



## NEC3 Supply Contract (SC3)

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

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

for **Supply and deliver of Inching Gearbox and Drum for  
the Milling Plant at Tutuka Power Station “on an as  
and when required Basis” for a duration of 5 years**

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<b>Contents:</b>	<b>No of pages</b>
<b>Part C1 Agreements &amp; Contract Data</b>	<b>[•]</b>
<b>Part C2 Pricing Data</b>	<b>[•]</b>
<b>Part C3 Scope of Work</b>	<b>[•]</b>

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**CONTRACT No. [Insert at award stage]**

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**Supply and deliver of Inching Gearbox and Drum****PART C1: AGREEMENTS & CONTRACT DATA**

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<b>Contents:</b>	<b>No of pages</b>
<b>C1.1 Form of Offer and Acceptance</b>	<b>[•]</b>
<b>C1.2a Contract Data provided by the <i>Purchaser</i></b>	<b>[•]</b>
<b>C1.2b Contract Data provided by the <i>Supplier</i>.</b>	<b>[•]</b>
<b>[</b>	

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**Supply and deliver of Inching Gearbox and Drum****C1.1 Form of Offer & Acceptance****Offer**

The Purchaser, identified in the Acceptance signature block, has solicited offers to enter into a contract for the procurement of:

**Supply and deliver of Inching Gearbox and Drum for the Milling Plant at Tutuka Power Station “on an as and when required Basis” for a duration of 5 years.**

The tenderer, identified in the Offer signature block, has

<i>either</i>	examined the documents listed in the Tender Data and addenda thereto as listed in the Returnable Schedules, and by submitting this Offer has accepted the Conditions of Tender.
<i>or</i>	examined the draft contract as listed in the Acceptance section and agreed to provide this Offer.

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the *Supplier* 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.

	The offered total of the Prices exclusive of VAT is	<b>R [●]</b>
	Value Added Tax @ 15% is	<b>R [●]</b>
	The offered total of the amount due inclusive of VAT is <sup>1</sup>	<b>R [●]</b>
	(in words) [●]	

This Offer may be accepted by the *Purchaser* 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 *Supplier* 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

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

**Supply and deliver of Inching Gearbox and Drum****Acceptance**

By signing this part of this Form of Offer and Acceptance, the *Purchaser* identified below accepts the tenderer's Offer. In consideration thereof, the *Purchaser* shall pay the *Supplier* 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 *Purchaser* 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: Goods Information including Supply Requirements

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 Purchaser 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 Purchaser'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  
Purchaser**

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

(Insert name and address of organisation)

Name &  
signature of  
witness

Date

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

**Supply and deliver of Inching Gearbox and Drum****Schedule of Deviations to be completed by the *Purchaser* prior to contract award.**

Note:

No.	Subject	Details
1	<b>N/A</b>	<b>N/A</b>
2	<b>N/A</b>	<b>N/A</b>

By the duly authorised representatives signing this Schedule of Deviations below, the *Purchaser* 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 *Purchaser* 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 *Purchaser***

Signature

Name

Capacity

On behalf of *(Insert name and address of organisation)*
**Eskom Holdings SOC Ltd, Megawatt  
Park, Maxwell Drive, Sandton,  
Johannesburg, 2199**
Name &  
signature  
of witness

Date

**Supply and deliver of Inching Gearbox and Drum****C1.2 SC3 Contract Data****Part one - Data provided by the *Purchaser*.**

[

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

Clause	Statement	Data
1	<b>General</b>	
	The <i>conditions of contract</i> are the core clauses and the clauses for Options	
		<b>X1: Price adjustment for inflation</b> <b>X2 Changes in the law</b> <b>X7: Delay damages</b> <b>X17: Low performance damages</b> <b>X20 Key performance indicators</b> <b>Z: Additional conditions of contract</b>
	of the NEC3 Supply Contract (April 2013) <sup>2</sup>	(If the December 2009 edition is to be used delete April 2013 and replace by December 2013)
10.1	The <i>Purchaser</i> is (name):	<b>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</b>
	Address	<b>Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg</b>
	Tel No.	<b>[•]</b>
	Fax No.	<b>[•]</b>
10.1	The <i>Supply Manager</i> is (name):	<b>[•]</b>
	Address	<b>[•]</b>
	Tel	<b>[•]</b>
	Fax	<b>[•]</b>
	e-mail	<b>[•]</b>
11.2(13)	The <i>goods</i> are	<b>Inching Gearbox and Drum</b>
11.2(13)	The <i>services</i> are	<b>Supply and Delivery of Inching Gearboxes and</b>

<sup>2</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902, [www.ecs.co.za](http://www.ecs.co.za).

**Supply and deliver of Inching Gearbox and Drum****Drum at Tutuka Power Station – Main Stores on an as and when required “basis”**

11.2(14)	The following matters will be included in the Risk Register	1) Delays on delivery 2) Quality of deliverables 3) Delivery of defective Gearboxes or Drum 4) Correct material use				
11.2(15)	The Goods Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.				
11.2(15)	The Supply Requirements as part of the Goods Information is in	Annexure A to this Contract Data				
12.2	The law of the contract is the law of	the Republic of South Africa				
13.1	The language of this contract is	English				
13.3	The period for reply is	24 Hours				
2	The Supplier's main responsibilities	Data required by this section of the core clauses is provided by the Supplier in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data.				
3	Time					
30.1	The starting date is.	[•]				
30.1	The delivery date of the goods and services is:	<table><tr><th>goods and services</th><th>delivery date</th></tr><tr><td>1 Inching Gearbox and Drum</td><td>As per the delivery date on each Order</td></tr></table>	goods and services	delivery date	1 Inching Gearbox and Drum	As per the delivery date on each Order
goods and services	delivery date					
1 Inching Gearbox and Drum	As per the delivery date on each Order					
30.2	The Supplier does not bring the goods to the Delivery Place more than one week before the Delivery Date.	[no data required]				
31.1	The Supplier is to submit a first programme for acceptance within	1 week of the Contract Date.				
32.2	The Supplier submits revised programmes at intervals no longer than	2 weeks				
4	Testing and defects					
42	The defects date is	12 months after Installation or 7000 running hours				
43.2	The defect correction period is	3 days after notification				
	except that the defect correction period for	Defects that affect the plant performance and defects that might contribute to loss of production				
		Defect correction period is is 24 hours				
	and the defect correction period for	Defects that pose a threat to the safety of people				
		Defect correction period is is 12 hours				
42.2	The defects access period is	2 days				

**Supply and deliver of Inching Gearbox and Drum**

except that the *defect access period* for  
and the *defect access period* for

<b>5</b>	<b>Payment</b>	
50.1	The <i>assessment interval</i> is	<b>After each delivery and acceptance of spares</b>
51.1	The <i>currency of this contract</i> is the	<b>South African Rand</b>
51.2	The period within which payments are made is	<b>4 weeks after delivery</b>
51.4	The <i>interest rate</i> is	<p>the publicly quoted prime rate of interest (calculated on a 365-day year) charged 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</p> <p>(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 <i>mutatis mutandis</i> 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.</p>
<b>6</b>	<b>Compensation events</b>	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.
<b>7</b>	<b>Title</b>	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.
<b>8</b>	<b>Risks, liabilities, indemnities and insurance</b>	
80.1	These are additional <i>Purchaser's</i> risks	<b>None</b>
88.1	The <i>Supplier's</i> liability to the <i>Purchaser</i> for indirect or consequential loss, including loss of profit, revenue and goodwill is limited to	<b>R0.0 (zero Rand)</b>
88.2	For any one event, the <i>Supplier's</i> liability to the <i>Purchaser</i> for loss of or	<b>(1) for the <i>Purchaser's</i> existing and surrounding property in the care, custody and</b>



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damage to the *Purchaser's* property is limited to

control of the *Supplier* the amount of the deductible (first amount payable) relevant to the event and

(2) for all other existing *Purchaser's* property the applicable deductible as at contract date

88.3	The <i>Supplier's</i> liability for Defects due to his design which are not notified before the last <i>defects date</i> is limited to:	<b>The total price of the design, manufacturing, and delivery</b>
88.4	The <i>Supplier's</i> total liability to the <i>Purchaser</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	<b>The purchase order value.</b>
88.5	The <i>end of liability date</i> is	<b>52 weeks after Delivery of the whole of the goods and services.</b>
<b>9</b>	<b>Termination and dispute resolution</b>	Termination will be dealt with as per NEC3 SC termination clauses.
94.1	The <i>Adjudicator</i> is	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 <a href="http://www.ice-sa.org.za">www.ice-sa.org.za</a> ). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
	Address	[•]
	Tel No.	[•]
	Fax No.	[•]
	e-mail	[•]
94.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA, a Division of the South African Institution of Civil Engineering, or its successor body (See <a href="http://www.ice-sa.org.za">www.ice-sa.org.za</a> )
94.4(2)	The <i>tribunal</i> is:	arbitration
94.4(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.
94.4(5)	The place where arbitration is to be held is	<b>South Africa</b>
	The person or organisation who will choose an arbitrator	

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	<ul style="list-style-type: none"> <li>- if the Parties cannot agree a choice or</li> <li>- if the arbitration procedure does not state who selects an arbitrator, is</li> </ul>	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.																								
<b>10</b>	<b>Data for Option clauses</b>																									
<b>X1</b>	<b>Price adjustment for inflation</b>																									
X1.1	<p>The <i>base date</i> for indices is</p> <p>The proportions used to calculate the Price Adjustment Factor are:</p>	<p>The month prior to the enquiry closing date</p> <table> <tr> <th>proportion</th><th>linked to index for</th><th>Index prepared by</th></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>15%</td><td colspan="2">non-adjustable</td></tr> <tr> <td>100%</td><td colspan="2"></td></tr> </table>	proportion	linked to index for	Index prepared by	0.	[•]	[•]	0.	[•]	[•]	0.	[•]	[•]	0.	[•]	[•]	0.	[•]	[•]	15%	non-adjustable		100%		
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<b>X2</b>	<b>Changes in the law</b>																									
X2.1	A change in the law of	Republic of South Africa is a compensation event if it occurs after the Contract Date																								
<b>X7</b>	<b>Delay damages</b>																									
X7.1	Delay damages for Delivery are	<p>1 % of task order value per day to a maximum of 10% of the purchase/task order value</p> <p>Once the maximum is reached Z11 will come into effect</p>																								
<b>X17</b>	<b>Low performance damages</b>																									
X17.1	The amounts for low performance damages are:	<p>Stated in the <i>Purchaser's</i> goods information</p> <p>Appendix A</p>																								
<b>X20</b>	<b>Key Performance Indicators</b>																									
X20.1	The <i>incentive schedule</i> for Key Performance Indicators is in	N/A																								
X20.2	A report of performance against each Key Performance Indicator is provided at intervals of	6 months																								
<b>Z</b>	<b>The <i>additional conditions of contract</i> are</b>																									
	Z1 to Z15 always apply for Eskom																									

**Supply and deliver of Inching Gearbox and Drum****Z1 Cession delegation and assignment**

- Z1.1 The *Supplier* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Purchaser*.
- Z1.2 Notwithstanding the above, the *Purchaser* may on written notice to the *Supplier* 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 *Supplier* 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 *Purchaser* for the performance of this contract.
- Z2.2 Unless already notified to the *Purchaser*, the persons or organisations notify the *Supply Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Supplier* on their behalf.
- Z2.3 The *Supplier* does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Purchaser* having been given to the *Supplier* in writing.

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

- Z3.1 Where a change in the *Supplier's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Supplier's* B-BBEE status, the *Supplier* notifies the *Purchaser* within seven days of the change.
- Z3.2 The *Supplier* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Supply Manager* within thirty days of the notification or as otherwise instructed by the *Supply Manager*.
- Z3.3 Where, as a result, the *Supplier's* B-BBEE status has decreased since the Contract Date the *Purchaser* may either re-negotiate this contract or alternatively, terminate the *Supplier's* obligation to Provide the Goods and Services.
- Z3.4 Failure by the *Supplier* to notify the *Purchaser* of a change in its B-BBEE status may constitute a reason for termination. If the *Purchaser* terminates in terms of this clause, the procedures on termination are P1, P2 and P3 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

**Z4 Confidentiality**

- Z4.1 The *Supplier* 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 *Supplier*, enters the public domain or to information which was already in the possession of the *Supplier* at the time of disclosure (evidenced by written records in existence at that time). Should the *Supplier* disclose information to Others in terms of clause 23.1, the *Supplier* ensures that the provisions of this clause are complied with by the recipient.
- Z4.2 If the *Supplier* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Supply Manager*.
- Z4.3 In the event that the *Supplier* is, at any time, required by law to disclose any such

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information which is required to be kept confidential, the *Supplier*, to the extent permitted by law prior to disclosure, notifies the *Purchaser* 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 *Supplier* 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 *goods* or any portion thereof, in the course of Providing the Goods and Services and after Delivery, requires the prior written consent of the *Supply Manager*. All rights in and to all such images vests exclusively in the *Purchaser*.

Z4.5 The *Supplier* 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 *Supply 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 25.4**

Z6.1 The *Supplier* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the provision of the *goods* and execution of the *services*.

Without limitation the *Supplier*:

- warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with 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 supply and
- undertakes, in and about the execution of the supply, to comply 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 *Supplier's* direction and control, likewise observe and comply with the foregoing.

Z6.2 The *Supplier*, in and about the execution of the supply, 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 *Supplier'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 *Supply Manager* in terms of core clause 51.1, the *Supplier* provides the *Purchaser* with a tax invoice in accordance with the *Purchaser's* procedures stated in the Goods Information, showing the amount due for payment equal to that stated in the payment certificate.

Z7.2 If the *Supplier* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Purchaser* 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 *Purchaser* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.

Z7.3 The *Supplier* (if registered in South Africa in terms of the companies Act) is required to

**Supply and deliver of Inching Gearbox and Drum**

comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Purchaser's* VAT number 4740101508 on each invoice he submits for payment.

**Z8 Notifying compensation events**

- Z8.1 Delete from the last sentence in core clause 61.3 the words, "unless the event arises from the *Supply Manager* giving an instruction, changing an earlier decision or correcting an assumption".

**Z9 Purchaser's limitation of liability**

- Z9.1 The *Purchaser's* liability to the *Supplier* for the *Supplier's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z9.2 The *Supplier's* entitlement under the indemnity in 83.1 is provided for in 60.1(12) and the *Purchaser's* liability under the indemnity is limited.

**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 Addition to secondary Option X7 Delay damages (if applicable in this contract)**

- Z11.1 If the amount due for the *Supplier's* payment of delay damages reaches the limits stated in this Contract Data for Option X7, the *Purchaser* may terminate the *Supplier's* obligation to Provide the Goods and Services using the same procedures and payment on termination as those applied for reasons R1 to R15 or R18 stated in the Termination Table.

**Z12 Ethics**

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

<b>Affected Party</b>	means, as the context requires, any party, irrespective of whether it is the <i>Supplier</i> 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,
<b>Coercive Action</b>	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,
<b>Collusive Action</b>	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,
<b>Committing Party</b>	means, as the context requires, the <i>Supplier</i> , or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,
<b>Corrupt Action</b>	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,
<b>Fraudulent Action</b>	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

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or to avoid an obligation or incurring an obligation,

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

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

- Z12.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
- Z12.2 The *Purchaser* may terminate the *Supplier's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Supplier* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Purchaser* 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 *Purchaser* can terminate the *Supplier's* obligation to Provide the Services for this reason.
- Z12.3 If the *Purchaser* terminates the *Supplier'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.
- Z12.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Purchaser* does not have a contractual bond with the Committing Party, the *Supplier* ensures that the Committing Party co-operates fully with an investigation.

**Z13 Insurance****Z 13.1 Replace core clause 84 with the following:**

- |                        |             |   |
|------------------------|-------------|---|
| <b>Insurance cover</b> | <b>84</b>   |   |
|                        | <b>84.1</b> | 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.   |
|                        | <b>84.2</b> | The <i>Supplier</i> provides the insurances stated in the Insurance Table A for events which are at the <i>Supplier's</i> risk from the <i>starting date</i> until the last <i>defects date</i> or a termination certificate has been issued. |

**INSURANCE TABLE A**

**Supply and deliver of Inching Gearbox and Drum**

<b>Insurance against</b>	<b>Minimum amount of cover or minimum limit of indemnity</b>
Loss of or damage to the <i>goods</i> , plant and materials	The replacement cost where not covered by the <i>Purchaser's</i> insurance.  The <i>Purchaser's</i> policy deductible as at Contract Date, where covered by the <i>Purchaser's</i> insurance.
Liability for loss of or damage to property (except the <i>goods</i> , plant and materials and equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Supplier</i> ) caused by activity in connection with this contract	<b><u>Loss of or damage to property</u></b> <b><u>Purchaser's property</u></b> The replacement cost where not covered by the <i>Purchaser's</i> insurance.  The <i>Purchaser's</i> policy deductible as at Contract Date, where covered by the <i>Purchaser's</i> insurance.  <b><u>Other property</u></b> The replacement cost  <b><u>Death of or bodily injury</u></b> The amount required by the applicable law.
Liability for death of or bodily injury to employees of the <i>Supplier</i> arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law

**Z 13.2 Replace core clause 87 with the following:****Insurance by the *Purchaser***

87

87.1 The *Purchaser* provides the insurances stated in the Insurance Table B**INSURANCE TABLE B**

<b>Insurance against or name of policy</b>	<b>Minimum amount of cover or minimum of indemnity</b>
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

**Supply and deliver of Inching Gearbox and Drum****Z14 Nuclear Liability**

- Z14.1 The *Purchaser* 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.
- Z14.2 The *Purchaser* is solely responsible for and indemnifies the *Supplier* or any other person against any and all liabilities which the *Supplier* 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 *Supplier* or any other person or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.
- Z14.3 Subject to clause Z14.4 below, the *Purchaser* 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 *Supplier* or any other person, or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.
- Z14.4 The *Purchaser* 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.
- Z14.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

**Z15 Asbestos**

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

<b>AAIA</b>	means approved asbestos inspection authority.
<b>ACM</b>	means asbestos containing materials.
<b>AL</b>	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.
<b>Ambient Air</b>	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.
<b>Compliance Monitoring</b>	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.
<b>OEL</b>	means occupational exposure limit.
<b>Parallel Measurements</b>	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
<b>Safe Levels</b>	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.



**Supply and deliver of Inching Gearbox and Drum**

**Standard** means the *Purchaser's* 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.

Z15.1 The *Purchaser* ensures that the Ambient Air in the area where the *Supplier* 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.

Z15.2 Upon written request by the *Supplier*, the *Purchaser* certifies that these conditions prevail. All measurements and reporting are affected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Supplier* may perform Parallel Measurements and related control measures at the *Supplier'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 Z15.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.

Z15.3 The *Purchaser* manages asbestos and ACM according to the Standard.

Z15.4 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.

Z15.5 The *Supplier'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.

Z15.6 The *Supplier* 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.

Z15.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Purchaser* at the *Purchaser's* expense, and conducted in line with South African legislation.

**Additional Z clauses**

- The *Employer* reserves the right to terminate the contract should the *Contractor* fail to deliver/perform the service/s as per the scope of work.
- The *Employer* reserves the right to terminate the contract, once 3 non-conformances are raised against the *Contractor*.

**Supply and deliver of Inching Gearbox and Drum****Annexure A: Supply Requirements****The Supply Requirements for this contract are based on the use of INCOTERMS:**

The *Supplier* supplies the *goods* in accordance with INCOTERMS 2010<sup>3</sup> as follows:

Group	Category	Term	Delivery Place
	Delivery Cost Included	DCI	<i>Employer's stores</i>

The Parties obligations described in Incoterms for the category and term selected are now incorporated into this contract as part of the Supply Requirements and hence the Goods Information.

The obligations of seller and buyer for the selected Incoterm determine each Party's costs, risks and insurance requirements incidental to the supply and transport of the *goods* from *Supplier* to *Purchaser*.

For each of the thirteen terms, Incoterms set out obligations of the seller (the *Supplier*) in ten paragraphs identified as A1 to A10 and the corresponding obligations of the buyer (the *Purchaser*) in paragraphs B1 to B10. These obligations cover the following subjects:

<b>A</b>	<b>The <i>Supplier's</i> obligations</b>	<b>B</b>	<b>The <i>Purchaser's</i> obligations</b>
<b>A1</b>	Provision of goods in conformity with contract	<b>B1</b>	Payment of the price
<b>A2</b>	Licences, authorisations and formalities	<b>B2</b>	Licences, authorisations and formalities
<b>A3</b>	Contracts of carriage and insurance	<b>B3</b>	Contracts of carriage and insurance
<b>A4</b>	Delivery	<b>B4</b>	Taking delivery
<b>A5</b>	Transfer of risks	<b>B5</b>	Transfer of risks
<b>A6</b>	Division of costs	<b>B6</b>	Division of costs
<b>A7</b>	Notice to the buyer	<b>B7</b>	Notice to the seller
<b>A8</b>	Proof of delivery, transport document or equivalent electronic message	<b>B8</b>	Proof of delivery, transport document or equivalent electronic message
<b>A9</b>	Checking - packing - marking	<b>B9</b>	Inspection of goods
<b>A10</b>	Other obligations	<b>B10</b>	Other obligations

All other information NOT pertinent to the above is given in the balance of the Goods Information

<sup>3</sup> International Chamber of Commerce, Incoterms 2010, Paris, January 2011

**Supply and deliver of Inching Gearbox and Drum****The Supply Requirements for this contract are as follows:**

<b>1. The requirements for the supply are</b>	As stated in the contract goods information	
<b>2. The requirements for transport are</b>	As stated in the contract goods information	
<b>3. The delivery place is</b>	Tutuka Power Station Stores(receiving )	
<b>4. Actions of the Parties during supply</b>	<b>Action</b>	<b>Party which does it</b>
	Giving notice of Delivery	Supplier
	Checking packing and marking before dispatch	Supplier
	Contracting for transport	Supplier
	Pay costs of transport	Included in tendered rates
	Arrange access to delivery place	Purchaser
	Loading the <i>goods</i>	Supplier
	Unloading the <i>goods</i>	As stated in the contract goods information
<b>For international procurement</b>	Undertake export requirements	Supplier
	Undertake import requirements	Supplier
<b>5. Information to be provided by the Supplier</b>	<b>Title of document</b>	
	Packing lists for cases and their contents	
	Copy of invoice for the <i>goods</i>	
	Delivery Note	
	Test results and maintenance manuals	
<b>For international procurement</b>	Licences, authorisations and other formalities associated with export of the <i>goods</i>	
	Air Waybill or Bill of Lading with associated landing, delivery and forwarding order	
	The Bill of Entry endorsed by the importation authority	
	Customs work sheets, showing tax, duties and surcharges which the law of the country into which the <i>goods</i> are being imported requires the importer to pay	
	Invoice from the importation clearing agent showing airline fees, landing charges, wharfage and dock dues as applicable	
	Specify other import documents required by authorised officials.	

All other information NOT pertinent to the above is given in the balance of the Goods Information

**Supply and deliver of Inching Gearbox and Drum****C1.2 Contract Data****Part two - Data provided by the *Supplier*.**

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

Clause	Statement	Data												
10.1	The <i>Supplier</i> is (Name):  Address  Tel No.  Fax No.													
11.2(8)	The Goods Information for the <i>Supplier's</i> design is in:													
11.2(11)	The tendered total of the Prices is	R , (in words)												
11.2(12)	The <i>price schedule</i> is in:													
11.2(14)	The following matters will be included in the Risk Register													
25.2	The restrictions to access for the <i>Supply Manager</i> and Others to work being done for this contract are													
30.1	The <i>delivery date</i> of the <i>goods and services</i> is:	<table><thead><tr><th></th><th><i>goods and services</i></th><th><i>delivery date</i></th></tr></thead><tbody><tr><td>1</td><td>[•]</td><td>[•]</td></tr><tr><td>2</td><td>[•]</td><td>[•]</td></tr><tr><td>3</td><td>[•]</td><td>[•]</td></tr></tbody></table>		<i>goods and services</i>	<i>delivery date</i>	1	[•]	[•]	2	[•]	[•]	3	[•]	[•]
	<i>goods and services</i>	<i>delivery date</i>												
1	[•]	[•]												
2	[•]	[•]												
3	[•]	[•]												
31.1	The programme identified in the Contract Data is contained in:													
63.2	The <i>percentage for overheads and profit</i> added to the Defined Cost is	%												

PART 2: PRICING DATA

NEC3 Supply Contract

Document reference	Title
C2.1	Pricing assumptions
C2.2	The <i>price schedule</i>

**Supply and deliver of Inching Gearbox and Drum**

## C2.1 Pricing assumptions

### How goods and services are priced and assessed for payment

Clause 11 in NEC3 Supply Contract, (SC3) core clauses states:

<b>Identified and defined terms</b>	11	
	11.2	(11) The Prices are the amounts stated in the price column of the Price Schedule. Where a quantity is stated for an item in the Price Schedule, the Price is calculated by multiplying the quantity by the rate.
		(12) The Price Schedule is the <i>price schedule</i> unless later changed in accordance with this contract.
<b>Assessing the amount due</b>	50.2	The amount due is
		<ul style="list-style-type: none"> <li>the Price for each lump sum item in the Price Schedule which the <i>Supplier</i> has completed,</li> <li>where a quantity is stated for an item in the Price Schedule, an amount calculated by multiplying the quantity which the <i>Supplier</i> has completed by the rate,</li> <li>plus other amounts to be paid to the <i>Supplier</i>,</li> <li>less amounts to be paid by or retained from the <i>Supplier</i>.</li> </ul>
		Any tax which the law requires the <i>Purchaser</i> to pay to the <i>Supplier</i> is included in the amount due.

This confirms that the Supply Contract is a priced contract where the Prices are derived from a list of items of *goods* and *services* which can be priced as lump sums or as expected quantities of *goods* and *services* multiplied by a rate, or a mix of both.

### Function of the Price Schedule

Clause 53.1 states: "Information in the Price Schedule is not Goods Information". This confirms that instructions to do work or how it is to be done are not included in the Price Schedule but in the Goods Information. This is further confirmed by Clause 20.1 which states, "The *Supplier* Provides the Goods and Services in accordance with the Goods Information". Hence the *Supplier* does **not** Provide the Goods and Services in accordance with the Price Schedule. The Price Schedule is only a pricing document.

### Preparing the *price schedule*

Items in the *price schedule* may have been inserted by the *Purchaser* and the tendering supplier should insert any additional items which he considers necessary. Whichever party provides the items in the *price schedule* the total of the Prices is assumed to be fully inclusive of everything necessary to Provide the Goods and Services as described at the time of entering into this contract.

It will be assumed that the tendering supplier has

- Read Pages 8, 11, 12 and Appendix 5 of the SC3 Guidance Notes before preparing the *price schedule*;
- Included in his Prices and rates for correction of Defects (core clause 43.1) as there is no compensation event for this unless the Defect is due to a *Supplier's* risk;
- Spread the cost of doing work he chooses not to list as separate items in the *price schedule* across other Prices and rates in order to fulfil the obligation to Provide the Goods and Services for the tendered total of the Prices;
- Understood that there is no adjustment to lump sum prices in the *price schedule* if the amount, or quantity, of work within that lump sum item later turns out to be different to that which the *Supplier* estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event per clause 60.1;

**Supply and deliver of Inching Gearbox and Drum**

- Understood that the *Supplier* does not have to allow in his Prices and rates for matters that may arise as a result of a compensation event.

**Format of the *price schedule***

Entries in the first four columns in the *price schedule* in section C2.2 are made either by the *Purchaser* or the tendering supplier.

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

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

If the *Supplier* is to be paid an amount for an item proportional to the length of time for which the *goods* and *services* are provided, a unit of time is stated in the Unit column and the length of time (as a quantity of the stated units of time) is stated in the Quantity column.

**Supply and deliver of Inching Gearbox and Drum****C2.2 the *price schedule***

Item nr	Stock Number	Description	OEM Part No	Unit	Lead time	Rate
1	0229813	Gearbox - ABC (LH)	H3H13_BR_F100 (R-LR [LH] 22 kW)	EA		
2	0176880	Gearbox - DEF (RH)	H3H13_BR_F200 (L-LR [RH] 22 kW)	EA		
3	0038078	Coupling - input with drum	1CPF with Ø350x130 drum (Dvr Ø47J7 Keyway W14xH3.8 JS9) (Dvn Ø45H7 Keyway W14xH3.8 JS9)	EA		

Note:

- Supplier to indicate the lead time for all the items on the price list.



## PART 3: SCOPE OF WORK

Document reference	Title
	This cover page
C3.1	<i>Purchaser's</i> Goods Information
C3.2	<i>Supplier's</i> Goods Information

**Supply and deliver of Inching Gearbox and Drum****C3.1: PURCHASER'S GOODS INFORMATION****Contents**

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**Supply and deliver of Inching Gearbox and Drum****1 Overview and purpose of the goods and services.**

- Supply and delivery of Inching Gearboxes for the Milling Plant at Tutuka Power Station- Main Stores on an as and when required "basis".

**2 Specification and description of the goods**

- As per full technical specification given on Goods Information / Price schedule Specifications and drawing Numbers (where applicable). The *Supplier* implements a quality system and maintains the quality system until the delivery of all consumables. The system will be to the *Purchaser's* satisfaction and will be accepted prior to the signing of the *contract*. The *Supplier* will be subject to periodic audits by the *Purchaser* in order to ensure compliance with the system. Any deviations will be corrected to the *Purchaser's* satisfaction.

## Technical Specifications

Item	Stock Number	OEM Part No.	Description	Technical Description (Long Text)
1	0229813	H3H13_BR_F100 (R-LR [LH] 22 kW)	Gearbox - ABC (LH)	<p>GEARBOX: TYPE: REDUCTION; SPEED: 1480 RPM; POWER: 22 KW; REFERENCE NO: H3H13, UNK; BARRING FOR MILLS A, B AND C, LEFTHAND</p> <p>Gearbox OEM: Citroen Messiah Reducer Type: H3H13 BR F100 Power: 22 kW Input speed: 1480 RPM Output speed: 14.8 RPM Number of stages: 3 First stage gears: 22 to 67 teeth Second stage gears: 19 to 108 teeth Third stage gears: 19 to 110 teeth First stage shaft centres distance: 137.5 mm Second stage shaft centre distance: 259 mm Third stage shaft centres distance: 388.5 mm Overall CRS: 785 mm Assembly designation: R-LR (AGMA 6010-F97) Input rotation direction drive end view: <b>Counterclockwise.</b> Mills designation: A, B and C Inching gearbox</p> <p>1. SKF bearings. Bearings to be verified. Before installing that it is genuine Verification to be submitted to Eskom.</p> <p>1.1. First stage pinion: 22310 C3 (2 off) 1.2. Second stage pinion: 22310 (2 off) 1.3. Third stage pinion: 22316 (2 off) 1.4. Output shaft: 22224 C3 (2 off) 1.5. Clutch bearings: NU1026 C3 (2 off)</p>

**Supply and deliver of Inching Gearbox and Drum**

				<p>2. <b>Viton</b> seal to be used on shaft covers (2 off)</p> <p>2.1. First stage pinion: 80 x 50 x 10 mm (2 off)</p> <p>2.2. Third stage pinion, output to centrifugal switch stub 50 x 28 x 10 mm (1 off)</p> <p>2.3. Output shaft: 115 x 140 x 13 mm (2 off)</p> <p>6. Casing with covers and casing accessories internal and external sandblasted and corrosion resistant. epoxy to be applied.</p> <p>6.1. Top casing (1 off)</p> <p>6.2. Bottom casing (1 off)</p> <p>6.3. First stage pinion end covers (2 off)</p> <p>6.4. Second stage pinion end covers (2 off)</p> <p>6.5. Third stage pinion end covers (2 off)</p> <p>6.6. Output shaft end covers (2 off)</p> <p>7. All fasteners to be with Gr 8.8 (High tensile). All casing bolts (sides, front, and rear) must be installed with Nylocs. At least 3 threads to protrude Nyloc nuts.</p> <p>8. Both compartments must have sight glasses</p> <p>9. Breather to be installed.</p> <p>10. Output shaft casings (DE and NDE) must have <b>Viton</b> oil seal. OD of seal is 140 mm (2 off).</p>
2	0176880	H3H13_BR_F200 (L-LR [RH] 22 kW)	Gearbox - DEF (RH)	<p>Gearbox: Type: Reduction; Ratio: 100:1; Speed: 1480 Rpm; Power: 22 Kw; Reference No: 67011, Unk; H3h13, Unk; Barring For Mills, D, E And F</p> <p>Gearbox Oem: Citroen Messiah Reducer</p> <p>Type: H3H13 BR F100 Power: 22 kW</p> <p>Input speed: 1480 RPM Output speed: 14.8 RPM Number of stages: 3</p> <p>First stage gears: 22 to 67 teeth</p> <p>Second stage gears: 19 to 108 teeth</p> <p>Third stage gears: 19 to 110 teeth</p> <p>First stage shaft centres distance: 137.5 mm</p> <p>Second stage shaft centre distance: 259 mm</p> <p>Third stage shaft centres distance: 388.5 mm</p> <p>Overall CRS: 785 mm</p> <p>Assembly designation: R-LR (AGMA 6010-F97)</p>

**Supply and deliver of Inching Gearbox and Drum**

				<p>Input rotation direction drive end view: <b>Counter Clockwise.</b> Mills designation: D, E and F Inching gearbox</p> <ol style="list-style-type: none"> <li>1. SKF bearings. Bearings to be verified. Before installing that it is genuine. Verification to be submitted to Eskom.               <ol style="list-style-type: none"> <li>1.1. First stage pinion: 22310 C3 (2 off)</li> <li>1.2. Second stage pinion: 22310 (2 off)</li> <li>1.3. Third stage pinion: 22316 (2 off)</li> <li>1.4. Output shaft: 22224 C3 (2 off)</li> <li>1.5. Clutch bearings: NU1026 C3 (2 off)</li> </ol> </li> <li>2. seal to be used on shaft covers (2 off)               <ol style="list-style-type: none"> <li>2.1. First stage pinion: 80 x 50 x 10 mm (2 off)</li> <li>2.2. Third stage pinion, output to centrifugal switch stub 50 x 28 x 10 mm (1 off)</li> <li>2.3. Output shaft: 115 x 140 x 13 mm (2 off)</li> </ol> </li> <li>6. Casing with covers and casing accessories internal and external sandblasted and corrosion resistant epoxy to be applied.               <ol style="list-style-type: none"> <li>6.1. Top casing (1 off)</li> <li>6.2. Bottom casing (1 off)</li> <li>6.3. First stage pinion end covers (2 off)</li> <li>6.4. Second stage pinion end covers (2 off)</li> <li>6.5. Third stage pinion end covers (2 off)</li> <li>6.6. Output shaft end covers (2 off)</li> </ol> </li> <li>7. All fasteners to be with Gr 8.8 (High tensile). All casing bolts (sides, front, and rear) must be installed with Nylocs. At least 3 threads to protrude Nyloc nuts.</li> <li>8. Both compartments must have sight glasses</li> <li>9. Breather to be installed.</li> <li>10. Output shaft casings (DE and NDE) must have <b>Viton</b> oil seal. OD of seal is 140 mm (2 off).</li> </ol>
3	0038078	1CPF with Ø350x130 drum (Dvr Ø47J7 Keyway W14xH3.8 JS9) (Dvn Ø45H7 Keyway W14xH3.8 JS9)	Coupling - input with drum	<p>DRUM: TYPE: MILL INCHING; DIMENSIONS: DIA 350 X WD 130 MM; MATERIAL: STL; SUPPL P/N: STH2090BW; COUPLING, COMPLETE WITH 2 HUBS GRID AND COVER; FOR USE ON BARRING GEARBOX</p>

## **Supply and deliver of Inching Gearbox and Drum**

### **2.1 Purchaser's design**

*Purchaser* has no design drawings, but a sample of the gearbox and drum is available. Data pack for all **Inching Gearboxes** to be supplied with delivery by the supplier.

Data Pack must consist of the following but not limited to:

1. QCP documents to be signed by both parties.
2. Technical Data sheet
3. Technical Drawings
4. Material certificate
5. Welding certificates
6. Test Certificates

### **2.2 Procedure for submission and acceptance of Supplier's design**

The *Supplier* must ensure that all drawings compiled for the design of the gearboxes are submitted to the *Purchaser* for approval before fabrication.

### **2.3 Other requirements of the Supplier's design**

- a) *Purchaser's* specifications (Data pack as specified in section 2.1 of the works information)
- b) Reverse engineer the existing gearbox on site.
- c) Issue drawings to the *Purchaser* for approval before fabrication.

### **2.4 Use of Supplier's design**

*Supplier* to issue technical drawings to the *Purchaser* to enable the *Purchaser* to use the drawings as necessary as its own property.

### **2.5 Manufacture & fabrication.**

- a) The manufacturing of the gearboxes and drum should be done as per the sample that will be provided by the *Purchaser*.
- b) *Supplier* will be required to provide data pack (as specified in section 2.1 of the works information) will then be the property of the *Purchaser*. As per *Purchaser's* specifications

### **2.6 Factory acceptance testing (FAT)**

QC to be done during fabrication as per approved QCP with the end user and upon delivery. *Supplier* will be required to provide data Pack for all manufactured and assembled components where applicable.

### **2.7 Other tests and inspections and commissioning in place of use**

The installation and commissioning will be done by the *Purchaser*.

## Supply and deliver of Inching Gearbox and Drum

### 2.8 Operating manuals and maintenance schedules

- a) *Supplier* to provide operating and maintenance manuals.
- b) *Supplier* to provide storage manual.

### 3 Supply Requirements

- c) The supply of **Inching Gearbox and drum** is on an as and when require basis.
- d) Requests for delivery will be made on a contract release order starting with a 45 number.
- e) All equipment / spares must be on time of required order date.
- f) Transported by road on supplier's costs and transport.
- g) End user to be informed when delivery will be done at least 2 days upfront.
- h) No deliveries to be done on a Weekend or public holiday except on an emergency basis indicated by the *Purchaser*.
- i) The *Supplier* must deliver the components between 08:30 to 15:30 Mondays to Thursdays and 8:30 to 11:30 on Fridays. No deliveries to be done on weekends unless prior arrangements done with the *Supplier*, *Purchaser* and stores.
- j) Pallets to convey the batch must be strong enough to carry and transport load at any time.
- k) Batches to be clearly marked and packed according to the required specifications.
- l) *Contractor* on site must supply a SAPS clearance certificate to the *Employer* before contract start and every 12 months thereafter for all *Contractor's* employees to ensure continued access to site. This will also be handed in to security for *Contractor* to obtain access permits.
- m) Acceptance of this tender is subject to the condition that both the contracting company's management and its employees will provide Eskom with a clear criminal record not older than thirty (30) days from a reputable screening company. If the principal *Contractor* appoints a subcontractor, the same provisions and measures will apply to the subcontractor. Acceptance of the tender is also subject to the condition that the *Contractor* will implement all such security measures for the safe performance of the work as required in the scope of the contract.
- n) *Contractors* are to submit proof of verification record(s) (Security clearance) from SAPS or accredited supplier linked to SAPS AFIS system not older than thirty (30) days, as part of Risk Management process in order to curb any threats against the Installation. It is compulsory for these documents to be submitted to Security for verification before access to site is granted. Only individuals with clear criminal records will be considered.
- o) *Contractors* are required to submit the SAPS Clearance Certificate obtained by the employee along with a copy of his/her Identity Document or Passport to the site Security Manager. The Security Manager is required to verify the authenticity of the CRC Certificate with SAPS and to cross reference the employee seeking access against known HR databases and site databases to determine if the employee in question has in the past participated in disruptive labor actions and if the individual was dismissed from Eskom and the reason for such dismissal. Every employee applying for access must be evaluated as an individual and subsequent finding recorded. A risk analysis of the employee profile indicating whether the employee is a risk to the installation must be completed. Any risk rating allocated above a level III will be deemed unsuitable.
- p) The process shall be repeated every 12 months for low-risk employees (Risk Rating 5, 4) and every 6 months for medium to high-risk employees.

## Supply and deliver of Inching Gearbox and Drum

### Packaging / Crating

- a) All supplied spares shall be packaged in such a manner that they will be transported and stored without damage. This includes preventing damage due to moisture ingress, dust and foreign objects. The *Supplier's* procedure shall be used Transportation and Storage.
- b) Different spare types shall be packaged separately such that each spare type can be stored separately. Packaging shall be of material that will not be damaged, to an extent possible, by harsh weather conditions during transportation. If that is not possible, then the packaging shall be protected against such conditions.
- c) Where possible, packaging to be such that procured spares can be positively identified through the packaging. Where this is not possible, the packaging to be such that it allows opening and closing of packaging and still maintain the packaging integrity thereafter.

### Delivery to Site

- a) The *Supplier* shall be responsible for the transportation of all Spares delivered to Tutuka Power Station – Main Stores.

## 4 Specification of the services to be provided.

- a) Access to site to be arranged before delivery date.
- b) No Delivery will be accepted without an official contract release order.
- c) Supplier delivery note must indicate partial delivery if partial delivery is made.
- d) The stock number, quantity and material short description must be stated on the delivery note.
- e) Each delivery to be recorded on receiving register and each delivery note must have unique number.
- f) Spares must be well packaged and safely transported.

## 5 Constraints on how the *Supplier* Provides the Goods

### 5.1 Programming constraints

- a) All equipment / spares must be on time of required order date.
- b) End user to be informed when delivery will be done at least 2 days upfront.
- c) Lead time to be negotiated upfront to ensure that end user will receive materials, spares / equipment in time.
- d) All vehicles to be roadworthy.
- e) The *Supplier* will be responsible for the safe transportation of all goods from the supplier's site to the Purchaser offloading point and liable for any damages or stolen goods.
- f) No gate pass or access arranged - *Supply Manager/* Supervisor to be informed when delivery will be done at least 48 hours upfront.
- g) No driver available for off-loading - *Supply Manager/* Supervisor to be informed when delivery will be done at least 2 days upfront.

### 5.2 Work to be done by the Delivery Date

- a) All equipment / spares must be on time of required order date.
- b) Transported by road on supplier's costs and transport.
- c) The *Purchaser* to acknowledge receipt of goods by stamping and signing the delivery note of the *Supplier* upon delivery, rejected items to be communicated after the official quality inspection is done



## Supply and deliver of Inching Gearbox and Drum

- on site by the end user of the spares rejected must be collected and the correct supplied within 7. days
- d) Only spares specified will be accepted. Any spares that do not meet the specifications will be rejected.
  - e) Acceptance and off-loading
  - f) Ensure that the delivered goods are signed for.

### 5.3 Marking the goods

Batches to be clearly mark and packed according to the required specifications as follows:

- a) Name of *Supplier*
- b) Purchase order number
- c) Serial / part number
- d) Quantity delivered.
- e) And each Component must have a unique identification linked to the relevant *Supplier*.
- f) Short description
- g) Part Description
- h) Eskom SAP Material number
- i) Physical address of Tutuka Power Station and the *Supplier*
- j) Contact details of the *Supplier*
- k) Delivery note number

### 5.4 Constraints at the delivery place and place of use

- a) *Supplier* to have the correct access to site approved.
- b) End user will determine the offloading point at time.
- c) Forklift / crane with driver will be supplied for offloading.
- d) Pallets to convey the batch must be strong enough to carry and transport load at any time.
- e) *Supplier* might not be the only supplier delivering on that day and has to wait for assistance.
- f) No gate pass or access arranged - *Supply Manager*/ Supervisor to be informed when delivery will be done at least 2 days upfront and arrange access control permit at the gate.
- g) No driver available for off-loading - *Supply Manager* / Supervisor to be informed when delivery will be done at least 2 days upfront.

## Roles and Responsibilities

### 5.4.1.1 Supplier

- a) To Supply and Delivery of Inching Gearbox and Drum for Tutuka Power Station in accordance to the specifications and technical requirements on this document.
- b) *Supplier* shall submit all documentation as requested by the *Purchaser*.
- c) *Supplier* to provide schedule on deliveries of spares.

### 5.4.1.2 Purchaser

- d) Compiles and submit scope of work with technical specifications and technical drawings were required.
- e) Performs Quality Control of all spares on delivery at the *Purchaser* premises.

**Supply and deliver of Inching Gearbox and Drum****5.5 Cooperating with Others**

Co-operation with others will be from time to time and on a as and when required basis on request by the Purchaser.

**5.6 Services & other things to be provided by the *Purchaser* or *Supplier***

- a) The *Purchaser* will determine the offloading point at time.
- b) The *Purchaser* will provide resources to offload the spares being delivered (Forklift and cranes)
- c) The *Supplier* will offload small spares.

Number	Title	Issued by
Act 85 of 93	Occupational Health and Safety Act	<i>Supplier</i>

**5.7 Management meetings**

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	As and when required	TBA	TBC
Overall contract progress and feedback	Monthly	TBA	Purchaser and Contractor

Meetings of a specialist nature may be convened as specified elsewhere in this Goods Information or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the manufacture of the *goods*. Records of these meetings shall be submitted to the *Supply 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.

Attendance of meetings as required by *Purchaser* Such as: -

- a) Any meeting requested by the *Purchaser* or *Supplier*

**5.8 Documentation control**

- a) Each instruction, certificate, submission, proposal, record, acceptance, notification, reply and other communication which this contract requires is communicated in a form which can be read, copied and recorded.
- b) Writing is in the Language of this contract.
- c) All reports to be discussed, compiled and handed in to the *Purchaser*.
- d) All communications must be printed and filed in the *Purchaser* file.

**5.9 Health and safety risk management**

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

## Supply and deliver of Inching Gearbox and Drum

- a) All The *Purchaser's* health and safety procedures and regulations to be adhered to by the *Supplier*.
- b) A SHEQ file to be handed in at the SHEQ department for approval prior to work commencement and kept up to date for the duration of the contract.

### SHEQ Policy

#### Eskom SHEQ Policy

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

Compliance with the *Purchaser's* SHEQ Policy and applicable regulations is the responsibility of every employee and *Supplier*

### **Health and Safety Arrangements**

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

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

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

### **Health and safety**

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

- a) Policy 32-727
- b) The *Purchaser's* Procurement and Supply Chain Management Procedure 32-1034
- c) SHE SHEQ Requirements for the *Purchaser's* Commercial Process 32-726
- d) *Supplier* Health and Safety Requirements 32-136
- e) Integrated SHE Organization, Roles and Responsibilities and Statutory Appointments 32- 296
- f) Live-saving Rules 240-62196227
- g) Working at Heights 32-418
- h) The *Purchaser's* Vehicle Safety Specifications 32-345
- i) the *PurchaserSupplier* SHEQ Specifications 14RISK SRM - 084

### **Site Regulations and Procedures**

#### Site Regulations

The latest revision the *Purchaser's* Site Regulations form part of this contract.  
Copies of these procedures are available on request.  
(Any additional site regulations implemented will be applicable)  
Safety risk management

"Standard for health and safety at Tutaka Power Station - requirements to be met by *Contractors*".

## Supply and deliver of Inching Gearbox and Drum

### Vehicle and driver safety

All drivers, passengers and pedestrians must obey vehicle safety requirements in terms of the National Road Traffic Act, Act No 93 of 1996, as amended, including other relevant provincial or local requirements.

### Speed Limit

All vehicles must be driven with due consideration for personnel and property. All speed limits will be adhered to on the premises at all times.

### Transportation of passengers: open LDV's:

With effect from 31 May 2006 no *purchaser's* employee or *Supplier* would be allowed to transport passengers on the back of open light delivery vehicles (LDV's). It is a legal requirement to provide safe transportation of the *purchasers* and *Supplier* employees – therefore the following will be enforced:

### The *Employer's* Life Saving Rules:

Five Life Saving Rules have been developed that will apply to all the *Employer's* employees, agents, Consultants and Contractors.

- a) Rule 1: Open, Isolate, Test, Earth, Bond, And / Or Insulate before touch - that is any plant operating above 1 000 V.
- b) Rule 2: Hook up at heights - no person may work at height where there is a risk of falling.
- c) Rule 3: Buckle up – no person may drive any vehicle for the *Employer's* business and/or on the *Employer's* premises: unless the driver and all passengers are wearing seat belts.

The *Purchaser* takes a "ZERO TOLERANCE" attitude to drivers and passengers who do not wear safety belts when driving in a vehicle for the *Employer's* Business and / or on the *Employer's* premises. The violation of this very important safety rule as well as any safety rule while performing work for or on behalf of the *Purchaser* may result in the *Purchaser* terminating your obligation to perform work in terms of your contract with the *Employer*.

All occupants must wear their safety belts properly and must never put the shoulder belt under their arm or behind their backs. Drivers and all passengers must buckle-up at all times for the sake of themselves and their families.

- d) Rule 4: Be sober (no person is allowed to work under the influence of drugs and Alcohol.
- e) Rule 5: Use a permit to work – where an authorization limitation exists, no person shall work without the required permit to work.

All work stoppages called by the *Purchaser* to be adhered to

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

### Safety and incident prevention

The *Supplier* shall implement and maintain an active Site Safety and Accident Prevention Programme in accordance with the the *Purchaser's* SHEQ Specifications. The overriding regulations will however be the Occupational Health and Safety Act.

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

### Reporting of accidents

## Supply and deliver of Inching Gearbox and Drum

The *Purchaser* follows an accident prevention policy that includes the investigation of all accidents involving personnel and property. This is done with the intention of introducing control measures to prevent a recurrence of the same incidents. The *Supplier's* expected to fully co-operate to achieve this objective. The *Supply Manager* must be informed immediately of any incidents. A written report to be submitted to the *Purchaser within 24 Hours* of incidents and any damage to property or equipment.

**NOTE!** This report does not relieve the *Supplier* of his legal obligations to report certain incidents to the Department of Labour, or to keep records in terms of the Occupational Health and Safety Act, and Compensation for Occupational Injuries and Diseases Act.

### Occupational Health and Safety Act 85 Of 1993 – SECTION 37

In accordance with Section 37 (2) of the Act, the *Supplier's* appointed by the *Purchaser's* mandatory to assume Health and Safety duties and responsibilities. The *Supplier* ensures compliance with all requirements of the Act and any instruction or notification that enhances those requirements.

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

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

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

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

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

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

### Safety Regulations of the *Purchaser*

The *Supplier* conforms to the *Employer's* Plant Safety Regulations

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

### Barricading / Screens and Scaffolding:

The *Supplier* shall provide and install fixed barricades and warning devices to ensure that equipment and people are not exposed to danger or to prevent access to dangerous areas.

## Supply and deliver of Inching Gearbox and Drum

The *Purchaser* will supply scaffolding if not stated differently in the Works Information. Arrangements of such must be made at least one- (1) week in advance by the *Contractor*. (Tampering of any approved scaffold is not allowed for any adjustments – The *Supply Manager* should be notified of any adjustments.)

### 5.10 Environmental constraints and management

The *Supplier* shall comply with Tutuka Power Station environmental management system. This includes the identification, collection, storage, transportation and disposal of waste. Hazardous waste shall be disposed of in line with the applicable environmental legislation. It is important to note that all spillages must be cleaned immediately and reported to the *Supply Manager* as soon as possible. It is the responsibility of the polluter to clean all spillages and for the rehabilitation of the polluted land. The clean-up cost is for the *Contractor's* account

### 5.11 Quality

The *Purchaser* is in the process of implementing an ISO 9001 series, therefore the *Supplier* will be expected to implement a quality system and maintains the quality system until the completion of this contract. The *Supplier* will comply with the provisions of the ISO 9001 series

The *Supplier* will work according to the *Purchaser's* standards, specifications, guidelines and procedures. Where no standards, specifications, guidelines and procedures are available, the *Supplier* will work according to the Generation Quality manual and professional guidelines.

- QM58 – Eskom's Quality Requirements
- ISO 9001 Quality Management Systems

### 5.12 Invoicing and payment

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

The *Supplier* shall address the tax invoice to *Purchaser* and include on each invoice the following information:

- a) Name and address of the *Supplier* and the *Supply Manager*.
- b) The contract number and title.
- c) *Contractor's* VAT registration number.
- d) The *Purchaser's* VAT registration number 4740101508.
- e) Description of service provided for each item invoiced based on the Price List.
- f) Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT.
- g) Purchase order number
- h) CPA calculation sheet
- i) CPA calculation sheet and the Invoice for CPA on the Invoice to be send to the financial department as per the *Employer's* Invoicing procedure / instruction.

### 5.13 Insurance provided by the *Purchaser*.

As per Clause Z13

### 5.14 Contract change management.

**Supply and deliver of Inching Gearbox and Drum**

- a) In a case where one *Supplier* takes over from another *Contractor*, the Site *Supply Manager* must be notified in writing immediately.
- b) The *Supplier* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Purchaser*.
- c) Changing the Service Information
- d) Access
- e) Provision by the *Purchaser*
- f) Stopping work
- g) Work of the *Purchaser* or others
- h) Reply to communication.
- i) Changing a decision
- j) Withholding acceptance
- k) Delayed tests or inspections
- l) Change of Affected property
- m) Materials, facilities, etc. for tests
- n) *Purchaser* risks
- o) Assumption about Compensation Events
- p) *Purchaser* breach of contract

**5.15 Provision of bonds and guarantees.**

Not Applicable

**5.16 Records of Defined Cost, payments & assessments of compensation events to be kept by the *Supplier*.**

Will be done as per the *Employer's* invoicing and payment procedure and requirements.

**6 Procurement****6.1 Subcontracting****6.1.1 Preferred subcontractors**

Not Applicable

**6.1.2 Limitations on subcontracting**

Not Applicable

**6.1.3 Spares and consumables.**

Not Applicable

**6.1.4 Other requirements related to procurement.**

To be negotiated with *Supply Manager*

**6.1.5 Cataloguing requirements by the *Supplier***

Not Applicable

**Supply and deliver of Inching Gearbox and Drum****7 List of drawings****7.1 Drawings issued by the *Purchaser*.**

*Purchaser* will make available the drawings in its possession.

**C3.2 SUPPLIER'S GOODS INFORMATION**

- All relevant documentation to be handed in as requested from *Purchaser as per the scope of work*
-



**Supply and deliver of Inching Gearbox and Drum****Appendix A :X17 - Low performance damages**

<b>X17.1 LOW PERFORMANCE DAMAGES TABLE</b>			
<b>No</b>	<b>DESCRIPTION OF TASK</b>	<b>QUALITY OF PERFORMANCE REASON FOR DAMAGES</b>	<b>DAMAGES TO BE IMPLEMENTED</b>
1	Gearbox failing	Gearbox not lasting as long as the guarantee period.	Gearbox to be replaced/rectified by the supplier.
	QCP'S	QCP'S not approved before manufacturing process	5% of order value
2	Drum Failing	Drum not lasting as long as the guarantee period.	Drum to be replaced/rectified by the supplier.
2	Packing and preliminary marking of goods before delivery	All items must be wrapped with clear, plastic, bubble wrap that is clear or be placed inside cardboards for preservations purposes the marking should be as follows Name of Supplier, Purchase order number, Part number and delivery date	2 % of order value

**Risk Register**

<b>Description of the risk</b>		<b>Action to avoid or reduce the risk</b>
<b>Risk event</b>	<b>Cause &amp; possible outcome</b>	<b>Action to be taken and who in terms of the contract is responsible for taking it</b>
<b>Delays on delivery</b>	Load and production loss	Any expected delays must be communicated 2 days before delivering or earlier
<b>Natural Disasters</b>	Delay completion	Supplier asses the risks that are likely and plan accordingly.
<b>Correct material use</b>	Premature failure of component	Material certificates for each new component used on the equipment to be submitted to Eskom with the data pack.
<b>Delivery of defective Gearboxes or Drum</b>	Load and production loss	QC, tests and inspections to be done by Purchaser prior delivery

**Supply and deliver of Inching Gearbox and Drum**

<b>Delivery of incorrect Gearboxes or drum</b>	Load and production loss	QC, tests and inspections to be done by Purchaser on delivery
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**Appendix B: KPI**

	KPA	Objective	Weight	Poor	Good	Excellent
				2	3	5
<b>1</b>	<b>Time</b>	<b><u>Program submission</u></b> Submission of plan every 2 weeks	30%	<b>0</b>	<b>15%</b>	<b>30%</b>
<b>2</b>	<b>Time</b>	<b><u>Schedule compliance</u></b> Delivery of goods within the approved program	20%	<b>0</b>		<b>20%</b>
<b>3</b>	<b>Early warnings</b>	Number of early warnings issued	25%	<b>0</b>	<b>12.5%</b>	<b>25%</b>
<b>4</b>	<b>Customer satisfaction</b>	Overall satisfaction of the customer	25%	<b>0</b>		<b>25</b>

**Supply and deliver of Inching Gearbox and Drum****KPI Scoring table**

1. Program submission	program submitted in 2 weeks	Score =5
	Delays in program submission from 1- 5 days	Score =3
	Delays in submission for more than 5 days	Score =0
2. Schedule compliance	Delivery of goods as per approved program	Score =5
	Late delivery of goods	Score =0
3. Early warnings	No early warning issued in 6 months	Score =5
	1 early warning issued in 6 months	Score =2
	More than 2 early warnings issued	Score =0
4. Customer satisfaction	Customer happy with service	Score =5
	Customer not happy with survive	Score =0