/or on which the <i>Service</i> is to be provided.
Z2	Design of Equipment:	Core clause 23 is not applicable.
Z3	Core clause 24: People	
Z3.1		<p>. In Core clause 24.1, amend last sentence as follows:</p> <p>“A reason for not accepting the replacement person is that his qualifications, experience and English</p>

	<p>language proficiency do not comply with the requirements of the <i>Service</i> to be provided”.</p> <p>In core clause 24.2, add the following:</p> <p>“For employees whose services are replaced, the time for replacement by the <i>Contractor</i> shall be four (4) weeks in all the circumstances and depending on visa approval of Foreign resources.</p> <p>The <i>Contractor</i> will provide a list of NDT/Boresonic Specialists that will be technically pre-approved by the <i>Employer’s</i> Technical evaluators to ensure the specialist meet the criteria required, qualifications, experience and English language proficiency that is in line with the SOW defined in the contract Section C3.1 Employers Service Information page 17.</p> <p>A list of CV’s for evaluation will be provided to the <i>Employer’s</i> for evaluation. Evaluation, selection and finalisation will be done 1 month after the signing of this contract.</p>
<p>Z4</p>	<p>Core Clause 41.2: Completion Certificate</p>
<p>Z4.1</p>	<p>Add the following Core Clause 41.2:</p> <p>“The <i>Contractor</i> prepares a Completion Certificate upon completion of the Task Order performed by the <i>Contractor</i>, no later than 30 days after the completion of the related Task and all identified defects. Both Parties agree to the Completion Certificate under signature.</p>
<p>Z4.2</p>	<p>Add new clause 42.3:</p> <p>“With regards to the <i>Service</i> performed under each Task Order, the <i>Contractor</i> has no responsibility for damage caused by ordinary wear and tear, unintended use, misuse, abuse, improper or unsuitable environment, improper storage, installation, maintenance, operation and repairs by the <i>Employer</i> or by persons not under the <i>Contractor’s</i> direct supervision, failure by the <i>Employer</i> to notify the <i>Contractor</i> immediately after the Defect becomes apparent or other causes beyond the reasonable control of the <i>Contractor</i>.</p> <p>The <i>Contractor</i> is not responsible for providing working access to the Defect, including disassembly, opening up and closing of parts of the Affected Property, Plant and Materials which are not included in the <i>Contractor’s</i> original scope.</p> <p>The <i>Contractor</i> accepts warranty for Services in as much as he will repair or re-perform the part of the <i>Service</i> concerned for which he is responsible. The warranty obligations of the <i>Contractor</i> described under this clause shall constitute the sole and</p>

		exclusive remedy of the <i>Employer</i> and the sole liability of the <i>Contractor</i> in respect of claims based on warranty issues.”
Z5	Core Clause 70.1: Use of Equipment, Plant and Material	
Z5.1		<p>Add at the end of Clause 70.1:</p> <p>Before the Task Order <i>starting date</i> and at the Task Order Completion Date of each Task Order, the equipment, Plant and Material provided by the <i>Employer</i>, will be inspected by the <i>Contractor</i> and the <i>Employer</i>. No later than twenty-four (24) hours prior to and after such dates both Parties shall sign a hand over certificate.</p> <p>In case of defect or deficiency after such inspection, the Party responsible for the defect or deficiency shall be liable for such defect or deficiency.</p>
Z6	Core clause 81: The Contractor’s risks	
Z6.1		<p>Delete core clause 81.1</p> <p>The <i>Contractor’s</i> risks shall be those risks comprising negligent acts, errors or omissions of the <i>Contractor</i> or wilful misconduct of the <i>Contractor</i>.</p>
Z7	Core Clause 82: Indemnity	
Z7.1		<p>Add to core clause 82</p> <p>82.3: The <i>Employer</i> indemnifies the <i>Contractor</i> against claims proceedings compensation or costs payable which are the unavoidable result of the <i>Service</i> or Providing the <i>Service</i> or which arise from</p> <ul style="list-style-type: none"> • any fault, negligence, breach of statutory duty, • infringement of an intellectual property right, or • interference with any legal right <p>By the <i>Employer</i> or by any person employed by or contracted to him except the <i>Contractor</i>.</p> <p>82.4 The <i>Contractor</i> indemnifies the <i>Employer</i> against other losses, claims, proceedings, compensation and costs payable in respect of:</p> <ul style="list-style-type: none"> • death of or injury to a person, and • loss of or damage to property of third parties (other than the <i>Employer’s</i> property, <i>Service</i>, Plant and Materials), and <p>arising from or in connection with the <i>Contractor’s</i> providing the <i>Service</i>, provided such loss or damage, claim or costs have been caused by any negligent act or omission of the <i>Contractor</i>.</p>

	<p>82.5 Where a Party (“the Recipient”) is the beneficiary of an indemnity from the other Party (“the Indemnifying Party”) under this contract it is agreed that the Indemnity shall be conditional upon:</p> <ol style="list-style-type: none"> 1. The Recipient immediately informing the Indemnifying Party of its receipt of any claim or anticipated claim and that the Recipient shall permit the Indemnifying Party the right to step-in take over and defend or settle such claim, and 2. The Recipient assisting the Indemnifying Party at the Indemnifying Party’s expense, in the conduct of the defence of the claim or anticipated claim and supply such information as the Indemnifying Party may reasonable require, and 3. The Recipient refraining from making any statement or taking any action that may be prejudicial to the Indemnifying Party’s rebuttal, defence or settlement of the claim or anticipated claim.”
Z8	Core clause 91.1 Termination
Z8.1	<p>Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it": or had a judicial management order granted against it.</p>
Z9	Cession and delegation of rights and assignment
Z9.1	<p>Neither Party shall cede, delegate or assign any of its rights nor obligations (including liabilities) to any person without the written consent of the other Party. The <i>Contractor</i> may however, assign any of its accounts receivable under this Contract to any party without <i>Employer’s</i> written consent.</p>
Z9.2	<p>Notwithstanding the above, the <i>Employer</i> may on written notice to the <i>Contractor</i> cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry and the Electricity Distribution Industry.</p>
Z10	Change of Broad Based Black Economic Empowerment (B-BBEE) status

Z10.1		Where a change in the <i>Contractor's</i> legal status, ownership or any other change to his business composition or business dealings results in a change to the <i>Contractor's</i> B-BBEE status, the <i>Contractor</i> shall use reasonable efforts to notify the <i>Employer</i> within a reasonable period. The Parties agree and acknowledge that such notice is for information only, and shall in no way impact the rights and obligations of the Parties, or cause other consequence whatsoever.
Z11	Ethics	
Z11.1		Any offer, payment, consideration, or benefit of any kind made by the <i>Contractor</i> , which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for terminating the <i>Contractor's</i> obligation to Provide the Service or taking any other action as appropriate against the <i>Contractor</i> (including civil or criminal action).
Z11.2		<p>The <i>Employer</i> may terminate the <i>Contractor's</i> obligation to Provide the Service if the <i>Contractor</i> is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices.</p> <p>Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the <i>Employer</i> or other people or organisations and including in circumstances where the <i>Contractor</i> or any such member is removed from an approved vendor data base of the <i>Employer</i> as a consequence of such practice.</p>
Z11.3		Notwithstanding the provisions of core clause 90.2, the procedures on termination in terms of this clause are P1, P2 and P4 as stated in the core clause 92 and the amount due is A1 and A3 as stated in core clause 93.
Z12	Health, safety and the environment: Add to core clause 27.4	
Z12.1		<p>The <i>Contractor</i> undertakes to take all reasonable precautions to maintain the health and safety of persons pending the execution of the <i>service</i> provided that the <i>Employer</i> has previously notified the <i>Contractor</i> of any applicable health and safety regulations with regard to accident and diseases prevention and the particular conditions of the service. Without limitation, the <i>Contractor</i>:</p> <ul style="list-style-type: none"> • accepts that the <i>Employer</i> may appoint him as the "Principal <i>Contractor</i>" (as defined and provided for under the Construction Regulations 2003 (promulgated under the

	<p>Occupational Health & Safety Act 85 of 1993) (“the Construction Regulations”) for the Affected Property;</p> <ul style="list-style-type: none"> • 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 in force at the date of its signature and undertakes, pending the execution of the <i>service</i>, to comply with such Construction Regulations and health & safety laws and regulations and rules, guidelines and procedures and ensures that his Sub-Contractors, employees and others under the <i>Contractor’s</i> direction and control, likewise observe and comply with the foregoing.
Z12.2	<p>The <i>Contractor</i>, pending the execution of the <i>service</i>, complies with all applicable laws, and regulations and rules, guidelines and procedures otherwise provided for under this contract and in force at the date of its signature and ensures that his Sub-Contractors, employees and others under the <i>Contractor’s</i> direction and control, likewise observe and comply with the foregoing.</p>
Z13	<p>Provision of a Tax Invoice and the Income Tax Act</p>
Z13.1	<p>The <i>Contractor</i> ensures that the requirement in terms of Section 20(4)(C) of the Value Added Tax Act, no 89 of 1991 (as amended by the Revenue Laws Amendment Act 45 of 2003), that the VAT registration number of the recipient of the tax invoice, appears on the said tax invoice, in order for the invoice to fully comply with the requirements of a valid invoice for VAT purposes as contained in the said Section 10(4)(C), is adhered to. The <i>Employer</i> requires adherence by the <i>Contractor</i> to this requirement. No payment will be made on tax invoices not fully meeting the requirement.</p> <p>The Income Tax Act no 58 of 1962 (“the Act”) places an obligation on every <i>Employer</i> to deduct employees’ tax (PAYE) from “remuneration” paid to an “employee”.</p> <p>Remuneration is defined in the Act.</p> <p>Such amounts are therefore subject to employees’ tax at the applicable rate.</p>
Z14	<p>Interpretation of actions</p>
Z14.1	<p>References to actions of others. Actions stated in this Contract and in any document which this Contract includes by reference are interpreted as the actions (only) of the <i>Contractor</i>,</p>

		<p><i>Employer, Contracts Manager, Adjudicator</i> or Others as the context in the <i>conditions of contract</i> requires.</p> <p>Concessions, waiver etc., of actions. Any extension, concession, waiver or relaxation of any action stated in this Contract given by either Party, the <i>Employer, the Contracts Manager, the Contractor, or the Adjudicator</i> is strictly construed as related to only the matter in respect of which it is given.</p>
Z15	Remedies	
Z15.1		<p>The warranties, representations and guarantees, as expressly set out in this Contract are the only warranties, representations and guarantees that apply to the <i>Service</i> and are in substitution for and apply to the exclusion of any warranty, representation and guarantee whether implied by common law, delict, and statute or otherwise.</p>
Z16	Intellectual Property rights	
Z16.1		<p>The Parties possess and/or own intellectual property, registered and unregistered, including but not limited to, trademarks, designs, patents, copyright, trade secrets, know-how and information of techniques, formulas, formats, specifications, procedures, drawings, reports, information systems and knowledge in the operating of its business and/or scope.</p>
Z16.2		<p>Either Party may during the duration of this Contract disclose Intellectual Property to the other Party on a need to know basis.</p>
Z16.3		<p>The Parties acknowledge that their respective rights to use the Intellectual Property rights of the other which is derived solely from this Contract and is limited solely to the use in compliance with this Contract and all applicable standards, specifications and operating procedures prescribed by the Party claiming such right. Any unauthorised use of any of the Intellectual Property rights by the other Party shall constitute a material breach of this Contract. The Parties acknowledge and agree that all usage of the Intellectual Property rights of the other will not confer any interest in these Intellectual Property rights. All provisions of this Contract will be applicable to the Intellectual Property rights developed and created by either Party in the future.</p>
Z16.4		<p>Neither Party shall use the Intellectual Property rights of the other in connection with the performance of this Contract or in any other manner not expressly authorised in writing by the holder of those rights.</p>
Z16.5		

Z16.6

Either Party shall immediately notify the other of any infringement of or challenge to the use of the Intellectual Property rights or claim by any person of any rights in the Intellectual Property rights and shall not communicate with any person other than the holder of those rights in connection with any such infringement, challenge, or claim. The Parties agree to execute any and all instruments and documents, to render such assistance and of such acts and things as may be in the opinion of the Parties' legal advisors, be necessary or advisable to protect and maintain the interests of the other's Intellectual Property rights.

The Party who supplies equipment, patent, design (the supplying Party) shall indemnify and hold harmless the other (the receiving Party) against third party claims of infringement of any patent, copyright, trade mark or trade name or Intellectual Property right provided that all the conditions are satisfied:

- The claim or proceedings arise out of the design, construction, manufacture or use of the works supplied by the supplying Party.
- The infringement was not caused by any use of the works otherwise than for purpose indicated or reasonably to be inferred from the technical specifications.
- The infringement was not caused by the supplying Party following the design or instruction of the receiving Party.

Z16.7

The receiving Party shall give timely notice to the supplying Party of any claims brought against the receiving Party in terms of this Contract or these Intellectual Property indemnities. The supplying Party will conduct any legal proceedings relating to such Intellectual Property infringement claims in the receiving Parties name provided that:

- the supplying Party shall not settle or compromise those proceedings without the prior written approval of the receiving Party which shall not be unreasonably withheld;
- the supplying Party shall not make any statement relating to any infringement nor release anything to the media whether for publication or off the record;
- the receiving Party:
 - shall be kept fully informed of the progress of the matter;
 - shall be furnished with copies of all pleadings and notices filed, and only

<p>Z16.8</p>	<p>on request of the receiving Party, the supplying Party may furnish correspondence and briefs to counsel;</p> <ul style="list-style-type: none"> – shall receive advance notice of and be entitled to attend all meetings relating to the matter; ● the supplying Party acknowledge that the receiving Party may have to consult with its insurers to the extent required by such insurers; ● the receiving Party shall be entitled to appoint independent lawyers to hold a watching brief; ● the proceedings will be conducted at the entire risk and cost of the supplying Party; ● the receiving Party shall provide all reasonable assistance requested of it in the conduct of the proceedings; ● the Supplying Party shall either procure and provide a licence from the owner of the rights to use such infringing material or shall make available an equivalent solution. <p>Either Party shall not make unauthorised copies of any portions of any of the intellectual properties disclosed in written form to the other Party unless otherwise agreed.</p>
<p>Z17</p>	<p>Safety:</p> <p>The <i>Employer</i> is responsible for ensuring that the Site, ambient air and all parts of the plant which forms the subject of <i>Contractors</i> work has the acceptable prescribed occupational exposure limit for asbestos of 0.1 regulated asbestos fibres per cm³ as an 8-hour time weighted average (TWA) of air averaged measured over any continuous period of four hours measured or less in accordance with MDHS 39/4 or for German personnel the testing and measurement shall be in accordance with the prevailing German legislation of the maximum permissible limit value being 500 fibres per m³, with an upper confidence level of the poison distribution lower than 1000 F/m³. The measurement and evaluation must be conducted according to VDI 3492.</p> <p>In case of high amount of particles in the air, shorter measurements times are acceptable, but measurement times need to be sufficiently recorded (together with the other measurement parameters, like volumetric flow rates, etc.) and remain representative. A continuous monitoring is deemed</p>

to be the appropriate approach, instead of sampling twice a week or any other sampling plan

It is agreed between Parties that in case the measurements performed by the *Employer* show levels higher than the threshold values as stated above, asbestos shall be removed and disposed of by the *Employer* involving a specialist company before the *Contractor* or its contracting Party start that part of the Service. On a case by case basis the *Employer* and *Contractor* may agree that the *Contractor* shall be responsible for conducting the corresponding measurement by a licensed and authorised Institute and shall be compensated for this at cost.

In case, that first during the execution of the work asbestos is detected and disposed thereafter, the *Contractors* personnel will stop that work and leave the contaminated area forthwith. The *Contractor's* employees will be deployed to a different area that is not contaminated to continue with tasks as described in the Service Information. The *Contractor* shall be compensated for all further cost incurred as a result of work interruption due to asbestos, agreed upfront through a Compensation Event with the *Employer*.

The work on site shall start/be resumed respectively, when the asbestos measurements showing safe levels have been presented. The contractually agreed dates for work at the site including Completion Date shall be adjusted accordingly.

Z18

Confidentiality:

The Confidentiality undertakings shall apply to this Contract.

Each Party shall treat any and all information and data disclosed to it by the other Party, in any form whatsoever, as confidential and proprietary, and shall preserve the secrecy of the Confidential Information and shall not use the Confidential Information for any purpose other than solely in connection with this Contract.

For the purposes of this Clause, the term Confidential Information shall mean all commercial, financial, technical, operational or other information, whether written or otherwise, related to the scope and arising out of or in relation to this Contract, including but not limited to, all Intellectual Property (registered or unregistered), data, know how, trade secrets, calculations, designs, drawings, methods, processes, systems, explanations and reports.

The obligations of the Receiving Party pursuant to the provisions of this Contract shall not apply to any Confidential Information that:

- at the time of disclosure or at any time thereafter is in, or becomes part of, the public domain other than through a breach of the provisions of this Clause; or
- the receiving Party can prove was already known to it or was independently acquired or developed by it without being in breach of its obligations under this Clause; or
- becomes available to the Party receiving the information from a third Party in a non-confidential manner otherwise than in breach of an obligation of confidentiality.

Notwithstanding the provisions of Clause 24, Confidential Information may be disclosed:

- by either Party to any of their respective employees, contracted workers, Contractors, advisors shareholders, owners, of such Party or its affiliates ["Representatives"], in each such case who needs to know the Confidential Information for the purpose of carrying out this Contract (and for no other purpose) provided that:
 - such Party notifies the recipient in advance of such disclosure that the Confidential Information is subject to the non-disclosure restrictions contained in this Clause; and
 - such Party shall be responsible for ensuring that the recipients employees, Contractors, advisors, or to any of the shareholders, owners, contractors, of such Party or its affiliates ["Representatives"], keeps the Confidential Information confidential and shall accordingly be responsible for any failure of the recipient to do so;
- by either Party if required by any court, any arbitrator or administrative tribunal to which the disclosing Party is a Party; provided that in these circumstances, the receiving Party shall advise the disclosing Party prior to any disclosure to take whatever steps it deems necessary to protect its interests in this regard and GE provided further that the receiving Party will disclose only that portion of the Confidential Information which it is legally required to disclose and the receiving Party will use its reasonable endeavours to protect the confidentiality of such Confidential Information to the greatest extent possible in the circumstances; or
- by either Party if so agreed in writing by the Parties prior to disclosure by the Party disclosing such Confidential Information

such consent not to be unreasonably withheld or delayed.

All information supplied by or on behalf of a Party shall remain the sole and exclusive property of such Party and this Contract shall not operate to transfer ownership or any interest whatsoever therein to the other Party. And the other Party shall, if requested by the Party disclosing the information following termination of this Contract, promptly return to such Party all documents and any copies, extracts, notes or similar materials containing or based in whole on such information.

The receiving Party hereby indemnifies the disclosing Party against any loss or damage which the disclosing Party may suffer as a result of a breach of this clause by the receiving Party or its Representatives. Each Party acknowledges and agrees that the Confidential Information is, by its nature, valuable proprietary information, the misuse or unauthorised disclosure of which is likely to cause the disclosing Party substantial harm, for which monetary compensation is likely not an adequate remedy and, accordingly, without the prejudice to the indemnification right as stated herein, the disclosing Party is entitled to the remedies of injunction, specific performance or similar remedies or equitable relief for any threatened or actual breach by the receiving Party of the Confidentiality provisions of this clause Z18 or of the Intellectual Property rights provisions of clause Z16 of this Contract.

The disclosing Party may, at any time, and in its sole discretion request the receiving Party to return any material and/or data in whatever form containing, pertaining to or relating to Confidential Information disclosed pursuant to the terms of this Contract and may, in addition request the receiving Party to furnish a written statement to the effect that, upon such return, the receiving Party has not retained in its possession, or under its control, either directly or indirectly, any such material and/or data.

Each of the Parties undertake to and in favour of the other that they will not at any time and for a period of five (5) years following the expiration or termination of the Contract divulge, publish or disclose to any person, firm, company, corporation, trust or any other entity whatsoever any trade secret or confidential information of the other and will use their best endeavours to prevent any such publication or disclosure by any other person provided that nothing contained in this clause shall prevent the disclosure of any such confidential information by any such Party during any arbitration or legal proceedings which may arise from time to time.

Z19	Suspension and termination of a Task Order	<p>Should the <i>Contractor</i> be hindered to start the Service at the Task starting date, or is to stop the Service for a period of 5 (five) days for reasons which are not attributable to him, the <i>Contractor</i> shall be entitled to suspend the Task Order. The costs incurred during the above-mentioned period and caused by the suspension shall be considered as a compensation event.</p> <p>The new Task starting date, and Task Completion Date of the suspended Task Order, shall be then mutually agreed between the <i>Contractor</i> and the <i>Employer</i>.</p> <p>Failure by the <i>Employer</i> and the <i>Contractor</i> to reach an agreement within one month, the <i>Contractor</i> shall be entitled to terminate the suspended Task Order and the <i>Employer</i> shall pay to the <i>Contractor</i> :</p> <ul style="list-style-type: none"> - Any cost incurred by the Task Order termination.
Z21	Normal Working Time.	<p>Standard normal time work schedule will be 10 hours per day, 6 days per week.</p> <p>The working hours related to Services will be in accordance with the scheduled working hours, which are averaged at 60 hours per week. This could vary between 40 and 60 hours depending on requirements.</p> <p>Normal time is charged for as per the Price List in the Service Information.</p> <p>Overtime in excess of 40 hours per week may not exceed 20 hours per week subject to Department of Labour dispensation. The <i>Contractor</i> shall apply to the Department of Labour for a dispensation of 32 hours overtime per week.</p> <p>Overtime above the normal time during the normal working week will be charged as per price list in the Service Information. The overtime multiplier rate is 1.5 for weekdays and Saturdays and 2 for Sundays and public holidays.</p>
Z22	Medical Insurance, Valid Work Permits and International Drivers Permit	<p>The <i>Contractor</i> will ensure that all deployed employees, on this Contract, have full Medical Insurance, Valid Work Permits, valid visa's and a valid International Drivers Permit.</p>
Z23	Accommodation and Allowances	<p>The <i>Contractor</i> will supply all required accommodation and allowances for the duration of the <i>service</i>, the price of which is included in the Price List.</p>
Z24	Flight Arrangements	<p>All flights will be at economy class standard.</p> <p>All flights will be charged for at cost and supported by service provider invoicing.</p>

Z25	Transport Arrangement	Minimum B-class vehicles allowed based on the <i>Contractor's</i> safety requirements for hired vehicles. The price of which is included in the Price List. Refer to the table in the Service Information for the staff who are eligible.
Z26	Medical Examinations	<p>The <i>Contractor</i> is to arrange Medical Examinations including Chest X-rays, locally in South Africa, for all of the <i>Contractor's</i> Staff, prior to commencement of the Service, and on completion of the Service.</p> <p>Any <i>Contractor</i> Employee who is declared medically unfit to perform the <i>service</i> will be replaced at the <i>Contractor's</i> cost.</p>
Z27	Mobile phone and remote internet	The <i>Contractor's</i> employees shall have a mobile phone and remote internet available for the execution of the <i>Service</i> at the <i>Contractor's</i> costs
Z28	Portable Computer	<p>The <i>Contractor</i> must have available a reliable and compliant notebook computer for the execution of the <i>service</i>. Refer to the table in the Service Information for the staff who are eligible. Computers shall be provided by the <i>Contractor</i>.</p> <p>Should the <i>Contractor</i> require additional remote internet access then such will be for the <i>Contractor's</i> account.</p>
Z29	Documentation required	Proof of experience and qualifications, of the proposed <i>Contractor's</i> staff together with certificates of medical fitness to be furnished to the <i>Employer</i> before task order signature.
Z30	Price Basis	<p>Pricing will be based on the rates as listed in the Price List and invoicing for on siteworks will be substantiated with duly signed timesheets by the <i>Employer's Representative and Contractor's</i> representative and supporting documentation.</p> <p>Work will be as and when required and managed by means of a Task order on a draw down basis.</p>
Z31	Personnel	<p>The personnel deployed by the <i>Contractor</i> are the employees of the <i>Contractor</i>, and are not deployed as prospective employees of the <i>Employer</i>.</p> <p>The <i>Employer</i> shall not hire the <i>Contractor's</i> employee for up to one year following completion of this Contract.</p> <p>Should the <i>Employer</i> wish to hire the <i>Contractor's</i> employee before this period expires, then the <i>Employer</i> will be required to hire the <i>Contractor's</i> employee through the <i>Contractor</i>.</p>
Z32	Specific Resource Numbers	The numbers of specific resources, as requested in the Price List and Service Information, of this Contract are the <i>Employer's</i> minimum requirement.

		Should the <i>Employer</i> require additional resources, such resources shall be supplied under a separate Contract.
Z33	Home Office Support	The <i>Contractor</i> is to ensure that Home Office Engineering Support can be called upon on an as and when required basis. The Period for reply and Reporting is capped at 16 working hours per incident or assignment.
Z35	The <i>Contractor's</i> obligations	The <i>Contractor's</i> obligation is to use the skills and care normally used by professionals providing the <i>service</i> as detailed in the Service Information.
Z36	Language	The <i>Contractor</i> shall ensure that all its deployed employees are fully literate in reading, speaking and writing in the English language and that English is the official language of communication.
Z37	Export control	The Employer acknowledges that the Contractor's obligations are conditioned upon compliance with all US, EU and other applicable trade control laws and regulations. Employer shall not trans-ship, re-export, divert or direct or otherwise make or allow any disposition of Products other than in and to the ultimate country of destination declared by the Contractor and specified as the country of ultimate destination on Contractor's invoice, except as may be permitted by applicable laws and regulations. Employer hereby certifies that the equipment, materials, services, technical data, software or other information or assistance furnished by the Contractor under this Contract shall not be used in the design, development, production, stockpiling or use of chemical, biological or nuclear weapons either by Employer or any entity acting on Employer's behalf

C1.2 Contract Data

Part two - Data provided by the Contractor

Clause	Statement	Data
10.1	The Contractor is (Name):	Reg. no:
	Address	
	Tel No.	
	Fax No.	
11.2(8)	The direct fee percentage is	Not Applicable
	The subcontracted fee percentage is	Not Applicable
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the Contractor's plan is in:	The Service Information
21.1	The plan identified in the Contract Data is contained in:	Not applicable
24.1	The key persons are:	
	1 Name:	
	Job:	
	Responsibilities:	
	Qualifications:	
	Experience:	
A	Priced contract with price list	
11.2(12)	The price list is in	C2 Price Data
11.2(19)	The tendered total of the Prices is	

¹ Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009

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

The conditions of contract

How work is priced and assessed for payment

Clause 11 in NEC3 Term Service Contract, June 2005 (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.
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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.

Preparing the *price list*

It will be assumed that the tendering *Contractor* has read Pages 14, 15 and 73 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. Whichever party provides the items in the *price list* the total of the Prices is assumed to be fully inclusive of everything necessary to Provide the Service as described at the time of entering into this contract.

- 1 As the *Contractor* has an obligation to correct Defects (core clause 42.1) and there is no compensation event for this unless the Defect was due to an *Employer's* risk, the lump sum Prices and rates must also include for the correction of Defects.
- 2 If the Contractor has decided not to identify a particular item in the price list at the time of tender the cost to the Contractor of doing the work must be included in, or spread across, the other Prices and rates in the price list in order to fulfil the obligation to complete the service for the tendered total of the Prices.
- 3 There is no adjustment to lump sum prices in the price list if the amount, or quantity, of work within that lump sum item of service later turns out to be different to that which the Contractor estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event. See Clause

The Supply of Services for the Refurbishment of Turbine Components
60.1.

- 4 Hence the Prices and rates tendered by the Contractor in the price list 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.
- 5 The Contractor does not have to allow in his Prices and rates for matters that may arise as a result of a compensation event. It should be noted that the list of compensation events includes those arising as a result of an Employer's risk event listed in core clause 80.1.

Format of the *price list*

(From page 73 of 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*

RATES

Item	Description	Unit	Quantity	Rate/unit	Selling Rate/unit
1.					
2.					
3.					
4.					
5.					
6.					
7.					
Total of the Prices					R

C3 – SERVICE INFORMATION

Scope of Work (SOW)

Provide a Quality Control Service for the following:

- Perform precise dimensional and visual inspections before, during and after machining of components to ensure that the required specifications are met.
- Review product quality plans and all documentation against the required standards i.e. Test certificates, NDT and Balancing report.
- Perform Quality Control and inspections on all tasks at various Power Stations, subcontractors and workshop as required by the PQP.
- Verify completeness of check sheets and PQP's and check against specifications.
- Compile technical inspection reports for internal and external customers.
- Compile System Deficiency Report and ensure that corrective actions are implemented.
- Ensure Execution, Hold and Witness points are signed off.
- Ensure that the instruments used for inspection are calibrated.
- Inspect components when moving from one section to the next section.
- Ensure Dispatch inspections are performed which includes taking photographs for components as received and as dispatched.

Blades, Sandblasting, NDT, Machining Services

The scope of work includes the inspections, overhaul, refurbishment, preassembly of turbine components. In addition, machining at heavy machining workshop.

- Suitable service provider with valuable experience on turbo-generator set refurbishment within Eskom Gx fleet and to provide such evidence.
- Provide services based on the needed to support ERI as and when required:
 - Service and workshop to execute various inspections on stationary and rotating components within centreline including auxiliaries.
 - Sand blasting and NDT services
 - Machining services
- Reverse engineering and manufacturing of various components based on client's requirements when replacement spares declared obsolete or not available to support breakdown or General Overhaul (GO).
- Supply of interstage and gland seal strips for turbine components.
- Reverse engineering, qualification process and supply of blades and locking mechanism for stationary and rotating components.

Spares

- Jacking Pins
- Reamers, and
- Other spares that will be required for the scope that will be subcontracted.

Scope for MAN Turbine Rotors (Lethabo, Matla and Matimba)

- *Inspections of the complete rotor to be done prior to the de/re-blading work and detailed reports with findings must be provided.*
- *Identification to be done by clearly marking off areas or rows to be worked on.*
- *Selection of appropriate tooling and consumables to execute de/re-blading work on the turbine rotor.*
- *Record necessary clearances prior to de-blading activities and provide detailed reports to engineering on the as found condition.*
- *HOLD point for ERI Engineering team to review de-blading procedure and respective check sheets and drawings.*
- *When working on the last stage blades, an understanding and alignment of the turbine rotor on specialized fixed pin drilling machine is essential.*
- *Installation of the appropriate drills and alignment of the holes for drilling activities.*
- *Drill to collapse existing root pins whilst exercising due diligent not to damage rotor disk head.*
- *Jack out the root pins with specialized coated jacking root pins.*
- *Remove the blade after jacking out existing root pins.*
- *Perform full visual and dimensional of disk head and root pin holes after sand blasting or glass bead cleaning and report any deviations to engineering.*
- *Perform blade inventory prior to re-blading activities and verify the distribution chart as provide by engineering. Ensure all quality documents are in place prior to any re-blading work eg: QC and NDT reports.*
- *Mark of the blades in preparation for re-blading activities.*
- *HOLD point for ERI Engineering team to review re-blading procedure and respective check sheets and drawings.*
- *Proceed with re-blading activities as per approved procedure, all deviations to be reported to engineering immediately for support and intervention. Check sheets after pre-fitment of segment and adjacent blades to be shared with engineering for review and analysis.*
- *Lock and crimp the root pins and inspect the quality of locking.*
- *Machine the blades to required design specification.*
- *Final inspection of the rotor after re-blading and handover with all quality documents.*

Lethabo LP rotors (L-0 and L-1)

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Lethabo Power Station LP Turbine									
L-0									
Design standard pin sizes				1st standard re-blade		2nd standard re-blade		3rd standard re-blade	
	OD in mm	Lengths in mm	Quantity for 140 blades (two flows)	OD in mm	Quantity	OD in mm	Quantity	OD in mm	Quantity
inner hole	16	350	140	16,5	140	17	140	17,5	140
middle hole	20	350	140	20,5	140	21	140	21,5	140
outer hole	22	350	140	22,5	140	23	140	23,5	140

L-1									
Design standard pin sizes				1st standard re-blade		2nd standard re-blade		3rd standard re-blade	
	OD in mm	Lengths in mm	Quantity for 222 blades (2 flows)	OD in mm	Quantity	OD in mm	Quantity	OD in mm	Quantity
inner hole	11	191,8	222	11,5	222	12	222	12,5	222
middle hole	12	191,8	222	12,5	222	13	222	13,5	222
outer hole	13	191,8	222	13,5	222	14	222	14,5	222

Matimba LP Rotors (L-0 and L-1)

L-1									
Design standard sizes pins				1st standard re-blade		2nd standard re-blade		3rd standard re-blade	
	OD in mm	Length	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)
Inner	15	144,8	120	15,5	120	16	120	16,5	120
Middle	17	144,8	120	17,5	120	18	120	18,5	120
Outer	15	144,8	120	15,5	120	16	120	16,5	120

L-0									
Design standard sizes pins				1st standard re-blade		2nd standard re-blade		3rd standard re-blade	
	OD in mm	Length	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)
Inner	15	229,2	112	15,5	112	16	112	16,5	112
Middle	18	229,8	112	18,5	112	19	112	19,5	112
Outer	20	230,5	112	20,5	112	21	112	21,5	112

Matla LP Rotors (Stages 23, 24 & 25)

Stage 23									
Design standard sizes pins				1st standard re-blade		2nd standard re-blade		3rd standard re-blade	
	OD in mm	Length	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)
Inner	14,5	141,5	768	15	768	15,5	768	16	768
Middle	14,5	141,5	768	15	768	15,5	768	16	768
Outer	14,5	141,5	768	15	768	15,5	768	16	768

Stage 24									
Design standard sizes pins				1st standard re-blade		2nd standard re-blade		3rd standard re-blade	
	OD in mm	Length	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)
Inner	11,5	291,5	222	12	222	12,5	222	13	222
Middle	12,5	291,5	222	13	222	13,5	222	14	222

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Outer	13,5	291,5	222	14	222	14,5	222	15	222
Stage 25									
Design standard sizes pins				1st standard re-blade		2nd standard re-blade		3rd standard re-blade	
	OD in mm	Length	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)	OD in mm	Quantity of Blades (on both flows)
Inner	18	305	144	18,5	144	19	144	19,5	144
Middle	19	295	144	19,5	144	20	144	20,5	144
Outer	20	295	144	20,5	144	21	144	21,5	144

Scope for GEC Turbine Rotors (Duvha, Tutuka and Majuba)

- *Inspections of the complete rotor prior to de/re-blading work and provide detailed report with findings.*
- *Identification to be done by marking off areas or rows to be worked on.*
- *Selection of appropriate tooling and consumables to execute prior to de/re-blading work on the turbine rotor.*
- *Record necessary clearances prior to de-blading activities and provide detailed reports to engineering on the as found condition.*
- *HOLD point for ERI Engineering team to review the de-blading procedure and respective check sheets and drawings.*
- *De/re-blading scope may include partial blade packets replacement or complete row on root design pending inspection findings.*
- *De-blade the affected packet or row as per approved procedure.*
- *Inspect the disk head and root pin holes and provide detailed report on findings.*
- *Perform blade inventory prior to re-blading activities and verify distribution chart as provide by engineering. Ensure all quality documents are in place prior any re-blading work eg: QC and NDT reports.*
- *Mark of the blades in preparation for re-blading activities.*
- *HOLD point for ERI Engineering team to review re-blading procedures and respective check sheets and drawings.*
- *Pre-fit blades and ensure all bottomed and to home position, also verify radial position with blades strapped down against disk head at the root to ensure no movement.*
- *Align portable pin drilling machine arm true and square to the holes to be drilled and reamed.*
- *Drill and ream the disk head and blade root pin holes to required sizes considering the design tolerances.*
- *Verify and ensure root pin holes on blades and disk heads are acceptable and within required specification on bearing loading areas with no ovality and taper and the correct finish is achieved.*
- *Grind root pins to required sizes and ensure all within acceptable tolerances.*
- *Fit the root pins on all replacement blade root pin holes after drilling and reaming.*
- *Record pitching on the tennons and provide details including drawing requirements to CNC programmer for machining of the template.*

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- *Trial fit template and confirm the float on shrouding and understraps, if in order and according to specification proceed with machining of replacement tennons and shrouding.*
- *All replacement shrouding and understraps to be profiled to latest specification and cleared by NDT prior to fitment.*
- *Rivet the tennons to required specification and this task to be executed by bladers with relevant training.*
- *Tennons to be NDT inspected after riveting and any indications to be referred to Engineering for a way forward.*
- *Crimp the root pins to required specification and inspect the quality afterwards.*
- *Machine the blade shrouds to required design specification*
- *Final inspection of re-bladed packets or rows after re-blading work and handover to ERI.*

Scope for ABB/BBC Turbine Rotors (Arnot, Kriel, Kusile and Medupi)

- *Inspections of the complete rotor prior to de/re-blading work and provide detailed report with findings.*
- *Identification to be done by marking off areas or rows to be worked on.*
- *Record necessary clearances prior to de-blading activities and provide detailed reports to engineering on the as found condition.*
- *HOLD point for ERI Engineering team to review de-blading procedure and respective check sheets and drawings.*
- *Mark off and remove the locks on blades with appropriate tooling.*
- *De-blade the affected rows and record inventory for all removed blades, spacers, locks, and root shims.*
- *Perform visual and dimensional inspections of root grooves after glass bead cleaning and provide a detailed report.*
- *HOLD point for ERI Engineering team to review re-blading procedures and respective check sheets and drawings.*
- *Perform blade inventory prior to re-blading activities and verify the distribution chart as provided by engineering. Ensure all quality documents are in place prior any re-blading work eg: QC and NDT reports.*
- *Mark of the blades in preparation for re-blading activities and proceed with re-blading.*
- *Lock each row as per applicable design locks.*
- *Machine the blade shrouds to required design specification.*
- *Final inspection of the rotor after machining and handover to ERI.*

Tooling Adherence Requirements

- *Toolbox to be provided by the service provider in order to execute de/re-blading activities.*
- *Portable Pin Drilling machine to be provided by the service provider for removal of root pins, drilling and reaming of disk head and blades root pin holes.*

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- *Hydraulic rescue scissors tooling for de/re-blading of Kriel, Medupi and Kusile turbine rotors to be provided by the service provider.*
- *Threaded actuator design tooling for Kriel, Medupi and Kusile turbine rotors to be provided by the OEM.*
- *Heat treated jacking pins to be provided by service provider to enable de-blading activities of various root pin design, all jacking pins sourced per project remains the property of the employer and these to be managed by the Blade Fitting Department.*
- *Drills, Reamers and chamfering tools sourced per project remains the property of the employer and these to be managed by Blade Fitting Department.*

Comply With Safety Health Environment and Quality Requirements

- Comply with the Occupational Health and Safety Act and Rotek Engineering SHE System requirements
- Comply with the Eskom Plant Safety Regulations.
- Stop unsafe work activities and report to the Project / Site Manager for rectification
- Control and maintenance of ISO Quality system in accordance with the Business Management System in relation to this Job Function.
- Comply with policies, procedures and instructions.

SHEQ Requirements

All service providers are expected to comply with, but not limited to the following:

- Compliance with the Occupational Health and Safety Act 85 of 1993 is compulsory.
- Adherence to Quality Management System Policies, Procedures and related requirements of ISO 9001.
- Adherence to Occupational Health and Safety Policies, Procedures and related requirements of the OHSAS 18001.
- Adherence to environmental aspects, related impacts and legal requirements associated with work activities in accordance with ISO 14001.
- Adherence to Life Saving Rules.
- Compliance with the Eskom Plant Safety Regulations.
- Only authorised documents and processes are to be used in the execution of duties.
- Continuously seek methods for improvements from a process, quality and safety perspective.

- Obey all instructions.
- Familiarize with:
 - The applicable work instructions and procedures in place.
 - Safe working conditions and procedures.
 - All legal and contractual requirements.
 - Discipline and integrity.
- Compliance to all ERI Work Instructions, processes, procedures, and standards
- Adherence to ERI’s disciplinary code or practice.
- Set example to co-workers and others.
- Participate in Risk Assessments.
- Responsible for own safety.
- Responsible for Personal Protective Equipment issued.
- Execute duties promptly and safely.
- Safeguard tools and safety equipment issued.
- Keep good relationship with all personnel.
- Compile a HIRA for each and every activity that needs to be performed.
- Ensure the activities are carried out following a Works Instructions and Procedure.
- Adhere to clean condition policy where required.
- All activities to be carried out as per the documented processes and comply with the requirements of ISO and OHSAS certification
- Service provider to comply to Eskom PPE (Personal Protective Equipment) Policy with regards to issuing of PPE to resources
- Proper use of PPE to be followed
- Ensure that tools and equipment are stored correctly in a safe place.

Key Performance Indicators

The performance of the contractor will be evaluated on the KPIs in the table below:

Objective	Key Performance Indicator	Measure	Unit of Measure	Source of Evidence
Safety Sustainability	LTI Free days	LTI Free days	Days	To be provided by supplier
Due Date Performance	Due Date Performance	Average contracted outage days	Days	To be provided by supplier

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Reduce the Number of Rework Incidents	No of Rework Incidents	Number of Rework Incidents	Nr	To be provided by supplier
Reduce the Rework Duration	Rework Duration (Days additional to planned outage duration)	Number of Days Rework Duration Impacts Outage Due Date	Days	To be provided by supplier
No of Legal & Environmental Contraventions	No of Legal & Environmental Contraventions	Number of contraventions	Nr	To be provided by supplier
Zero Fatalities Excl 3rd party at fault	Zero Fatalities Excl 3rd party at fault	Number of fatalities	Nr	To be provided by supplier

- The service provider will be responsible for the successful commissioning of the unit where services were required.
- The unit must operate for a continuous 14 days without any defects to be effectively rendered a success.
- Any defects that are noted within the 14 days on the service areas requested will be corrected by the service provider at own cost.