



NEC3 Term Service Contract (TSC3)

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

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

for **Sewage plant, Wastewater Recovery (WWR) plants**
Operations at Hendrina Power Station

| Contents: | No of pages |
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| Part C1 Agreements & Contract Data | [•] |
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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:

Sewage plant, Wastewater Recovery (WWR) plant operations Hendrina Power Station

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 [●] |
| Option E | The first forecast of the total Defined Cost plus the Fee exclusive of VAT is | R [●] |
| | Sub total | R [●] |
| | Value Added Tax @ 15% is | R [●] |
| | The offered total of the amount due inclusive of VAT is ¹ | R [●] |
| | (in words) [●] | |

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the *Contractor* in the *conditions of contract* identified in the Contract Data.

Signature(s)

Name(s) _____

Capacity _____

For the tenderer:

(Insert name and address of organisation)

Name & signature of witness

Date

Tenderer's CIDB registration number:

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

Acceptance

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the *conditions of contract* identified in the Contract Data. Acceptance of the tenderer's Offer shall form an agreement between the Employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

- Part C1 Agreements and Contract Data, (which includes this Form of Offer and Acceptance)
- Part C2 Pricing Data
- Part C3 Scope of Work: Service Information

and drawings and documents (or parts thereof), which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

The tenderer shall within two weeks of receiving a completed copy of this agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed and signed original copy of this document, including the Schedule of Deviations (if any).

Signature(s)

Name(s)

Capacity

**for the
Employer**

.....
(Insert name and address of organisation)

Name &
signature of
witness

Date

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

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

Note:

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

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

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

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

For the tenderer:

For the Employer

Signature

Name

Capacity

On behalf
of

(Insert name and address of organisation)

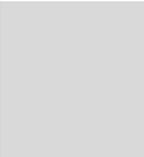
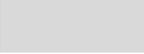
(Insert name and address of organisation)

Name &
signature
of witness

Date

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

| Clause | Statement | Data |
|--------|-----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | General | |
| | The <i>conditions of contract</i> are the core clauses and the clauses for main Option: | |
| |  | A: Priced contract with price list |
| | dispute resolution Option | W1: Dispute resolution procedure |
| | and secondary Options | X1: Price adjustment for inflation |
| |  | X19: Task Order |
| |  | X20: Key performance indicators |
| | | Z: Additional conditions of contract |
| | of the NEC3 Term Service Contract April 2013 ² (TSC3) | |
| 10.1 | The <i>Employer</i> is (name): | Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa |
| | Address | Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg |
| | Tel No. | [•] |
| | Fax No. | [•] |
| 10.1 | The <i>Service Manager</i> is (name): | John Selepe |
| | Address | Private bag x1003 Pullenshope 1096 |
| | Tel | (013) 296 3812 |
| | Fax | N/A |
| | e-mail | SelepeJL@eskom.co.za |

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

| | | |
|----------|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11.2(2) | The Affected Property is | Hendrina Power Station |
| 11.2(13) | The <i>service</i> is | Sewage plant, and Wastewater Recovery (WWR) plant operations at Hendrina Power Station |
| 11.2(14) | The following matters will be included in the Risk Register | [•] |
| 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 | one weeks |
| 2 | The Contractor's main responsibilities | Data required by this section of the core clauses is also provided by the Contractor in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data |
| 21.1 | The <i>Contractor</i> submits a first plan for acceptance within | One weeks of the Contract Date |
| 3 | Time | |
| 30.1 | The <i>starting date</i> is. | [•] |
| 30.1 | The <i>service period</i> is | [•] |
| 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 | End of each 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 | 14 or 30 days after receipt of an invoice |
| 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 and (ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may |

replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted *mutatis mutandis* every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.

| | | | |
|------|-------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| 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. [●] 2. [●] 3. [●] | |
| 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 | [●] weeks. | |
| C | Target contract with price list | | |
| 20.4 | The <i>Contractor</i> prepares forecasts of the total Defined Cost for the whole of the <i>service</i> at intervals no longer than | [●] weeks. | |
| 50.6 | The <i>exchange rates</i> are those published in | [●] on [●] (date) | |
| 53.1 | The <i>Contractor's</i> share percentages and the share ranges are | share range less than [●] % from [●]% to [●]% from [●]% to [●]% greater than [●]% | Contractor's share %-age [●]% [●]% [●]% [●]% |
| 53.3 | The <i>Contractor's</i> share is assessed on (dates) | [●] | |
| E | Cost reimbursable contract | | |

| | | |
|------|------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 20.4 | The <i>Contractor</i> prepares forecasts of the total Defined Cost for the whole of the <i>service</i> at intervals no longer than | weeks /months |
| | The <i>exchange rates</i> are those published in | [•] on [•] (date) |

11 Data for Option W1

| | | |
|---------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| W1.1 | The <i>Adjudicator</i> | <p>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).</p> <p>Address [•]</p> <p>Tel No. [•]</p> <p>Fax No. [•]</p> <p>e-mail [•]</p> |
| 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 | [•]. | | |
| | The proportions used to calculate the Price Adjustment Factor are: | 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. | | |
| X3 | Multiple currencies | | | |
| X3.1 | The <i>Employer</i> will pay for these items or activities in the currencies stated | Items & activities | Other currency | Maximum payment in other currency |
| | | [•] | | |
| | | [•] | | |
| | | [•] | | |
| | | [•] | | |
| X3.1 | The <i>exchange rates</i> are those published in | [•] on [•] (date) | | |
| | | The items & activities will be paid in the other currency | | |
| | | - to a foreign Bank account nominated by the <i>Contractor</i> | | |
| | | - to a valid SARB approved CFC account in South Africa | | |
| | | - in accordance with an alternative payment method agreed with the <i>Employer</i> before the Contract Date. | | |
| | | (select one of the three methods as agreed with the successful tenderer prior to contract award and delete the others and this note) | | |
| 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. | | |
| X12 | Partnering | | | |
| X12.1(1) | The <i>Client</i> is (Name): | [•] | | |
| | Address | [•] | | |
| | Contact details | [•] | | |
| | Telephone: | [•] | | |
| | Fax | [•] | | |
| | e-mail | [•] | | |
| X12.1(4) | The Partnering Information is in | Part 3 Scope of Work, section C3.[•] | | |
| X12.2(1) | The <i>Client's objective</i> is: | [•] | | |

| | | |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| X13 | Performance bond | |
| X13.1 | The amount of the performance bond is | R [●] |
| X17 | Low service damages | |
| X17.1 | The <i>service level table</i> is in | [●] |
| 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 | <p>The greater of</p> <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 | <p>the total of the Prices other than for the additional excluded matters.</p> <p>The <i>Contractor's</i> total liability for the additional excluded matters is not limited.</p> <p>The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for</p> <ul style="list-style-type: none"> • Defects due to his design, plan and specification, • Defects due to manufacture and fabrication outside the Affected Property, • loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials), • death of or injury to a person and • infringement of an intellectual property right. |
| X18.5 | The <i>end of liability date</i> is | [●] 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 | 5 days of receiving the Task Order |
| X20 | Key Performance Indicators (not used when Option X12 applies) | |
| X20.1 | The <i>incentive schedule</i> for Key Performance Indicators is in | Annexure [●] to this Contract Data |

| | |
|----------|-----------------------------------------------------------------------------------------------------------|
| X20.2 | A report of performance against each Key Performance Indicator is provided at intervals of Monthly |
| 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 4740101508 on each invoice he submits for payment.

Z8 Notifying compensation events

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

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

Z9 Employer's limitation of liability

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

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

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

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

Z11 Ethics

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

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

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

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

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

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

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

Obstructive means a Committing Party unlawfully or illegally destroying, falsifying, altering or

Action concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action, and

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

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

Z12 Insurance

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

Insurance cover 83

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

INSURANCE TABLE A

| Insurance against | Minimum amount of cover or minimum limit of indemnity |
|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Loss of or damage caused by the <i>Contractor</i> to the <i>Employer's</i> property | 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. |

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

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

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

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

Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract April 2013 and the relevant parts of its Guidance Notes (TSC3-GN)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 | |

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

Responsibilities:

Qualifications:

Experience:

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

| | |
|----------|----------------------------------------------|
| A | Priced contract with price list |
| 11.2(12) | The <i>price list</i> is in |
| 11.2(19) | The tendered total of the Prices is R |
| C | Target contract with price list |
| 11.2(12) | The <i>price list</i> is in |
| 11.2(20) | The tendered total of the Prices is R |
| E | Cost reimbursable contract |
| 11.2(12) | The <i>price list</i> is in |

C1.3 Forms of Securities

Pro formas for Bonds & Guarantees

For use with the NEC3 Term Service Contract (TSC3)

[Note to contract compiler:

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

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

Option X4: Parent company guarantee
Option X13: Performance Bond

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

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

[Note to contract compiler: If there are no ASGI-SA Obligations in this contract, delete the above statement and the ASGI_SA bond]

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

Pro forma Parent Company Guarantee (for use with Option X4)

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

**Eskom Holdings SOC Ltd
Megawatt Park
Maxwell Drive
Sandton
Johannesburg**

Date:

Dear Sirs,

Parent Company Guarantee for Contract No

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

Eskom Holdings SOC Ltd

(the *Employer*) and

{Insert registered name and address of the Contractor}

(the *Contractor*), for

{Insert details of the works from the Contract Data}

(the *works*).

I/We the undersigned

on behalf of the *Contractor's*
parent company

of physical address

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

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

Signed at _____ on this _____ day of _____ 200_

Signature(s)

Name(s) (printed)

Position in parent company

Signature of Witness(s)

Name(s) (printed)

| | |
|--|--|
| | |
| | |
| | |
| | |
| | |
| | |

Pro forma Performance Bond – Demand Guarantee (for use with Option X13)

(to be reproduced exactly as shown below on the letterhead of the Bank providing the Guarantee)

Eskom Holdings SOC Ltd
Megawatt Park
Maxwell Drive
Sandton
Johannesburg

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

Date:

Dear Sirs

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

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

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

- 3.2 state the amount claimed ("the Demand Amount");
- 3.3 state that the Demand Amount is payable to Eskom in the circumstances contemplated in the Contract.
4. Notwithstanding the reference herein to the Contract the liability of the Bank in terms hereof is as principal and not as surety and the Bank's obligation/s to make payment:
- 4.1 is and shall be absolute provided demand is made in terms of this bond in all circumstances; and
- 4.2 is not, and shall not be construed to be, accessory or collateral on any basis whatsoever.
5. The Bank's obligations in terms of this Guarantee:
- 5.1 shall be restricted to the payment of money only and shall be limited to the maximum of the Guaranteed Sum; and
- 5.2 shall not be discharged and compliance with any demand for payment received by the Bank in terms hereof shall not be delayed, by the fact that a dispute may exist between Eskom and the Contractor.
6. Eskom shall be entitled to arrange its affairs with the Contractor in any manner which it sees fit, without advising us and without affecting our liability under this Guarantee. This includes, without limitation, any extensions, indulgences, release or compromise granted to the Contractor or any variation under or to the Contract.
7. Should Eskom cede its rights against the Contractor to a third party where such cession is permitted under the Contract, then Eskom shall be entitled to cede to such third party the rights of Eskom under this Guarantee on written notification to the Bank of such cession.
8. This Guarantee:
- 8.1 shall expire on the Expiry Date until which time it is irrevocable;
- 8.2 is, save as provided for in 7 above, personal to Eskom and is neither negotiable nor transferable;
- 8.3 shall be returned to the Bank upon the earlier of payment of the full Guaranteed Sum or expiry hereof;
- 8.4 shall be regarded as a liquid document for the purpose of obtaining a court order; and
- 8.5 shall be governed by and construed in accordance with the law of the Republic of South Africa and shall be subject to the jurisdiction of the Courts of the Republic of South Africa.
- 8.6 Any claim which arises or demand for payment received after expiry date will be invalid and unenforceable.
9. The Bank chooses domicilium citandi et executandi for all purposes in connection with this Guarantee at the Bank's Address.

Signed at _____

Date _____

For and behalf of the Bank

Bank Signatory: _____

Bank Signatory: _____

Witness: _____
Bank's seal or stamp

Witness: _____

Pro forma ASGI-SA Guarantee

(to be reproduced exactly as shown below on the letterhead of the Bank providing the Guarantee)

Eskom Holdings SOC Ltd
Megawatt Park
Maxwell Drive
Sandton
Johannesburg

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

Date:

Dear Sirs

Pro-Forma ASGI-SA Guarantee: [Drafting Note: Name of Contractor to be inserted]

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

1. In this Guarantee the following words and expressions shall have the following meanings:-

- 1.1 "Bank" - means [●], [●] Branch, (Registration No. [●]); [Drafting Note: Name of Bank to be inserted]
- 1.2 "Bank's Address" - means [●]; [Drafting Note: Bank's physical address to be inserted]
- 1.3 "Contract" – means the written agreement relating to the Project, entered into between the *Employer* and the *Contractor*, on or about the [●] day of [●] 200[●] (Contract Reference No. [●] as amended, varied, restated, novated or substituted from time to time; [Drafting Note: Signature Date and Contract reference number to be inserted])
- 1.4 "*Contractor*" – means [●] a company registered in accordance with the laws of [●] under Registration Number [●]. [Drafting Note: Name and details of Contractor to be inserted]
- 1.5 "*Contractor's ASGI-SA Obligations*" – means the *Contractor's ASGI-SA Obligations* under and as defined in the Contract.
- 1.6 "*Employer*" - means Eskom Holdings SOC Ltd, a company registered in accordance with the laws of the Republic of South Africa under Registration Number 2002/015527/30.
- 1.7 "Expiry Date" - means the [●] day of [●] 200[●]; [Drafting Note: anticipated date of issue of ASGI-SA Performance Certificate to be inserted.]
- 1.8 "Guaranteed Sum" - means the sum of R [●] ([●] Rand);
- 1.9 "Project" – means the

2. At the instance of the *Contractor*, we the undersigned _____ and _____, in our respective capacities as _____ and _____ of the Bank, and duly authorized thereto, confirm that we hold the Guaranteed Sum at the disposal of the *Employer*, as security for the proper performance by the *Contractor* of the *Contractor's ASGI-SA Obligations* and hereby undertake to pay to the *Employer*, on written demand from the *Employer* received prior to the Expiry Date, any sum or sums not exceeding in total the Guaranteed Sum.

3. A demand for payment under this guarantee shall be made in writing at the Bank's address and shall:

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

3.2 state that the Demand Amount is payable to the *Employer* in the circumstances contemplated in the Contract.

4. Notwithstanding the reference herein to the Contract the liability of the Bank in terms hereof is as

principal and not as surety and the Bank's obligation/s to make payment:

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

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

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

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

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

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

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

8. This Guarantee:

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

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

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

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

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

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

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

Signed at _____

Date _____

For and behalf of the Bank

Bank Signatory: _____

Bank Signatory: _____

Witness: _____

Witness: _____

Bank's

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 andwhere 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 nr | Description | Unit | Expected Quantity | Rate | Price |
|---------|-----------------------------------------------------------------|------|-------------------|------|-------|
| 1 | Site Supervisors (Sewage and Wastewater recovery Class III) x 4 | ea | 40320 | | |
| 2 | Supervisor Class V x 1 | ea | 9600 | | |
| 3 | SHEQ Representative (Safety Officer) | ea | 9600 | | |
| 4 | Controllers Class II x 4 | ea | 40320 | | |
| 5 | Controllers Class I x 4 | ea | 40320 | | |
| 6 | Controllers class 0 x 8 | ea | 80640 | | |
| 7 | Plant workers x 2 | ea | 19200 | | |
| 8 | Transport | km | | | |
| 9 | Medicals Screen (Yearly) | ea | 120 | | |
| 10 | Immunization (Yearly) | ea | 120 | | |
| 11 | *PPE (Yearly) | ea | 360 | | |
| 12 | Analysis (Fortnight) | | 120 | | |
| 13 | *Consumables (Monthly) | | | | |
| 14 | Telephone allowance (Cellphone data for Supervisors) MONTHLY | | | | |
| | | | | | |

*Note: PPE: Should be acid proof overalls, safety shoes, gum boots, rubber gloves(acid resistant), rain suits, wader and torches

*Note: Consumables are: sugar, tea, milk, coffee, hand soap, toilet paper, paper towel, gloves, brooms, air freshener, dish washer

The total of the Prices

PART 3: SCOPE OF WORK

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

C3.1: EMPLOYER'S SERVICE INFORMATION

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1 Description of the service

1.1 Executive overview

Hire personnel to supply the services on a 24-hour basis for a period of 60 months (5 years): Operation and management of the Sewage treatment plant at Hendrina Power Station.

Sewage Treatment Plants consists of: North and South Plants including Oil and Grit plant and Pump Station

1.2 Employer's requirements for the service at the Sewage treatment and Waste water recovery plant

The scope of work covered in this contract is the operation of the sewage plant at Hendrina Power Station. The contractor shall provide labour, operational & management services, plant control, cleaning, as well as routine plant checks and reporting of defects.

Obligation of the Contractor

1. The plant shall be operated in accordance with Hendrina Power Station Water Use License conditions and the operating procedure.
2. The operators shall be classified in accordance with Regulation 2834.
3. The number, duties, training, qualifications and compulsory medical examination of the persons employed at the Sewage treatment plant shall be in accordance with the requirements of the plant's registration certificate issued in accordance with Regulation 2834.
4. The contractor shall ensure that the plant is always clean
5. The contractor shall conduct sewage plant monitoring analysis e.g. chemistry parameters as per Greendrop requirements.
6. The contractor shall ensure that full sewage plant analysis are done as per regulation 2834 and Hendrina water use licence are at the ISO 17025 accredited laboratory on fortnight basis and send the report to the Eskom contract supervisor.
7. The contractor shall provide transport for all employees for home-work purposes, station meetings attendance and all other work-related activities.
8. The contractor shall ensure that statutory safety appointments are done as per OHS act.

Staff

- The plant shall be manned 24 hours a day (on 12-hour shift cycles)
- The number, training, qualifications of all staff members employed at the sewage treatment, waste water recovery plants shall be in accordance with regulation 2834.
- **Class D type plant, in accordance with regulation 2834 is as follows:**

Total number of employees required:

- 4x Site Supervisors – (Class III; Water related qualification (minimum NQF level 5 certificate); 2 years' experience in Sewage treatment plant, submit CV with references)
- 1x Supervisor – (Class V; Water related qualification; 6 years experience in Sewage treatment plant, submit CV with references)
- 4x Process Controllers – (Class II; Water related qualification; 1 years' experience in Sewage treatment plant, submit CV with references).
- 4x Process Controllers – (Class I; Water related qualification; 1 years' experience in Sewage treatment plant)
- 8x Process Controllers – (Non classified; 1 years' experience in Sewage treatment plant.)
- 2x Cleaners (Offices and bathrooms)
- 1x SHEQ Representative (Safety Officer)

Total number of employees per day/shift:

- Supervisor Class V (Normal hours, Monday to Friday)
- Supervisors Class III (shift cycle of 12 hours, 1 per shift)
- Process Controller Class II (shift cycle of 12 hours, 1 per shift)
- Process Controller Class I (shift cycle of 12 hours, 1 per shift)
- Process Controller Non Classified (shift cycle of 12 hours, 2 per shift)
- Cleaners (Non shift workers; Normal hours, Monday to Friday)

4. Employees employed at the Sewage treatment works shall be registered as per Regulation 2834 and Eskom Supervisor must be provided with proof (copies).
5. Employees shall be dedicated to the Sewage treatment works.
6. All Controllers shall be trained in "Safe handling of Chlorine liquid"(disinfectant) and a copy of their certificate must be submitted to Eskom Supervisor. The certificate is only valid for one (1) year and must be renewed annually.
7. All employees must be issued with required personal protective equipment (PPE) and a signed copy with all the issued PPE must be handed to Eskom on an as and when issued.
8. The staff working on the plant must be immunised and proof of immunisation must be provided to Eskom Supervisor.
9. The staff must undergo medical screening annually by registered medical practitioner (**FULL MEDICAL SCREENING IS REQUIRED**). Copies of proof for medicals to be kept on the safety file.
NB: ONLY MEDICALS DONE BY CONTRACTOR ARE ACCEPTABLE NOT INDIVIDUALS
10. The Contractor shall submit a daily plant status report to the Eskom Supervisor on the plant conditions.
11. Contractor shall operate and shall follow all works instructions and procedures provided.
12. The Contractor must take note that plant procedures and works instruction can be change based on the plant needs and that should not impact the contractual expenses and performance.

PLANTS

(A) Effluent

- (i) The final effluent must be treated with Chlorine based product, which is supplied by the Employer
- (ii) The plant shall be operated to meet the effluent standard stipulated in the licence/permit conditions
- (iii) Full set of samples to be sent to an Accredited Laboratory for analyses in accordance with compliance to General Standar.
- (iv) All waste products shall not be permitted to pollute/ contaminate surface or ground (compliance to DWS requirements Act of 1994)

(B) Plant and Surroundings

- (i) The Contractor will operate the plant in accordance with Hendrina Power Station Water Use Licence conditions and operating procedures.
- (ii) The Contractor shall operate the plant in compliance to all Eskom Safety, Health, Environmental and Quality Policies (SHEQ).
- (iii) All critical units at the Sewage plants shall be manned and supervised on 24-hour basis to ensure efficient operation by Contractor.

(C) Maintenance

- (i) Daily inspections shall be carried out on all plant units using check sheets as per plant routine.
- (ii) The plant shall at all times comply with the requirements of the Occupational Health and Safety Act No 85 of 1993 and Safety Legal System Standard procedure (HSSMSM004).
- (iii) The Contractor will report any deviations/defects with respect to plant and environment to the Employer's representative daily.
- (iv) Log all events /activities related to plant on each shift.
- (v) The Contractor will ensure that all Eskom assets and property are maintained in a good condition.

(D) Environmental Management

- (i) Environmental Management programmes shall be maintained by the Contractor to ensure that the objectives and targets are met at the Sewage plant. Compliance to the Environmental Management System

(EMS) as per ISO 14001:2015 covers (Environmental policy & legislations; Risk assessments; Environmental training awareness; Contingency plans and setting of KPI's. Environmental Conservation Act of 1989 and Environmental waste management procedure (HSPPIN003)

(E) Safety

- (i) The Contractor will supply his safety file and plan for ensuring compliance to all safety requirements of OHS&A and Regulations.
- (ii) The Contractor shall ensure that all employees are issued with the required personal protective equipment (PPE) and a copy with all the issued PPE must be kept in the safety file on an "as and when issued"
- (iii) The Contractor shall attend the compulsory monthly Partnership Managerial Safety meetings.
- (iv) The Contractor shall ensure that Life Saving Rules are adhered to at all times
- (v) The Contractor shall conduct plant safety inspections and have monthly safety meetings with its employees and records shall be kept in the safety file and be available for as and when required by the employer.
- (vi) The Contractor must ensure that the employees working on the plant undergoes a yearly medical screening and are immunised by registered medical practitioner and this responsibility lies with the Contractor. Copies of proof for both medicals to be kept on the safety file (**FULL MEDICAL SCREENING IS REQUIRED**).

NB: ONLY MEDICALS DONE BY CONTRACTOR ARE ACCEPTABLE NOT INDIVIDUALS

- (vii) The Contractor shall perform job observations (SMAT) weekly and submit to Risk department on monthly basis and do risk assessments and toolbox talks daily
- (viii) The SHEQ personnel must keep the companies contract safety file updated for Audit purposes

(F) Quality

- (i) The Contractor will provide a quality assurance plan on how compliance with the statutory requirements will be monitored and ensured. This will include a quality control programme on chemical, physical and biological analysis and reporting.
- (ii) Adherence to Quality requirements
- (iii) Fortnightly full set of samples to be sent to an Accredited Laboratory for analyses in accordance with compliance to General Standard.
- (iv) The plant shall be maintained according to the quality requirements adhering to the Quality procedure.

(G) Audits

- (i) Audits covering various aspects of Environmental, Safety and Quality Operational and routine maintenance management of the plants shall be carried out to ensure compliance with statutory requirements and Eskom's policies, directives, and procedures.

(H) Access Control

- (i) Access to the plant shall be secured and controlled at all hours.
- (ii) A register /logbook for all persons visiting the plant shall be kept at the Sewage plant, adherence to the Limited Access Register control-LAR

(I) Operations

- (i) The Contractor shall operate the plant units and equipment's according to instructions in the procedures provided.
- (ii) The Contractor will ensure that the number, training and qualifications of all employees employed at the Sewage plant shall be in accordance with Regulation 2834.
- (iii) The Sewage plant shall be supervised and controlled by a suitably qualified and experienced Contractor who shall have under his control an adequate number of operators to always ensure proper functioning of the works and processes.
- (iv) The plant Controllers shall be in accordance with Regulation 2834 as per below for Sewage treatment works: Class D type plant
- (v) The Contractor will monitor / manage the plant on a 24hour basis to ensure efficient operations.
- (vi) The Contractor will ensure full staffing as per regulation on continuous basis.
- (viii) The Contractor will complete daily plant check sheets as supplied by the employer.
- (xi) The Contractor will ensure job observations are conducted on all critical tasks by the Supervisor.

(J) Training

- (i) Training shall remain the responsibility of the Contractor to develop its employees at no cost to the Employer

(ii) Training program / matrix to enhance employees as their development (provide training that forms part of the employees' duties)

(K) Availability of Staff

(i) The plant Controller / Contractor's site Manager/Supervisor must be in possession of a cell phone during the full contract period.

(ii) A list of names of contact persons and telephone numbers of the Contractor must be made available to the Employer's Supervisor before contract start date.

(iii) The Contractor shall ensure that plant Controllers remain available at the Sewage plant for the duration of the shift.

2 Interpretation and terminology

None

The following abbreviations are used in this Service Information:

| Abbreviation | Meaning given to the abbreviation |
|---------------------|------------------------------------------|
| OBL | Outside battery limits |
| | |

3 Management strategy and start up.

4 The Contractor's plan for the service

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

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

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

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

5 Management meetings

The *conditions of contract* (e.g. Clause 16.2) and other sections of the Service Information (e.g. safety risk management) may require that a meeting shall be held. However the intention of all NEC contracts is that the Parties and their agents use the techniques of partnering to manage the contract by holding meetings designed to pro actively and jointly manage the administration of the contract with the objective of minimising the adverse effects of risks and surprises for both Parties.

Depending on the size and complexity of the *service*, it is probably beneficial for the *Service Manager* to hold a weekly risk register meeting (Clause 16.2). This could be used to discuss safety, compensation events, subcontracting, overall co-ordination and other matters of a general nature. Separate meetings for specialist activities such as planning and activities of a technical nature may also be warranted.

Describe here the general meetings and their purpose. Provide particulars of approximate times, days, location, and attendance requirements, stipulating that attendees shall have the necessary delegated authority to make decisions in respect of matters discussed at such meetings.

The following text could be used as a model for this section:

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: |
|---------------------------------------------------|--------------------------------------------------|------------------------------|-----------------------------------------------------------------------------------------|
| Contractor Managerial Partnership Safety meetings | Monthly, dates are provided by Safety Department | Auditorium | Employer, Contractor Site manager, Contractor SHEQ Representative and Sewage Supervisor |
| Contractor Plant Safety meetings | Monthly | Plant office | Employer Supervisor, Contractor Site manager and all Contractor employees |
| Departmental Statutory Safety Meetings | Monthly | Chemical Services Board room | Employer SHE Rep, Contractor SHEQ Representative / Safety Officer |
| | | | |

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.

6 Contractor's management, supervision and key people

Employer: Eskom
Contract Manager: John Selepe
Contract Supervisor: Mary Magongwa
Safety Officer: Bheki Ramushu

7 Provision of bonds and guarantees

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

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

8 Documentation control

All contractual communications will be in the form of properly compiled letters or forms attached to e-mails and not as a message in the e-mail itself.

Every document or report should have the 4600 number; Task order should have both 4600 and 4500 number and the invoice should have both 4600 and 4500 numbers.

The person representing the Employer at Hendrina Power Station will issue each Task Order to the Supplier. Each Task Order will be submitted at least one week prior to the starting date.

9 Invoicing and payment

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

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

The *Contractor* shall address the tax invoice to

_____ and include on each invoice the following information:

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

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

NB: The Tax invoice shall be sent to Finance Department and a copy to the Contract Manager.

4 Contract change management

Shall be communicated to all parties affected in writing if and when it occurs

5 Records of Defined Cost to be kept by the Contractor

The Contractor to keep records of the of define cost of the company

6 Insurance provided by the Employer

None

7 Training workshops and technology transfer

Training to be provided by Contractor to his employees at no cost to the Employer

8 Design and supply of Equipment

On some complex services (e. g. nuclear) it could be in the Parties best interests that some details of the design of Equipment are shared with the *Service Manager*, not necessarily for his acceptance but as an assurance that the Equipment will be able to allow the *Contractor* to Provide the Service efficiently and without delay. For example specialised handling Equipment for a particular maintenance operation. Clause 23.1 is always available to the *Service Manager* if this paragraph is not used.

Also the *Employer* may wish to exercise constraints or include witness and hold points during manufacture, assembly or delivery of such Equipment. Include these constraints here.

Draft in such a way that there is no doubt that the liability for such design supply and use of the Equipment remains with the *Contractor*.

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

10 Equipment

None

11 Information and other things

Contractor to supply a monthly report on the efficiency of the treatment program detailing all bacteriological quality (Planktonic and Sessile as specified in the scope of work under Technical and Specifications tables.

12 Management of work done by Task Order

Task order will be sent to the Supplier when service is due as per the contract prescribed schedule. The Supplier must respond by sending a program on the job and duration of the job.

13 Health and safety, the environment and quality assurance

14 Health and safety risk management

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

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

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

The Divisional Safety Risk Managers who will be responsible for the allocation of resources to assist P&SCM with the above processes are as follows:

- Generation: Roley McIntyre
- Transmission: Tony Patterson
- Distribution: Alex Stramrood
- Enterprises: Jace Naidoo
- Corporate: Kerseri Pather

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

Hendrina Power Station Safety Requirements

A. Risks

| Number | Hazard | Risks | Control |
|--------|----------------------------|------------------|-------------------------------------------|
| 1 | Noise (All over the plant) | Noise Induce | Ear Protection |
| 2 | Infectious diseases | Severe illnesses | Yearly Medical screening and Immunisation |
| 3. | Explosion / gases | Death / Injuries | Gas tests / no smoking |
| 4 | Trenches and sumps | Drowning | Life jackets |
| 5 | Working at heights | Falling | Safety Harness |
| 6 | Heat | Heat Stroke | Rotation of workers Fluids |

- The type of PPE needed for the project will be determined by the task risk assessment but taking into consideration the generic risk found at our plant

B. Procedures and legislations:

1. Occupational health and safety act 85 of 1993 and Construction regulation
2. Cardinal Rules Procedure
3. Eskom Contractors Management procedure

C. Road Safety

- a. Speed limit: 40km/h
- b. By passing Speed humps not allowed
- c. Transporting People at the back of the bakkie not allowed
- d. Buckle up always
- e. Park only at demarcated areas

D. Sanitation

- a. Toilets for both genders are available at the plant

E. Emergency

- a. The emergency number for Hendrina is 013 296 3485 / 3555 Pax:5485/5555
- b. Proto team is available for any type of Emergencies
- c. Emergency alarms are tested every Wednesday 07H30

F. Access

- a. Before access can be granted the following must be met:
 - i. Safety file checked and approved
 - ii. SHE Induction attendance

15 Environmental constraints and management

All spillages during delivery and dosing must be reported to the Employer immediately. The Contractor must respond to any chemical spillages which occurs in his/her absence within 24 hours of the incident. Where rehabilitation is needed the Contractor will be held responsible and will carry the cost.

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

16 Quality assurance requirements

The samples must be collected by Contractor and send to an Accredited Laboratory.

17 Procurement

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

18 People

19 Minimum requirements of people employed

The Contractor is responsible for the transportation of its Employees to and from work.

20 BBBEE and preferencing scheme

The Contractor shall provide the verification certificate

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

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

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

[Insert the agreed ASGI-SA Compliance Schedule here]

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

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

22 Subcontracting

23 Preferred subcontractors

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

24 Subcontract documentation, and assessment of subcontract tenders

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

25 Limitations on subcontracting

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

26 Attendance on subcontractors

State requirements for attendance on Subcontractors, if any

27 Plant and Materials

28 Specifications

Specifications listed below are subject to change according to Eskom Corporate Standards. The *Contractor* must adjust his/her program accordingly to accommodate the specification. Eskom - Hendrina Power Station will communicate any changes of the specifications to the *Contractor*.

Table 1 bacteriological quality (planktonic)

| PARAMETER | TARGET |
|----------------------------|------------------------|
| Total aerobic bacteria | 10 ⁴ CFU/ml |
| Total anaerobic bacteria | 10 ³ CFU/ml |
| H ₂ S producers | <50 CFU/ml |
| Chlorophyll A | <25 ug/kg |

Table 2 Bacteriological quantity (sessile)

| PARAMETER | TARGET |
|----------------------------|--------------------------|
| Total aerobic bacteria | <10 ⁶ CFU/ml |
| Total anaerobic bacteria | <10 ⁵ /CFU/ml |
| H ₂ S producers | <100/CFU/ml |

29 Correction of defects

Defects on dosing equipment's must be addressed to the Employers Supervisor within 24 hours.

30 Contractor's procurement of Plant and Materials

Specify any constraints on how the *Contractor* is to order, codify, expedite, freight, import, transport to the Affected Property and any other requirements for delivery and storage before installation. The *Employer* may require warranties from suppliers to be in favour of the *Employer* and not just to the *Contractor*. The *Employer* may also need schedules of vendor data for his own use after the end of the *service period*.

31 Tests and inspections before delivery

Core Clause 41.1 makes reference to the Service Information stating which Plant and Materials are to be inspected and tested before delivery. Specify any requirements particularly if such tests and inspections are to be carried out by agents of the *Employer* overseas.

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

The Employer shall provide dosing equipment together with chemical including maintenance of dosing equipment and storage facility

Laptop/Desktop for capturing plant status

List any Plant and Materials which are to be provided by the *Employer*.

State arrangements for collection by *Contractor* or delivery by others on behalf of the *Employer*, off loading, inspection, storage, care custody and control, return of unused Plant and Materials, etc. Always include a statement to the effect that ‘all other Plant and Materials are to be provided by the *Contractor*’.

33 Cataloguing requirements by the *Contractor*

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

34 Working on the Affected Property

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

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

The Supplier must get Temporary Gate Pass for the duration of the Contract as soon as they attended Safety Induction.

36 People restrictions, hours of work, conduct and records

Restrictions and hours of work may apply on some sites. It is very important that the *Contractor* keeps records of his people working on the Affected Property, including those of his Subcontractors. State that the *Service Manager* shall have access to them at any time. These records may be needed when assessing compensation events.

37 Health and safety facilities on the Affected Property

If any Incident happens the Contractor must send the injured to the Medical Centre for Treatment and inform the Employer.

38 Environmental controls, fauna & flora

All spillages during delivery and dosing must be reported to the Employer immediately. The Contractor must respond to any chemical spillages which occurs in his/her absence within 24 hours of the incident.

39 Cooperating with and obtaining acceptance of Others

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

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

40 Records of Contractor's Equipment

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

41 Equipment provided by the Employer

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

42 Site services and facilities

43 Provided by the Employer

The Employer will arrange an access permit to Hendrina's site for the Supplier's personnel.

The Employer's medical centre and facilities will be available for any minor and/ or major injuries to the Supplier's personnel, during execution of his/her duties.

The Supplier will have access to the Employer's staff in order to provide service.

The Employer will provide access to: electricity, water, offices, and phone (not cellphone)

The employer will provide laptop/desk top computer

The Employer will provide logbooks, plant check sheets, plant manuals and procedure

44 Provided by the Contractor

The Supplier must provide his/her employees with appropriate PPE for execution of his/her duties

45 Control of noise, dust, water and waste

The Supplier must provide his/her employees with appropriate PPE for execution of his/her duties i.e. Hardheads, Ear protection, overalls, goggles, face shields, gloves and etc..

46 Hook ups to existing works

Harness to be used when working at heights (climbing bio-filters, pre-settling tanks)

47 Tests and inspections

48 Description of tests and inspections

Samples must be taken after dosing and report submitted to the Employer on monthly.

49 Materials facilities and samples for tests and inspections

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| State what materials facilities and samples for tests and inspections the <i>Contractor</i> and the <i>Employer</i> are to provide, per core clause 40.2. |
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