

NEC3 Term Service Contract (TSC3)

Between **NTCSA SOC Ltd**
(Reg No. 2021/539129/30)

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

for **Inspection, testing and maintenance of lifting
equipment in the Central Grid for a period of Five (5)
years.**

| Contents: | No of pages |
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| Part C3 Scope of Work | [•] |

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:

Inspection, testing and maintenance of lifting equipment in the Central Grid for a period of Five (5) years.

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 [•] |
| | 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

Senior Manager – Central Grid

**for the
Employer**

NTCSA SOC Ltd, Megawatt Park, Maxwell Drive, Sandton, Johannesburg, 2199

(Insert name and address of organisation)

Name &
signature of
witness

Date

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

Schedule of Deviations to be completed by the *Employer* prior to contract award

Note:

1. This part of the Offer & Acceptance would not be required if the contract has been developed by negotiation between the Parties and is not the result of a process of competitive tendering.
2. The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

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

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

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

For the tenderer:

For the Employer

Signature _____

Name _____

Capacity _____

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

Name & signature of witness _____

Date _____

Senior Manager – Central Grid

**NTCSA SOC Ltd, Megawatt Park,
Maxwell Drive, Sandton, Johannesburg,
2199**

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

[Instructions to the contract compiler: (delete these two notes in the final draft of a contract)]

1. Please read the relevant clauses in the conditions of contract before you enter data. 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.
2. Some TSC3 options are always selected by NTCSA SOC Ltd. The remaining TSC3 options are identified by shading in the left hand column. In the event that the option is not required select and delete the whole row. Where the following symbol is used "[•]" - data is required to be inserted relevant to the specific option selected.]

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

| Clause | Statement | Data |
|--------|---|--|
| 1 | General | |
| | The <i>conditions of contract</i> are the core clauses and the clauses for main Option: | |
| | | A: Priced contract with price list |
| | dispute resolution Option | W1: Dispute resolution procedure |
| | and secondary Options | |
| | | X1: Price adjustment for inflation |
| | | X2 Changes in the law |
| | | X17: Low service damages |
| | | X18: Limitation of liability |
| | | X19: Task Order |
| | | X20: Key performance indicators |
| | | Z: Additional conditions of contract |
| | of the NEC3 Term Service Contract April 2013 ² (TSC3) | |
| 10.1 | The <i>Employer</i> is (name): | NTCSA SOC Ltd (reg no: 2021/539129/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa |
| | Address | Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg |
| | Tel | TBC |

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

| | | |
|----------|--|---|
| 10.1 | The <i>Service Manager</i> is (name): | TBC |
| | Address | Corner Power & Lake Street, Eskom Simmerpan Complex, Germiston |
| | Tel | TBC |
| | Fax | TBC |
| | e-mail | TBC |
| 11.2(2) | The Affected Property is | Items listed in Part C of this Contract document |
| 11.2(13) | The <i>service</i> is | Inspection, testing and maintenance of lifting equipment in the Central Grid for a period of Five (5) years. |
| 11.2(14) | The following matters will be included in the Risk Register | <ul style="list-style-type: none"> • Poor quality servicing might lead to failure of equipment, safety risk and non-compliance • Competency and certification validity of LMI & LME, affecting periodic maintenance • Failure of equipment during load testing, leading to higher replacement costs • Equipment defects affecting inspection & load testing, resulting in non-compliance with statutory requirement <p>Baseline Risk Assessment will be provided to the <i>Contractor</i> during Induction processes.</p> |
| 11.2(15) | The Service Information is in | Part 3: Scope of Work and all documents and drawings to which it makes reference. |
| 12.2 | The <i>law of the contract</i> is the law of | the Republic of South Africa |
| 13.1 | The <i>language of this contract</i> is | English |
| 13.3 | The <i>period for reply</i> is | 2 weeks |
| 2 | The <i>Contractor's</i> main responsibilities | Data required by this section of the core clauses is also provided by the <i>Contractor</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data |
| 21.1 | The <i>Contractor</i> submits a first plan for acceptance within | 2 weeks of the Contract Date |
| 3 | Time | |
| 30.1 | The <i>starting date</i> is. | TBC |
| 30.1 | The <i>service period</i> is | TBC |
| 4 | Testing and defects | There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data |

| | | |
|-----------|---|--|
| 5 | Payment | |
| 50.1 | The <i>assessment interval</i> is | between the 25th day of each successive month. |
| 51.1 | The <i>currency of this contract</i> is the | South African Rand |
| 51.2 | The period within which payments are made is | 4 weeks. |
| 51.4 | The <i>interest rate</i> is | the publicly quoted prime rate of interest (calculated on a 365-day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands. |
| 6 | Compensation events | There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data |
| 7 | Use of Equipment Plant and Materials | There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data |
| 8 | Risks and insurance | |
| 80.1 | These are additional <i>Employer's</i> risks | 1. Additional charges from service provider for quotation purposes |
| 9 | Termination | There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data. |
| 10 | Data for main Option clause | |
| A | Priced contract with price list | |
| 20.5 | The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than | 4 weeks. |
| 11 | Data for Option W1 | |
| W1.1 | The <i>Adjudicator</i> | the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA). |
| | Address | TBC |
| | Tel No. | TBC |

Fax No. TBC

e-mail TBC

| | | |
|---------|---|--|
| W1.2(3) | The <i>Adjudicator nominating body</i> is: | the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body. |
| W1.4(2) | The <i>tribunal</i> is: | arbitration |
| W1.4(5) | The <i>arbitration procedure</i> is | the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body. |
| | The place where arbitration is to be held is | South Africa |
| | The person or organisation who will choose an arbitrator | |
| | - if the Parties cannot agree a choice or | the Chairman for the time being or his nominee |
| | - if the arbitration procedure does not state who selects an arbitrator, is | of the Association of Arbitrators (Southern Africa) or its successor body. |

12 Data for secondary Option clauses

| X1 | Price adjustment for inflation | | | | | | | | | | | | | | | | | | | | | | | | | |
|------------|--|---|------------|---------------------|-------------------|----|-----|-----|----|-----|-----|----|-----|-----|----|-----|-----|----|-----|-----|-----|----------------|--|------|--|--|
| X1.1 | The <i>base date</i> for indices is | A month before the tender closing date. CPA will be applicable to the agreement within a period of sixteen (16) months from the base date. | | | | | | | | | | | | | | | | | | | | | | | | |
| | The proportions used to calculate the Price Adjustment Factor are: | <table> <tr> <th>proportion</th><th>linked to index for</th><th>Index prepared by</th></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>[•]</td><td colspan="2">non-adjustable</td></tr> <tr> <td>1.00</td><td colspan="2"></td></tr> </table> | proportion | linked to index for | Index prepared by | 0. | [•] | [•] | 0. | [•] | [•] | 0. | [•] | [•] | 0. | [•] | [•] | 0. | [•] | [•] | [•] | non-adjustable | | 1.00 | | |
| proportion | linked to index for | Index prepared by | | | | | | | | | | | | | | | | | | | | | | | | |
| 0. | [•] | [•] | | | | | | | | | | | | | | | | | | | | | | | | |
| 0. | [•] | [•] | | | | | | | | | | | | | | | | | | | | | | | | |
| 0. | [•] | [•] | | | | | | | | | | | | | | | | | | | | | | | | |
| 0. | [•] | [•] | | | | | | | | | | | | | | | | | | | | | | | | |
| 0. | [•] | [•] | | | | | | | | | | | | | | | | | | | | | | | | |
| [•] | non-adjustable | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.00 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| X2 | Changes in the law | There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data. | | | | | | | | | | | | | | | | | | | | | | | | |
| X4 | Parent company guarantee | There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data. | | | | | | | | | | | | | | | | | | | | | | | | |

| | | |
|------------|--|--|
| X17 | Low service damages | |
| X17.1 | The <i>service level table</i> is in | Will be issued with the task order. R 700 per day for work not executed as per scope of work and instruction. |
| X18 | Limitation of liability | |
| X18.1 | The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to | R0.0 (zero Rand) |
| X18.2 | For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to | the amount of the deductibles relevant to the event |
| X18.3 | The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to | The greater of <ul style="list-style-type: none"> • the total of the Prices at the Contract Date and • the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles |
| X18.4 | The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to | the total of the Prices other than for the additional excluded matters. The <i>Contractor's</i> total liability for the additional excluded matters is not limited. The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for <ul style="list-style-type: none"> • Defects due to his design, plan and specification, • Defects due to manufacture and fabrication outside the Affected Property, • loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials), • death of or injury to a person and • infringement of an intellectual property right. |
| X18.5 | The <i>end of liability date</i> is | 12 months after the end of the <i>service period</i>. |
| X19 | Task Order | |
| X19.5 | The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within | 3 days of receiving the Task Order |
| Z | The <i>additional conditions of contract</i> are | Z1 to Z14 always apply. |

Z1 Cession delegation and assignment

- Z1.1 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer*.
- Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry.

Z2 Joint ventures

- Z2.1 If the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Employer* for the performance of this contract.
- Z2.2 Unless already notified to the *Employer*, the persons or organisations notify the *Service Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Contractor* on their behalf.
- Z2.3 The *Contractor* does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Employer* having been given to the *Contractor* in writing.

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

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

Z4 Confidentiality

- Z4.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.
- Z4.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Service Manager*.
- Z4.3 In the event that the *Contractor* is, at any time, required by law to disclose any such information

which is required to be kept confidential, the *Contractor*, to the extent permitted by law prior to disclosure, notifies the *Employer* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Contractor* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.

Z4.4 The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, in the course of Providing the Service and after the end of the *service period*, requires the prior written consent of the *Service Manager*. All rights in and to all such images vests exclusively in the *Employer*.

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

Z5 Waiver and estoppel: Add to core clause 12.3:

Z5.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, the *Service Manager* or the *Adjudicator* does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.

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

Z6.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:

- accepts that the *Employer* may appoint him as the "Principal Contractor" (as defined and provided for under the Construction Regulations 2014 (promulgated under the Occupational Health & Safety Act 85 of 1993) ("the Construction Regulations") for the Affected Property;
- warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations, all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the *service*; and
- undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.

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

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

Z7.1 Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer's* procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.

Z7.2 If the *Contractor* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Employer* is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the *Employer* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.

- Z7.3 The *Contractor* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer's* VAT number 4710303126 on each invoice he submits for payment.

Z8 Notifying compensation events

- Z8.1 Delete the last paragraph of core clause 61.3 and replace with:

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

Z9 Employer's limitation of liability

- Z9.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z9.2 The *Contractor's* entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the *Employer's* liability under the indemnity is limited to compensation as provided for in core clause 63 and X19.11 if Option X19 Task Order applies to this contract.

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

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

Z11 Ethics

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

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

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

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

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

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

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

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

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

Action Fraudulent Action or Obstructive Action.

- Z11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
- Z11.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Contractor's* obligation to Provide the Services for this reason.
- Z11.3 If the *Employer* terminates the *Contractor's* obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.
- Z11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Contractor* ensures that the Committing Party co-operates fully with an investigation.

Z12 Insurance

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

Insurance cover 83

- 83.1 When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.
- 83.2 The *Contractor* provides the insurances stated in the Insurance Table A from the *starting date* until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

| Insurance against | Minimum amount of cover or minimum limit of indemnity |
|---|--|
| Loss of or damage caused by the <i>Contractor</i> to the <i>Employer's</i> property | The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance. |
| Loss of or damage to Plant and Materials | The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance. |
| Loss of or damage to Equipment | The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance. |
| The <i>Contractor's</i> liability for loss of or damage to property (except the <i>Employer's</i> | <u>Loss of or damage to property</u> The replacement cost |

| | |
|---|---|
| property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor's</i> Providing the Service | <u>Bodily injury to or death of a person</u> The amount required by the applicable law. |
| Liability for death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract | The amount required by the applicable law |

Z 12.2 Replace core clause 86 with the following:

**Insurance
by the
Employer**

86

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

INSURANCE TABLE B

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

Z13 Nuclear Liability

- Z13.1 The *Employer* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.
- Z13.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against any and all liabilities which the *Contractor* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.3 Subject to clause Z13.4 below, the *Employer* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Contractor* or any other person, or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.4 The *Employer* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.
- Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 Asbestos

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

| | |
|------------------------------|--|
| AAIA | means approved asbestos inspection authority. |
| ACM | means asbestos containing materials. |
| AL | means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL. |
| Ambient Air | means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet. |
| Compliance Monitoring | means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles. |
| OEL | means occupational exposure limit. |
| Parallel Measurements | means measurements performed in parallel, yet separately, to existing measurements to verify validity of results. |
| Safe Levels | means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles. |
| Standard | means the <i>Employer's</i> Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles. |

SANAS means the South African National Accreditation System.

TWA means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

- Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.
- Z14.2 Upon written request by the *Contractor*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Contractor* may perform Parallel Measurements and related control measures at the *Contractor's* expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
- Z14.3 The *Employer* manages asbestos and ACM according to the Standard.
- Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.
- Z14.5 The *Contractor's* personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.
- Z14.6 The *Contractor* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.
- Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer's* expense, and conducted in line with South African legislation.

C1.2 Contract Data

Part two - Data provided by the *Contractor*

Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract April 2013 and the relevant parts of its Guidance Notes (TSC3-GN)³ in order to understand the implications of this Data which the tenderer is required to complete.
2. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data.
3. Where a form field like this [] appears, data is required to be inserted relevant to the option selected. Click on the form field **once** and type in the data. Otherwise complete by hand and in ink.

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

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

³ Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 5391902 or www.ecs.co.za

Experience:

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

| | | | |
|----------|-------------------------------------|---|--|
| A | Priced contract with price list | | |
| 11.2(12) | The <i>price list</i> is in | | |
| 11.2(19) | The tendered total of the Prices is | R | |
| 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 | | |

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 <ul style="list-style-type: none"> the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate. |
| | | (19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate. |

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

Function of the Price List

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

Link to the *Contractor's* plan

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

Preparing the *price list*

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

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*

| ITEM | STG Numbers | BILL DESCRIPTION | Locations | UNITS | QUANTITY | Rate - Maintenance | AMOUNT |
|-------|-------------|--|-----------|--------------|----------|-----------------------|----------------|
| | | | | | | | |
| 1.1.1 | | Bill No 1 : Preliminaries and Generals | | | | | |
| a) | | Safety File - Once Off | | Item | 1.00 | | - |
| b) | | Compliance with SHEQ, medicals, PPE etc. (Contractor to provide Breakdown details) | | Per Annum | 1.00 | | - |
| c) | | Traveling | | km | 4 500.00 | | - |
| d) | | Provisional Sums - (Items or Plant that may not be included on the Scope or BOQ) | | P.Sum | 1.00 | | - |
| | | | | | | TOTAL | R - |

The total of the Prices

| ITEM | BILL DESCRIPTION | Locations | No off | UNITS | QUANTITY | Rate - Inspection (Including All required Tools & Consumables) | Rate - Maintenance & Repair (Including all required tools & Consumables) | AMOUNT |
|-------|--|---------------------------|--------|-------|----------|---|--|--------|
| 2.1 | Bill No 2 : Inspection & Maintenance (Cranes & Slings) | | | | | | | |
| | | | | | | | | |
| 2.1.1 | Lifting Equipment (Rate to Include all Spares, consumables etc)- (every 6 Months and Yearly period) | | | | | | | |
| a) | Lifting Equipment - 6.3 Ton Crane (275 & 88)- Manufacture Martin and Access plaform ladder | Craigh Hall Substation | 2 | Each | 15.00 | | | - |
| b) | Lifting Equipment - 5.0 Ton Crane (275 & 132) - Manufacture Martin and Access plaform ladder | Crydon Substation | 2 | Each | 15.00 | | | - |
| c) | Lifting Equipment - 3.2 Ton Crane - Manufacture Demag - No Access Ladder | Stores | 1 | Each | 15.00 | | | - |

PROJECT AND CONTRACT TITLE

| | | | | | | | | |
|--------------|---|---------------------------|----|------|-------|--|--|---|
| d) | Lifting Equipment - 2.0 Ton Crane - Manufacture Demag - No Access Ladder | Simmerpan | 2 | Each | 15.00 | | | - |
| e) | Lifting Equipment - 1.0 Ton Crane - Chainblock - No Access Ladder | Simmerpan & Diphororo | 2 | Each | 15.00 | | | - |
| f) | Lifting Equipment - 40 (10) Ton Crane - Manuatcature Benrather Maschinenfabrik | Stores | 1 | Each | 15.00 | | | - |
| | | | | | | | | |
| | | | | | | | | |
| 2.1.2 | Slingst (Rate to Include all Spares, consumables etc) - Every 3 month period | | | | | | | |
| a) | Slings - 6.3 Ton Crane (275 & 88) | Craigh Hall Substation | 2 | Each | 20.00 | | | - |
| b) | Slings - 5.0 Ton Crane (275 & 132) | Crydon Substation | 3 | Each | 20.00 | | | - |
| c) | Slings - 3.2 Ton Crane | Stores | 1 | Each | 20.00 | | | - |
| d) | Slings - 2.0 Ton Crane | Simmerpan | 10 | Each | 20.00 | | | - |
| e) | Slings - 1.0 Ton Crane | Simmerpan & Diphororo | 10 | Each | 20.00 | | | - |
| f) | Slings - 40 (10) Ton Crane | Stores | 1 | Each | 20.00 | | | - |
| | | | | | | | | |

NTCSA SOC Ltd
PROJECT AND CONTRACT TITLE

CONTRACT NUMBER _____

| | |
|-------------|---|
| Sub - Total | - |
|-------------|---|

PART 3: SCOPE OF WORK

| Document reference | Title | No of pages |
|---------------------------|---|--------------------|
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| C3.1 | <i>Employer's Service Information</i> | |
| C3.2 | <i>Contractor's Service Information</i> | |
| | Total number of pages | |

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| | | |
|--------|---|-----|
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Description of the service

Executive overview

Central Grid has substations and worksites with lifting equipment that are used in the lifting of heavy loads during maintenance or other operational activities. The safe operation and upkeep of the equipment is important to ensure safety of personnel, equipment as well as complying with statutory requirements. This document outlines the requirements and scope of work for the inspection, testing and maintenance of the equipment at the various site.

Interpretation and terminology

The following abbreviations are used in this Service Information:

| Abbreviation | Explanation |
|--------------|---------------------------------|
| SWL | Safe Working Load |
| LMI | Lifting Machinery Inspector |
| LME | Lifting Machinery Entity |
| SANS | South Africa National Standards |
| PM | Preventative Maintenance |

Employer's requirements for the service

The works include the inspection, testing and maintenance of lifting equipment at Central Grid substations and sites for a period of 5 years including repairs based on inspection reports of unplanned failures. The inspection and testing works shall make provision of the issuing of a technical report with recommendation of repairs and work required to maintain the operation, integrity and safety of the equipment.

CIDB Requirements

The Contractor will be required to be registered with the Construction Industry Development Board (CIDB) and have a grading of **ME Level 3 or higher**. This will also be included as a requirement in the Technical Evaluation Criteria.

The scope shall be carried by an LME and LMI include but not limited to:

1. Six (6) monthly inspection, testing and servicing:

- Check gearbox for excessive noise, oil leaks, vibration including internal inspections where applicable
- Check all equipment lubrication
 - Gears, pinions, bearings, ropes
- Check all structures/beams and supports for structural integrity, cracks, deformity or failures.
- Check all limit switches and safety switches/devices functionality
- Check all controls and wiring for operation and safety functions.
- Check all end stops secured and in position

- Check Motor brakes operation and adjustments
 - Check wear and tear
 - Correct adjustments if necessary
 - Check Motor overheating and excess noise
- Check Travel wheel functionality, wear and tear and security
- Check access ladders, walkways and platforms integrity - clear of debris, loose grating or slippery surface
- Check pendant control functionality and cable integrity from damage and suspension
- Check long travel cable and cable trolley for damage and operating condition
- Check electrical covers, terminal boxes and glands for sealing and correct fitting
- Check Motor terminal box wiring, loose connections/terminations, damage, hot connections
- Check control panel and components functionality, circuit wiring integrity and damage, loose connections, and labelling
- Check operation of siren, sensors and lighting
- Check marking of SWL and correct if faded or not marked

2. Lifting devices/gear and hooks inspection, testing and servicing (3 monthly)

Check thoroughly load chains, wires, slings, hoist ropes as well as shackles, hooks or chain blocks where applicable:

- Check for wear and tear
- Check safety factor with respect to designed safe working load capacity and compliance on ropes, chains or woven webbing
- Check for clear marking of identification and safe working load classification on lifting tackle
- Check rope reeling operation and guide security
- Check rope/sling/chain/woven webbing for wear, open strands, kinking, corrosion or any defects
- Measure rope length to be three full turns on the drum when load is on the floor and a spare groove when hook block is at upper limit

3. Load testing and certification (1 yearly)

- Inspection of the installation before testing by authorised inspector
 - Operational and load performance testing with reference to OEM guidelines
 - Load testing to manufacturing standard or 110 % maximum SWL
 - Deflection test in accordance to crane manufacturing standards
 - Operation of hoist brake with power supply off and maximum SWL applied
-
- Recommendation for repairs based on inspection, maintenance and testing of the lifting equipment
 - Non periodic maintenance and repairs on a need basis as requested by Client representative through issuing of task orders.

- Issue technical report following routine maintenance to the Client which shall detail inspection and maintenance completed, condition of equipment, defects noted and recommended corrective actions, as well as test certificates of load testing performed. The report shall be signed off by the LMI and submitted 5 working days before PM end date.

Technical Evaluation Criteria

Scoring against evaluation criteria: Tender Deliverables Threshold = 70%

| Technical Requirement | Weighting |
|---|------------------|
| Proof of work experience of similar nature | 15 % |
| Valid proof from Dept. of Labor confirming registration as Lifting Machinery Entity (LME) | 30% |
| Accredited personnel (Lifting Machinery Inspector) and skilled personnel/team | 30% |
| Proof of Signed inspection report detailing periodic inspection & maintenance by accredited LMI | 15 % |
| CIDB 3ME or higher | 10 % |
| TOTAL | 100% |

Management strategy and start up.

The Contractor's plan for the service

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: |
|--|-----------------------------|----------|---|
| Kick-off meeting | TBC | TBC | <i>Employer, Contractor and their representatives</i> |
| Risk register and compensation events | TBC | TBC | <i>Employer, Contractor and their representatives</i> |
| Overall contract progress and feedback | TBC | TBC | <i>Employer, Contractor and their representatives</i> |

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.

Contractor's management, supervision and key people

The *Contractor's* staff will ensure that they restrict their movements on the *Employer's* premises to only those areas pointed out to them during the *Employer's* Induction Training intervention. The *Contractor* will keep the *Employer* updated regarding any changes to employees which are involved in performing the service. This include providing the *Employer* with an up-to-date company organogram and proof of relevant training to perform the service.

NB: At National Key Point sites vetting of all employees is a requirement.

Documentation control

The use of standard TSC3 forms, letters, templates must be used when issuing official communication.

All contractual Documentation must have relevant contract number and Purchase Order Number as reference as per NTCSA SOC Limited Standards. Contractual communications will be in the form of properly compiled letters, letters attached to emails, emails, NEC3 template and urgent *Contractor* meetings can be in the form of SMS. The use of SMS's, emails does not override the use of applicable and relevant NEC3 standard templates, forms, and both NTCSA and Eskom Holdings SOC Limited procedures.

Invoicing and payment

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

The *Contractor* shall address the tax invoice to

_____ 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 **4710303126**;
- 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;
- Goods Receipt Number (GRN)

Electronic submission of invoices via e-mail: Invoicesntcsalocal@ntcsa.co.za and to the *Service Manager* responsible for the Task Order.

Contract change management

All works shall be done in accordance with National Transmission Company South Africa's policies, standards and design or drawings provided. No deviation from any design or drawing will be accepted, unless requested through the *Service Manager* and approved in writing by the responsible National Transmission Company South Africa's designer.

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

The *Contractor* is to keep proof such as invoices of all costs incurred for a compensation event and submit them to the *Service Manager* if requested.

Insurance provided by the *Employer*

As stipulated in the Contract Data.

Training workshops and technology transfer

Demonstration and training of NTCSA Engineering Assistance for the task of Master Installation Electrician

Design and supply of Equipment

Not Applicable

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

Equipment

None

Information and other things

Completion Certificates

Service and Maintenance Logbooks

Data sheets

Management of work done by Task Order

The Task Order shall carry all details of the scope for the Task Order, Prices, the Purchase Order and who the responsible *Service Manager* for the Task Order is.

All work shall be done in terms of Task Orders, as per secondary clause X19, that will be issued by the *Employer* to the *Contractor*. No work may be commenced without a Task Order issued by the *Service Manager* of this contract. No additional work may be done on arrival at sites that is outside the set Task Order scope or work and or quantities authorised.

Notification to be given to the relevant CLN Senior Supervisor and Customer Relations Officer prior to any work being undertaken.

Health and safety, the environment and quality assurance

Health and safety risk management

The *Contractor* shall comply with the health and safety requirements to this Goods Information.

- The *Contractor* complies with the SHE specification for the NTCSA Central Grid.
- The *Contractor* implements a Safety Management Plan (SMP) that complies with the Health and Safety specifications and further uses the OHS Act as a guideline, subject to the *Service Manager's* acceptance.

The *Contractor* as an *Employer* in his own right has duty of care and obligation to ensure that he provides a safe working environment in line to his employees.

No work on site will be allowed to commence before all the access permits, and the relevant health and safety files are in place – according to the Eskom standard SHE Requirements 32-726 and 32-727: (Occupational Health and Safety Requirements to be met by National Transmission Company South Africa Employees, Contractors and Sub-Contractors during maintenance and construction work.)

The *Contractor* is to compile the complete Safety File according to Annexure 1 – Audit form in the Eskom Standard SHE Requirements 32-726 and 32-727 Document and submit to NTCSA Services Risk and Safety Department.

PLEASE NOTE: that only once approval for the Safety File has been granted by NTCSA Services Risk and Safety Department will arrangements for an Inaugural Meeting will be made to start Construction work on Site.

Environmental constraints and management

The requirements will be on waste management e.g. what the *Contractor* is going to do with the equipment that will be redundant – *Contractor* to have a clear waste management plan.

Quality assurance requirements

The *Contractor* shall comply with the Quality criteria and constraints stated in the *Employer's* specification QM58, ISO 9001 and Works Information.

- The *Contractor* complies with the *Employer's* specification QM58.
- The *Contractor's* Quality Management System conforms to International Standard ISO 9001.
- The *Contractor* submits his Quality Management System documents to the *Service Manager* for acceptance as part of the programme to include details of the:
 - Quality Plan for the Works;
 - Quality policy.
 - Index of procedures to be used;
 - Document register; and,
 - Schedule of internal and external audits for the Works.
- The *Contractor* submits in detail his proposed test and inspection plan to the Supervisor for acceptance before manufacturing and installation start. The *Contractor's* test and inspection plan includes detailed trenching records, witness points and hold points for critical activities.
- Tolerances are covered in the specifications.

- The *Contractor* develops and maintains a comprehensive register of documents that are generated on the contract including all quality related documents. The *Service Manager* indicates those documents to be submitted for information, review or acceptance and the *Contractor* indicates such requirements within his register of documents. The register indicates the dates of issue of the documents with the *Service Manager* responding to documents submitted by the *Contractor* for review or acceptance within the period for reply (except where stated otherwise) prior to such documents being used by the *Contractor*.
- The Quality Plan means the *Contractor's* statement, which outlines strategy, methodology, resources allocation, quality assurance and quality control co-ordination activities to ensure that the Works meet the standards stated in the Works Information. It includes a description of the *Contractor's* test and inspection activities, and check/test sheets. The *Employer's* specification QM58 contains the minimum requirements for the Quality Plan.

Procurement

People

Minimum requirements of people employed

The *Contractor* shall employ personnel for the service in with the laws of the Republic of South Africa and NTCSA's employment requirements on work to be conducted at National Key Points. The *Contractor* shall be vetted by the State Security Agency prior to contract award. Should there be delays in the vetting process, the contract may be awarded conditionally to the vetting process being successfully concluded. Should the vetting process recommend termination of the contract, the contract will accordingly be terminated without any termination costs to NTCSA.

BBBEE and preferencing scheme

Clause Z3 under the Additional conditions of contract in Part one – Contract Data of the Contract document provided by the *Employer* refers.

Supplier Development Localisation & Industrialisation

Supplier Development Localization and Industrialisation (SDL&I) as a poverty alleviation and job creation initiative has identified spending on infrastructure such as power stations construction as a key area for intervention and *Employer* is accordingly required to set local content, black economic empowerment (LBS, BWO, BYO and BPLwD) skills development targets. *Employer* prefers to do business with companies that are more than 50% Black Owned and have achieved Level 1- 3; this includes Black Woman Owned (BWO), Black Youth Owned (BYO), and Black People Living with Disability (BPLwD).

The *Contractor* shall maintain or improve upon their current B-BBEE Contribution level for the duration of the contract. The *Contractor* shall be required to submit a new B-BBEE certificate within 3 months, should ownership of the company change during the life of the contract.

Employer has long had a policy in place regarding procurement from black individuals and companies owned and managed by black individuals. In accordance with the publication of The Codes of Good Practice on Black Economic Empowerment issued under Section 9(1) of the Broad Based Black Economic Empowerment Act, 53 of 2003 (the "Codes").

SDL&I Retention and Performance Security

NTCSA will apply a retention of 2.5% of the invoice amount for failure to meet SDL&I obligations.

NTCSA will apply retention of 2.5% of the monthly invoice value for failure to meet SDL&I obligations.

For the duration of the contract, NTCSA will retain 2.5% of every invoice (excluding VAT) as security for the fulfilment of all SDL&I Obligations. The retained amounts shall only be released to the Contractor upon:

- NTCSA receives the SDL&I progress report/s from the contractor.
- Fulfilment of all SDL&I obligations by the contractor.
- Submission of an approved compliance report by SDL&I Department.

Subcontracting

Preferred subcontractors

Not Applicable

Subcontract documentation, and assessment of subcontract tenders

Not Applicable

Limitations on subcontracting

Not Applicable

Attendance on subcontractors

Not Applicable

Plant and Materials

Specifications

All Equipment covered under this contract is listed below and shall be utilised accordingly for the service. Plant belonging to the *Employer* shall be released from site with the permission of the *Service Manager*.

| Substation / Site | Location /Chamber | Manufacturer | SWL | Access Platform |
|-------------------|-------------------|---------------------------|-------------|-----------------|
| Craighall | 275kV | Martin | 6.3 Ton | Yes (ladder) |
| Craighall | 88kV | Martin | 6.3 Ton | Yes (ladder) |
| Croydon | 275kV | Martin | 5 Ton | Yes (ladder) |
| Croydon | 132kV | Martin | 4 Ton | Yes(ladder) |
| Simmerpan | Workshop | Demag | 2 Ton | No |
| Simmerpan | Workshop | Demag | 2 Ton | No |
| Simmerpan | Workshop | Demag | 1 Ton | No |
| Simmerpan Stores | Warehouse | Benrather Maschinenfabrik | 40 & 10 Ton | Yes (ladder) |
| Simmerpan Stores | Warehouse | Demag | 3 Ton | No |
| Diphororo | Workshop | Chainblock | 1 Ton | N |

Correction of defects

Defect correction period is:

- | |
|---|
| <ul style="list-style-type: none">• 2 weeks is the response time within which the <i>Contractor</i> will assess the defect and submit a defect correction plan inclusive of schedule for access purpose |
| <ul style="list-style-type: none">• Emergency occupations/permit to work for critical defects impacting operations |
| <ul style="list-style-type: none">• Any other defects shall be remedied within 1 week, unless evidence can be provided by the <i>Contractor</i> substantiating why a particular defect cannot be remedied within a week, upon which the parties will endeavour to agree an alternative defects period for such defects. |

***Contractor's* procurement of Plant and Materials**

Local material will be purchased and used for this project

Tests and inspections before delivery

All machinery that the *Contractor* will be servicing, repairing or calibrating will be inspected and tested before delivery and there will be a one-month guarantee after date of delivery.

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

AC supply source to power equipment and tools used by the contractor during execution, all material, tools and equipment for the execution of the work to be provided by the contractor.

Cataloguing requirements by the *Contractor*

Not Applicable

Working on the Affected Property

To notify and verify with NTCSA as to when delivery will take place. The *Employer* will arrange and confirm an agreed date, time and place for delivery. Goods to be delivered between 08:00 and 15:00 Monday to Thursday, as well as Friday between 08:00 and 13:00. No delivery will be accepted during weekends as well as holidays.

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

To notify and verify with NTCSA as to when delivery will take place. The *Employer* will arrange and confirm an agreed date, time and place for delivery. Goods to be delivered between 08:00 and 15:00 Monday to Thursday, as well as Friday between 08:00 and 13:00. No delivery will be accepted during weekends as well as holidays.

People restrictions, hours of work, conduct and records

Although not anticipated, where the restrictions might be applicable the *Contractor* will be required to comply with these restrictions.

There will strictly be NO movement outside the barricaded area unless escorted by authorized NTCSA Plant personnel.

Health and safety facilities on the Affected Property

NTCSA is committed to Zero Harm and will conduct business with respect and due care in pursuit of the safety of the *Contractor's* Employees, its Employees and the public. All care shall be taken by the *Contractor* for the environment and the public.

The *Contractor* is required to comply with all regulatory prescripts governing the removal, transportation, servicing, maintenance, repairs and calibration of listed equipment.

Environmental controls, fauna & flora

Not Applicable

Cooperating with and obtaining acceptance of Others

Not Applicable

Records of Contractor's Equipment

Supplier to have a tool and equipment registry for tracing purposes when entering and existing the site. Any additional equipment for the purpose of executing the work cannot be stored or left on site unless such is stipulated and agreed upon with the employer

Equipment provided by the Employer

No equipment to be supplied by the employer.

Site services and facilities

Provided by the *Employer*

- Access
- Water
- Ablution facilities
- Induction of employees

Provided by the *Contractor*

- PPE to handle equipment
- Vehicles and other facilities to load or offload equipment at *Employer's* premises

Control of noise, dust, water and waste

Not Applicable

Hook ups to existing works

The sites have existing beams and hook up structures for Fall Arrest System

Tests and inspections

Description of tests and inspections

- Load tests
- Calibration tests
- Mechanical tests
- Electrical tests
- Visual inspection
- Quality check/inspection

Inspection, testing and maintenance will be conducted on all works that has been carried out by the *Contractor*.

Materials facilities and samples for tests and inspections

All material for the maintenance are to be provided by the contractor at the intervals required. Following periodic inspections, servicing and testing as per the General Machinery Regulations, an engineering report is to be prepared and submitted to the employer.

List of documents

Documents issued by the Employer

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

| Document number | Revision | Title |
|-----------------|----------|--|
| 559-716786105 | 0 | NTCSA Annexure T1 OHS Tender Evaluation Template (High Risk) |
| 240-154832228 | 2 | Transmission Environmental Management Tender Returnable Document |
| 240-110600836 | 2 | Contractor Environmental Requirements Proforma |
| 240-18100134 | | Environmental Requirements for Organisations |
| 240-12248652 | 7 | Supplier Quality Management: List of Tender Returnables Documents |
| 240-68099512 | 9 | (Form A) Tender & Contract Quality Requirements for 240-105658000 and Quality Requirements for ISO90001 Standard |
| 240-105658000 | 3 | Supplier Quality Management: Specification (QM 58) |
| 240-109253302 | 2 | Quality Control Plan/Inspection and Test Plan (QCP/ITP) |
| 240-109253698 | 3 | Template for a Typical Contract Quality Plan |
| 559-54930475 | 1 | Inspection, Testing and Maintenance of Lifting Equipment in the Central Grid |

Publicly available Documents

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

| Document number | Title |
|--------------------|--|
| ISO9001 | Quality Management System |
| OHS Act 85 of 1993 | Occupational Health and Safety Act with reference to the: Driven Machinery Regulation 18 – Lifting Machines and Lifting Tackle |
| SANS 1599 | 2:2019 Power Driven Mobile Cranes |
| SANS 4309:2017 | Cranes – Wire Ropes: Care, Maintenance and Discard |
| SANS 4310:2002 | Cranes – Test code and procedures |
| SANS 10375 | The inspection, testing and examination of overhead cranes |
| SANS 19 | The inspection, testing and examination of mobile crane |
| | |

T2.2b – Tender Schedules for TSC3

Tender schedules specific to this tender

(Only use Schedules necessary for the applicable conditions of contract and contract specific circumstances.)

Schedules relevant to the Core Clauses.

| | |
|--------|---|
| TSC3-1 | Schedule of proposed Subcontractors / sub consultants |
| TSC3-2 | First clause 21.2 plan & method statements |
| TSC3-3 | Proposed organisation and key persons CV's |
| TSC3-4 | Quality Plan |

Schedules relevant to the Option clauses (only use Schedules for the Options chosen)

| | |
|---------|--|
| TSC3-X1 | CPA requirements for secondary Option X1 |
| TSC3-X3 | Forex requirements for secondary Option X3 |

Note to document compilers:

Add other Tender Schedules as may be required (for example)

- SHEQ Plan
- *Contractor's* Service Information for his plan

| | | |
|--|--|---|
| | Schedule of proposed Subcontractors / sub consultants | Tender Schedule T2.2b ECC3-1/ TSC3-1 |
|--|--|---|

We notify you that it is our intention to employ the following subcontractors / sub consultants for work in this contract.

If we are awarded a contract we agree that this notification does not change the requirement for us to submit the names of proposed Subcontractors / Sub consultants in accordance with requirements in the contract for such appointments. .

| | Name and address of proposed Subcontractor | Nature and extent of work | Previous experience with Subcontractor. |
|----|---|----------------------------------|--|
| 1. | | | |
| 2. | | | |
| 3. | | | |
| 4. | | | |

Signed

Date

Name

Position

Tenderer

| | | |
|--|--------------------------------------|---------------------------------|
| | Clause 21.2 plan & method statements | Tender Schedule T2.2b ECC3-2 |
|--|--------------------------------------|---------------------------------|

Note to tenderers: Please attach your proposed first plan to this Tender Schedule.

This plan should show:

1. The information required of a plan submitted for acceptance in Clause 21.2
2. Any other requirements for a plan stated in the Service Information.

Tenderer to provide comment here if necessary.

Signed

Date

Name

Position

Tenderer

| | | |
|--|---|---|
| | Management & CV's of Key Persons | Tender Schedule T2.2b TSC3-3 |
|--|---|---|

Please describe the management arrangements for the *service*.
You are requested to include:

1. An organisation chart showing contract management and persons responsible for work on the Affected Property including the key people you have identified in the Contract Data Part two.
2. CV's for people proposed for all identified posts.
3. Details of the location (and functions) of offices from which the work will be managed.
4. Details of the experience of the staff who will be working on the *service* and with respect to
 - Working with the PSC3 Option chosen for this contract.

If staff experience of these matters is limited, an indication of relevant training that they have attended would be helpful.

5. An explanation of how you propose to allocate adequate resources to enable you to comply with the requirements and prohibitions imposed on you by or under the statutory provisions relating to health and safety.

Summary of items attached to this schedule:

Signed

Date

Name

Position

Tenderer

| | | |
|--|--------------|---------------------------------|
| | Quality Plan | Tender Schedule T2.2b TSC3-4 |
|--|--------------|---------------------------------|

This Schedule is only used if a Quality Plan has not been specified by the *Employer* in the Service Information.

Note to tenderers: Please append an overview of your proposed quality plan to this Tender Schedule.

If acceptable to the *Employer*, it will be included into the contract as part of the Service Information.

Comment if required.

Signed

Date

Name

Position

Tenderer

| | | |
|--|---|--|
| | Contract Price adjustment (CPA) requirements | Tender Schedule T2.2b ECC3-X1 / TSC3-X1 |
|--|---|--|

If Secondary Option X1 is included in the *conditions of contract*, and the *Employer* has not completed the data for this Option, the tendering contractor may propose the proportions used to calculate the Price Adjustment Factor, the index which each proportion is to be linked to, the base date used and the organisation preparing the indices.

Complete the data in the right-hand column

| X1 | Price adjustment for inflation | | | |
|-----------|--|-------------------|--------------------------------------|--------------------------|
| X1.1(a) | The <i>base date</i> for indices is | | The month before tender closing date | |
| X1.1(c) | The proportions used to calculate the Price Adjustment Factor are: | proportion | linked to index for | Index prepared by |
| | | 0. | | |
| | | 0. | | |
| | | 0. | | |
| | | 0. | | |
| | | 0. | | |
| | | 0.15h | non-adjustable | |
| | Total | 1.00 | | |

NTCSA always requires a non-adjustable portion.

This Schedule prepared in accordance with NTCSA's Form CPA (General) Rev 4 April 2006 Section B.

Signed

Date

Name

Position

Tenderer