



NEC3 Term Service Contract (TSC3)

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

and _____

(Reg No. _____)

for **PROVISION OF SUPERVISION, LABOUR, EQUIPMENT AND MATERIAL REQUIRED FOR GENERAL BUILDING MAINTENANCE SERVICES FOR TRANSMISSION SUBSTATIONS AND COMMRCIAL BUILDINGS FOR NORTHERN GRID (NORTHWEST & LIMPOPO). FOR A PERIOD OF 36 MONTHS, FOR AS AND WHEN REQUIRED BASIS.**

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CONTRACT No. _____

PART C1: AGREEMENTS & CONTRACT DATA

Contents:	No of pages
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[to be inserted from Returnable Documents at award stage]	
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C1.1 Form of Offer & Acceptance

Offer

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

PROVISION OF SUPERVISION, LABOUR, EQUIPMENT AND MATERIAL REQUIRED FOR GENERAL BUILDING MAINTENANCE SERVICES FOR TRANSMISSION SUBSTATIONS AND COMMERCIAL BUILDINGS FOR NORTHERN GRID (NORTHWEST & LIMPOPO). FOR A PERIOD OF 36 MONTHS, FOR AS AND WHEN REQUIRED BASIS.

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	The offered total of the Prices exclusive of VAT is	Rate Only
	Sub total	Rate Only
	Value Added Tax @ 14% is	Rate Only
	The offered total of the amount due inclusive of VAT is ¹	Rate Only
	(in words) [as per agreed rates]	

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		
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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 and secondary Options	W1: Dispute resolution procedure
		X1: Price adjustment for inflation
		X2: Changes in the law
		X18: Limitation of liability
		X19: Task Order
		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
10.1	The <i>Service Manager</i> is (name):	
	Address	
	Tel	
	Fax	None
	e-mail	

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	Multiple Properties in the North West & Limpopo
11.2(13)	The <i>service</i> is	Provision of supervision, labour, equipment and material required for general building maintenance services in the North West & Limpopo
11.2(14)	The following matters will be included in the Risk Register	The Risk Register is of risks which are listed in this contract and the risks which the <i>Service Manager</i> or the <i>Contractor</i> has notified as an early warning matter. It includes a description of the risk and a description of the actions which are to be taken to avoid or reduce the risk
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	3 days
2	The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the <i>Contractor</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The <i>Contractor</i> submits a first plan for acceptance within	1 week of contract being issued
3	Time	
30.1	The <i>starting date</i> is.	TBC
30.1	The <i>service period</i> is	TBC
4	Testing and defects	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this contract
5	Payment	
50.1	The <i>assessment interval</i> is	between the 25th day of each successive month.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	4 weeks.
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and

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	<p>1. 10 % Retention will be deducted for each task order (for each payment)</p> <p>2. 5% Will be released at the completion of each task.</p> <p>3. Remaining 5% will released at the end of the defect period (52 Weeks)</p>
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	<p>as stated for "Format TSC3" available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance).</p>
83.1	The <i>Employer</i> provides these additional insurances	<p>as stated for "Format TSC3" available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance)</p>
83.1	The <i>Contractor</i> provides these additional insurances:	<p>The contractor shall ensure that they submit a copy of their company Insurances at tender stage, this should include, Contractor All risk, public liability and third party insurances</p>
83.1	The minimum amount of cover for insurance against loss and damage caused by the <i>Contractor</i> to the <i>Employer's</i> property is	<p>the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx</p>
83.1	The insurance against loss of or damage to the <i>works</i> , Plant and Materials is to include cover for Plant and Materials provided by the <i>Employer</i>	
83.1	The minimum amount of cover for insurance in respect of 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	<p>whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i>.</p>

Service for any one event is:

83.1	The minimum limit of indemnity for insurance in respect of 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 for any one event is:	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor's</i> common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rands)..
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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.
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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	Monthly

11 Data for Option W1

W1.1	The <i>Adjudicator</i>	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
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	TBC (South Africa)
	The person or organisation who will choose an arbitrator <ul style="list-style-type: none">• if the Parties cannot agree a choice or if the arbitration procedure does not state who selects an arbitrator, is	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.

12	Data for secondary Option clauses	
X1	Price adjustment for inflation	Reviewed per annum at the anniversary of the <i>starting date</i> of this contract
X1.1	The <i>base date</i> for indices is	This Contract will be fixed rates for first year and subject to CPI escalation for the remaining period. CPI escalation will be applied at the anniversary of this contract date and for each respective year thereafter
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.
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 described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	The greater of <ul style="list-style-type: none"> • the total of the Prices at the Contract Date and <ul style="list-style-type: none"> • 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 in the <i>Employer's</i> assets and works / maintenance policies available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	the total of the Prices other than for the additional excluded matters. The <i>Contractor's</i> total liability for the additional excluded matters is not limited. The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for <ul style="list-style-type: none"> • Defects due to his design, plan and specification, • Defects due to manufacture and fabrication outside the Affected Property, • loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials), • death of or injury to a person and

		infringement of an intellectual property right.
X18.5	The <i>end of liability date</i> is	6 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	2 days of receiving the Task Order
Z	The <i>additional conditions of contract</i> are	Z1 to Z11 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 <i>Contractor</i> , or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,
Corrupt Action	means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,
Fraudulent Action	means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,
Obstructive Action	means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action and
Prohibited Action	means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

- Z 11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
- Z 11.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Service 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 Service for this reason.
- Z 11.3 If the *Employer* terminates the *Contractor's* obligation to Provide the Service for this reason, the procedures and amounts due on termination are respectively P1, P2, P3 and P4, and A1 and A3.
- Z 11.4 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.

Annexure A: Insurance provided by the Employer

These notes are provided as guidance to tendering contractors and the Contractor about the insurance provided by the Employer. The Contractor must obtain its own advice. Details of the insurance itself are available from the internet web link given below.

Services provided in a TSC3 contract could include some element of construction or refurbishment as well as a continuous maintenance or operational service activity. If an event occurs which causes loss or damage, a claim could be made either against the *Employer's* "works" type policy which may be in place for the *Employer's* portion of the Affected Property concerned or against the *Employer's* assets policy which may be in place for the *Employer's* portion of the Affected Property concerned, or both.

The cover provided and the deductibles under the works policy are different to those under the assets policy. Each policy has a range of applicable deductibles depending on the location of the Affected Property and the nature of the insurable event.

The *Contractor* is required in terms of Contract Data for clause 83 to provide cover for the deductibles in the insurance provided by the *Employer*. This can be provided from his own resources on a 'self insured' basis or obtained by him from his own insurers. In order to assess the extent of this cover, tendering contractors and their brokers should consult the internet web link given below and scroll to '**Format TSC3**' to establish both the cover and the deductibles in relation to the *service* provided in terms of this contract.

Tendering contractors should note that cover provided by the *Employer* is only per the policies available on the internet web link listed below and may not be the cover required by the tendering contractor or as intended by each of the listed insurances in the left hand column of the Insurance Table in clause 83.2. In terms of clause 83.1 "the *Contractor* provides the insurances stated in the Insurance Table except any insurance which the *Employer* is to provide". Hence the *Contractor* provides insurance which the *Employer* does not provide and in cases where the *Employer* does provide insurance the *Contractor* insures for the difference between what the Insurance Table requires and what the *Employer* provides.

If Marine Insurance is required the *Contractor* needs to obtain a copy of the latest edition of Eskom's Marine Policies Procedures found at internet website given below.

Further information and full details of all Eskom provided policies and procedures may be obtained from:

From_1_April_2014_To_31_March_2015.aspx

C1.2 Contract Data

Part two - Data provided by the *Contractor*

Notes to a tendering contractor:

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.

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.

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	12% _____
	The <i>subcontracted fee percentage</i> is	12% _____
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:	_____

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

Job: _____

Responsibilities: _____

Qualifications: _____

Experience: _____

2 Name: _____

Job _____

Responsibilities: _____

Qualifications: _____

Experience: _____

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

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

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
		<ol style="list-style-type: none">1. the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and2. where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

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

Function of the Price List

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

Link to the *Contractor's* plan

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

Preparing the *price list*

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

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

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

Format of the *price list*

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

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

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

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

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

For the purpose of the tender, the Contractor will complete the rate column with rates based on a unit measure [i.e. quantity of 1(one)]. Actual quantities of the items will only be inserted when issuing Task Orders.

C2.2 the *price list*

NB: The Service Information listed under Section C3.1, item 1.2.1.1 needs to be included by the *Contractor* when pricing all rates in the *pricelist*.

Notes to the Price List

1. The below rates exclude VAT.
2. The rates offered will remain fixed and firm for the first 12 months (excluding labour increase) of the contract period.
3. Increase on all other items excluding labour will be in line with the inflation rate (CPI) and the *Contractor* should make provision on the tender submission The escalation will only be applicable from the date of approval.
4. Escalation will not apply to items relating to % Mark-ups
5. Contractor to claim shortest safe route as per google map calculated from the main office.

NOTE

Mandatory for evaluation and should be fully completed and submitted with this tender where applicable. Failure to submit will render your tender non-responsive and will be disqualified.

Tenderers to submit all returnable for evaluation in separate and clearly marked files

Tenderers have options to price on the preferred sector. Failure to price on the preferred Sector fully will render your tender nonresponsive and will be disqualified for that specific sector.

All prices must also be submitted in a soft copy (MS Excel Format) identical to the hard copy tender. This can be in a CD or Flash Drive /Memory Stick and clearly marked.

NOTE: Soft copy is not a substitute for hard copies, and hard copies takes precedence over soft copies. As a result, it is important to ensure accuracy of all hard copies. If Hard copies are not delivered the supplier will be deemed non-responsive and they will be disqualified.



BOQ-General
Maintenance for Nort

PART 3: SCOPE OF WORK

The scope of work to be performed for the different Trades includes but is not limited to the following: The repairs to and maintaining of various defective items on the buildings/sites in the North West & Limpopo

Appendix 1

The appendix 1 will provide an overview of the geographic footprint (but not limited to) and approximate size of buildings to be maintained, therefore economies of scale should apply.

Description of the service

AREAS	ACTIVITIES
Outer fence/Gates	Repair or replace all openings in the fence
	Treat all rusted areas (fence and gates)
	Repair and replace steel supports where applicable
	Earth all unearthed structures
	Repair or replace identified defects on gates
Security Fence	Repair or replace defective insulators
	Repair and re-tension fence wires where applicable
	Repair or replace defective steel supports
	Earth unearthed steel structures
	Treat all rusted areas (fence and gates)
Access control	Repair or replace defective motor sliding gate for free movement over wheels & Roller bearings
	Repair or replace broken Hinges, magnetic switches, magnetic lock, Rollers, wheels , Hinges and chains, limit switches, etc.
	Repair or replace the motor & Gearbox mechanisms limit switches defective cables, straps/connections
	Repair or replace emergency cranks and drives
	Repair or replace infrared safety beams
	Repair or replace motors, drives and belts.
Security fence lights	Repair or replace all defective lights
	Repair or replace defective cables and connections
	Earth all unearthed steel structures
Driveways / Access Roads	Repair potholes, road markings on driveways and access roads
	Repair /replace water pipes underneath driveways.
	Ensure pavements and drainage areas are clean and free of any waste material
Drainage system / Bore holes/Plumbing	Repair defective drainage system
	Repair and cleaning of sewer pipes / septic tanks

	Unblocking of sewer system
	Repair / replace borehole pumps, motors and pipes
	Pressure jetting – ad hoc maintenance
	Attend/repairs to burst pipes, blocked toilets, Sewer line faults, faulty tap repairs iro. replacement call outs
	Water connection to Hydro boils water tanks, sewer systems and buildings
	Supply and install of appliance including (water purifiers, hydro boil etc.). Grease or replace gullies
	Repairing of burst and leaking pipes
	Install or replace toilets urinals, lavatories, bathtubs, and showers, sinks, mixing valves, troughs and faucets.
	Removal of appliances, plumbing fixtures, waste and vent piping and permanent capping of water, drains, vent piping after appliance's, pipping system or fixture removal.
	Annual testing of boreholes and water pump maintenance/ replacement
	Water tank repair and replacement
	Installation of water storage tanks. Disposal of building rubble or waster material/items. Fat trap sucking, cleaning, and waste disposal (Including disposal certificate)
Fire Protection	Repair or replace identified defects on the fire hydrants system
	INSPECT detectors, equipment or other items having a defined service life and report where the service life is exceeded or will be exceeded before the next scheduled service.
HV Yard	Filling up of yard stones
	Paving work: repairs/replace
	Repair or replace broken trench covers
	Repair or replace all defective plinths
	Ground stabilisation
	Construction of ramps
Flood lights	Repair or replace all defective lights
	Repair or replace all defective cables and connections
	Earth all unearthed steel structures
	Repair or replace control circuits
Transformer Bank	Repair or rebuilt bund wall
HV Yard Fence	Repair all openings
	Treat all rusted areas and gates
	Repair or replace all steel supports
Oil dams	Repair or replace top mesh cover
	Pump out access water
	Repair fence and gates
	Repair leaks

	Repair or replace water pump
	Reseal joints
Battery room	Repair or replace defective doors, ceiling, roof ect.
	Clean air filters
	Repair or replace all lights (incl. emergency lights)
	Repair or replace extractor fan
Oil Storage	Repair or rebuilt storage area bund wall
	Repair Leaks contained within banded area
Building	Repair water leaks and taps, pipes, replace and clean curbing, clean and maintain storm water pits and pipping.
	Repair or replace lights
	Repair or replace toilets
	Ventilation system functional
	Breaking down and removing of brickwork, reinforced concrete including cutting off and removing reinforcement.
	Breaking out and form opening through brick wall for windows including necessary precast or concrete lintels, making good plaster or facings on one or both sides, into reveals.
	Taking out and moving doors, windows, including threshold and sills from brickwork to remain (built up or altering openings elsewhere measured)
	Repair, clean and replace defective windows
	Repair defective Floors and walls (tiles, carpets, etc.)
	Repair or replace defective doors and hinges
	Repair or replace Gutters/down pipes
	Repair or replace Ceilings boards and cornea
	Repair or replace fascia boards
	Repair or replace DC lights
	Air conditioners functional and filters are clean
	Air conditioners repairs or replacement
	Ensure all cable trench covers in place and in good condition
	Fixing existing roof covering complete with ridge and hip capping, fittings, flashing (elsewhere measured) with pitch not exceeding 50 degrees.
	Repair or replace defective geyser
	Repair, reseal or replace damaged roof
	Paint gutters, Eaves, fascia's, ramps, door frames, window frames, ceiling
	Paint interior and exterior walls
	Cleaning of gutters and clean existing roof covering using high pressure water cleaning system and steel brushes removing all loose paint, sprawl and deleterious matter.
	Waterproof walls
	Repair or replace damaged blinds
	Deep cleaning of chairs and coaches
	Tiling and glazing

	Repair to cracks in existing plaster
	Replacement/repairs to existing structural steelworks
	Building waste removal/disposal in accordance to the legal bylaws
	Wooden furniture repairs
	Moving of furniture and redundant items
	General labour work/activities
	Installing cabinets, shelving, fitted furniture, dry wall and insulation.
	Signage
	Unblocking of drain pumps including manholes
	Issue COC as per plumbing regulations
	Provision of first aid box and replacement of items
	Provision of fire extinguishers for vehicles
	Supply, transporting and delivery to site of water and diesel as and when required.
	Moving and transporting timber products as and when required.
Electrical	Replacement of light bulbs and/or light bulb fittings inside and outside the buildings with energy efficient light bulbs and/or light fittings.
	Perform effective troubleshooting to identify hazards or malfunctions and repair or substitute damaged units
	Prevent breakdowns of systems by routine inspecting and replacing old wiring and insulated cables, cleaning circuits etc
	Replacement and maintenance of lights and light holders inside and outside the complex.
	Rewiring of DB boards
	Complete replacement of circuit breakers
	Correct labelling of circuit breakers
	Correct labelling of circuit breaker load receivers (e.g., plugs, etc.)
	Installation of load protectors
	Correct separation of lines and circuits
	Separation of electricity meters
	Create an isolation point for each air-con unit in the complex
	Develop a wiring diagram
	Repairing electrical motors for gate.
	Issue COC.

Waterproofing

- Clean and prepare surfaces for application of sealants or other waterproofing material.
- Inspect roofs and other structures to identify leaks or damages that may require repair before applying waterproofing product.
- Inspect the material after installation to ensure that it was applied correctly.
- Clean up spills or other accidents that may occur during application process.
- Inspect the condition of existing waterproofing to determine when they need to be replaced.
- Apply liners to walls or floors to prevent water damage from seeping into areas where it is not desired such as inside walls cavities or underneath floors.

SCAFFOLDING:

- Erection and dismantling for all types of scaffolds higher than 2 meters. Scaffolding shall be erected, altered or dismantled under the supervision of a competent person who has been appointed in writing for this purpose.
- No scaffolding and platforms will be used without it having been safety cleared and the required documentation completed as per SANS 10085-1:2004 or recent version.
- Scaffolding for use of internal and external building, contractor to also note the some building exceed 6m high.

FAS

Contractor to refer to Eskom standard no: 240-100979499 (attached as part of tender documents) for Fall Arrest System and working at heights specifications and safety requirements.

The Contractor will ensure that any damages made during the execution of their activities will be repaired (Contractor’s cost) to the satisfaction of the Employer and that the Employer will not suffer adverse inconvenience in utilising parts of the complex during the project execution

Appendix 1

Area	Substation	Latitude	Longitude	Province
Carletonville	Carmel	-26° 25' 23.0"S	27° 18' 23.2"E	North West
Carletonville	Midas	-26° 23' 16.9"S	27° 31' 43.8"E	North West
Carletonville	Pluto	-26° 13' 1.5"S	27° 27' 17.0"E	North West
Carletonville	Hermes	-26° 54' 4.8"S	26° 46' 59.4"E	North West
Carletonville	Watershed	-26° 5' 26.1"S	26° 8' 37.8"E	North West
Carletonville	Mookodi	-27° 0' 35.9"S	24° 44' 38.3"E	North West
Rusternburg	Ararat	-25° 33' 46.1"S	27° 11' 12.7"E	North West
Rusternburg	Trident	-25° 38' 7.0"S	27° 10' 56.1"E	North West
Rusternburg	Bighorn	-25° 40' 57.5"S	27° 30' 30.5"E	North West
Rusternburg	Dinaledi	-25° 34' 46.9"S	27° 51' 12.7"E	North West
Rusternburg	Marang	-25° 36' 46.8"S	27° 20' 4.9"E	North West
Rusternburg	Ngwedi	-25° 24' 22.9"S	27° 5' 13.0"E	North West
Polokwane	Witkop	-24.04393° or 24° 2' 38"	29.35668° or	Limpopo

			29° 21' 24"	
Polokwane	Acornhoek	24°35'55.95"S	31° 3'14.22"E	Limpopo
Polokwane	Foskor	24° 1'39.33"S	31° 7'33.48"E	Limpopo
Polokwane	Leseding	24°26'22.03"S	30° 1'2.16"E	Limpopo
Polokwane	Senakangwedi	24°48'38.91"S	30° 7'0.44"E	Limpopo
Polokwane	Spencer	23°29'17.37"S	30°22'50.59"E	Limpopo
Polokwane	Tabor	23°22'29.51"S	29°46'53.33"E	Limpopo
Polokwane	Merensky	24°43'8.87"S	30°13'18.73"E	Limpopo
Lephalale	Borutho	23°54'08.60"S	28°58'35.0"E	Limpopo
Lephalale	Matimba	23°40'8.65"S	27°36'55.80"E	Limpopo
Lephalale	Medupi	23°42'11.45"S	27°34'0.77"E	Limpopo
Lephalale	Spitskop	24°57'59.70"S	27°13'39.09"E	Limpopo
Lephalale	Warmbad	24°53'26.46"S	28°19'33.92"E	Limpopo
Offices	Polokwane Regional Office	39 Han Van Ransberg, Polokwane		Limpopo
Offices	Bela Bela Area Office	Route 101, Business Park, Bela bela		Limpopo
Offices	Rustenburg Area Office	235 Beyers Naudea, Rustenburg		North West
Offices	Klerksdorp/Orkney	1 Ena Murray Street Eastleigh Orkney		North West
Offices	Tzaneen hub			Limpopo
Offices	Polokwane Dx Nedbank building			Limpopo
Polokwane	Manogeng			Limpopo
Polokwane	Silimela			Limpopo

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C3.1: EMPLOYER’S SERVICE INFORMATION

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Description of the service

Executive overview

Provision of Facilities Management Services Core Technical Services to Transmission Northern Grid which consist of 28 substations and 8 commercial buildings within North West and Limpopo provinces. For a period of 36 months on an “as and when” required basis.

The works amongst others consist of supervision, labour, plant and equipment necessarily to carry out core technical services scope of work.

Please note that only one vehicle will be paid per task order. The Employer will plan Task Order in such a way that travelling cost are minimised. In exceptional cases where supplier needs to use more than one vehicle, Employer approval needs to be obtained in writing. It is recommended that the Contractor procure materials from local suppliers.

The listed facilities are current Transmission facilities that will require Facility Maintenance Services (Technical Services), however the tenderer are to be informed that the below areas are subject to change. Any additional/exclusion shall be communicated in writing following the contract process. Tenderers are advised to visit the site prior tendering to ascertain the core technical scope of work involved.

The contractor shall provide labour and tools to carry out the Employer’s requirements. The Contractor shall replace broken or damaged equipment within (one) day.

The work comprise amongst others consist of the supervision, labour, plant and equipment necessary to carry out building maintenance services on an “as and when” required basis. The Contractor to respond within 24 hours, however, should the emergency arise, the response time to be immediate. The Employer shall verify all the work to be executed and also the work completed.

The contractor undertakes to hold the Employer (Eskom Holdings SOC Limited) harmless against any determination or award made in terms of Labour relations Act No 66 of 1995 as amended, in any event where Eskom is held liable with regards to the employees of the supplier.

The Supplier undertakes to compensate Eskom for any determination or award as well as all reasonable legal expenses incurred by the client in order to avoid or oppose such liability alleged by or on behalf of an employee/s of the supplier.

There will be no obligation on the Employer to oppose any proceedings resulting from such an alleged liability, but this does not detract from the Suppliers responsibility in terms of this clause. List of buildings and substations:

Employer’s requirements for the service

- All services and works will be issued and managed through a task order system on an as and when required basis.
- All services and works must be accompanied by the required documentation so that it is auditable and complies with good corporate governance.

Interpretation and terminology

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

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
FSS	Finance Shared Services
OEM	Original Equipment Manufacturer
PO	Purchase order
SAP	Financial Accounting System
TO	Task order
NG	Northern Grid

Management strategy and start up.

The *Contractor's* plan for the *service*

Contacto to partner with employer to draft a service plan for the provision of services as instructed in the Task Order abiding to identified standards and regulations

Management meetings

Quarterly and adhoc meetings will be schedules by the Eskom Representative. Records of these meetings shall be submitted to the *Service Manager* by the person convening the meeting within three days of the meeting.

All meetings shall be recorded using minutes or a register prepared and circulated by the person who convened the meeting. Such minutes or register shall not be used for the purpose of confirming actions or instructions under the contract as these shall be done separately by the person identified in the *conditions of contract* to carry out such actions or instructions.

Contractor's management, supervision and key people

- All staff working on employers premises shall adhere to access control requirements of the specific site
- All contractors staff to report to employers representative before commencing any work on site
- All contractor staff to be clearly identifiable

Documentation control

- All services and works will be issued and managed through a task order system
- All quotations and claims to be done on the task order system and invoices shall refer to the TO number for ease of administration.
- All contract communication to be done using the standard forms as per this contract (Early Warning, Notification of Default, Payment Certificates, Task Orders, Risk Register etc.) and will be attachments to email.

Invoicing and payment

PAYMENT PROCESS:

In an endeavour to reduce the time taken to pay suppliers/contractors, the process now allows submission of invoices from manual to electronic submission via e-mail to invoiceseskomlocal@eskom.co.za

The *Contractor* assesses the amount due and applies to the *Employer* for payment adhering to the following payment process:

item	ACTIVITY	RESPONSIBLE PERSON
1	The <i>Contractor</i> to forward to the Eskom Representative an Assessment of work/service completed on the <i>assessment day</i> . The format of the assessed claim to be the Task Order with claimed Bill of Quantities and cost).	<i>Contractor</i>
The <i>Contractor</i> attaches the detail assessment of the amount due to each tax invoice showing the Price for Work Done to Date for each item in the Price List for work which he has completed. The cost format to invoice to be similar to the Eskom NEC Payment Certificate		

2	The Eskom Representative together with the <i>Contractor</i> agrees to the Assessment.	Eskom Representative and <i>Contractor</i>
Any possible issues regarding the claim of actual work completed will be addressed with the <i>Contractor</i> .		
3	The Eskom Representative will check the Payment Certificate with Assessment and request the Office Admin to process the required detail on the SAP system by creating a SE (Service Entry) with Service Entry Number	Office Admin
4	The Office Admin notifies the Eskom Representative once the SE number is generated. Thereafter the Eskom Representative will approve the SE on SAP by generating a Good Receipt (GR) number	Eskom Representative
9	The SE number and the GR number to be populated on the Payment Certificate and signed by the Eskom Representative	Eskom Representative
11	On receipt of the Payment Certificate with the SE and GR numbers, the <i>Contractor</i> will sign the Payment Certificate and, together with the relevant invoice, submit directly to Eskom Finance Shared Services (FSS) (i.e. via email to invoiceseskomlocal@eskom.co.za). Note: <i>Contractor</i> to resend copy of fully signed Payment Certificate to the Eskom Representative via email	<i>Contractor</i>

INVOICING:

The *Contractor* includes the following information on each tax invoice:

1. The words "**TAX INVOICE**" in a prominent place (preferably at the top of the page).
2. **Name, address and VAT registration number** of the **Contractor**.
3. **Name, address and VAT registration number** of the **recipient (Eskom Representative)**.
Please note: Eskom's name has to be reflected as **Eskom Holdings SOC Limited** on all tax invoices and Eskom's VAT number is **4740101508**. The word just Eskom is not acceptable.
4. An **individual serial number** (tax invoice number) and **date issued**.
5. A **full and proper description** of goods and/or services supplied.
Please note: Merely referring to a contract is not sufficient.
6. The **quantity or volume** of goods or services supplied.(i.e. to align with the Task Order detail)
7. Invoice must also reflect the Task Order Tracking Number
8. Ensure that the Contract Number (i.e. **46000...number**) and Contract Name is clearly indicated
9. Ensure that the Eskom Purchase Order Number(i.e. **450...number**) is clearly indicated on your invoice together with the line number on the order you are billing for
10. Costs on invoice should entail,
 - The total Price for Work Done to Date which the Contractor has completed;
 - Other amounts to be paid to the Contractor;
 - Less amounts to be paid by or retained from the Contractor;
 - The change in the amount due since the previous payment being the invoiced amount - excluding VAT, the VAT(15%) and including VAT;

Invoice Submission:

- All electronic invoices must be sent in PDF format only
- Each PDF file should contain one invoice; or one debit note; or one credit note only. Eskom SAP system does not support more than one PDF being linked into workflow at a time
- Only one PDF file per email. (i.e. one invoice or one debit note or one credit note only)
- Send all invoices in PDF straight from your system to the Eskom email address i.e. invoiceseskomlocal@eskom.co.za

Follow-up with Finance Shared Services (FSS):

All queries and follow-up on invoice payments should be made by contacting the FSS Contact Centre at +27 11 800 5060 or email fss@eskom.co.za

Introducing electronic invoicing does not guarantee payment, but will ensure visibility of all invoices as well as ensure that no invoices are lost. If the Goods Receipt (GR) is **not** done, the invoice will be parked and the system will automatically send an email to the end user to do the GR. This is also tracked by Eskom through the park invoice report.

Your company can request a park invoice report from the Finance Shared Services (FSS) Contact Centre which can then be followed up and corrected. You are welcome to forward the details of invoices corrected to the FSS Contact Centre.

Contract change management

- Changes as per the contract will be notified and addressed as per the NEC3 – TSC3
- Changes to the Task Order, regarding scope, cost and time will be managed via the Eskom Task Order Committee for approval and will be noted as Modification on the Task Order. Modifications to work/service can only resume once TOC approval is obtained and as instructed by the Eskom Representative.

Records of Defined Cost to be kept by the Contractor

As a control measure, it is required by the *Contractor* to maintain record keeping of all defined cost items for the purpose of compensation event management. A schedule of these cost components not listed in the contract *price list* to be provided.

Training workshops and technology transfer

Not applicable

Design and supply of Equipment

Not applicable

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

Equipment

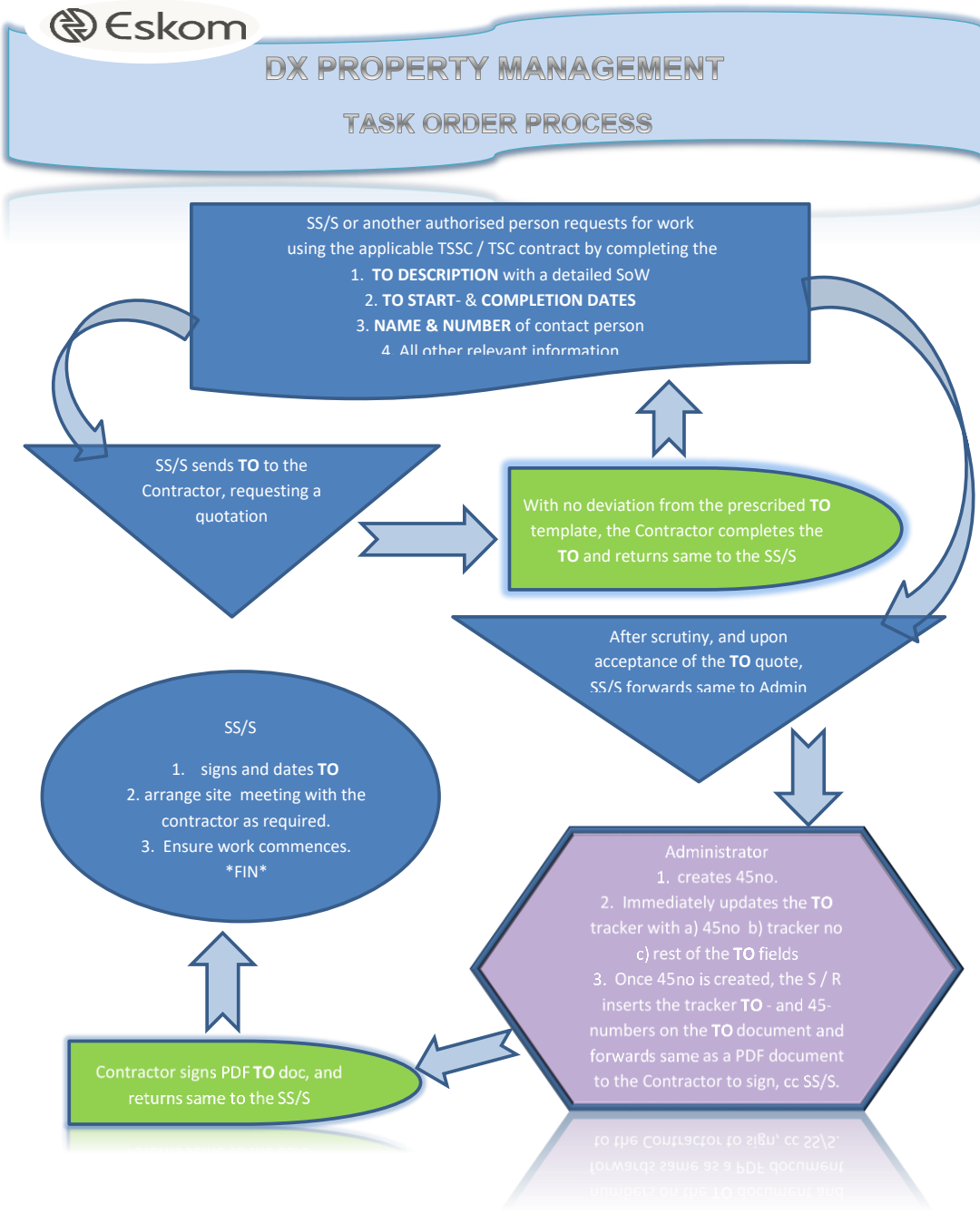
None

Information and other things

- Where stated in the *price list* and Service Information at the end of each task completed the Contractor to provide a concise Report. The task is not complete unless the Report noted is provided for the specified item.

Management of work done by Task Order

When accepting a task order the contractor is to ensure; availability of resources, adequate supervision and the ability to respond to emergency work



Turnaround times will be discussed and agreed at task order stage

Health and safety, the environment and quality assurance

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 *Contractor* shall therefore comply with all the health and safety requirements as prescribed in the;

- “Maintenance Contract for Eskom Holdings SOC Ltd (Tx Northern Grid) - SHE Specification” attached to this document
- Annexure B : Acknowledgement Form for the Eskom SHE Rules and other requirements 240-43921804 Rev3

In addition as scope specific where applicable,

Note: Contravention to any of the Eskom Life Saving rules, can result in termination of the contract subject to the outcome on an investigation.

RULE 1: OPEN, ISOLATE, TEST, EARTH, BOND AND/OR INSULATE BEFORE TOUCH

No person may work on any electrical network unless:

- He / she is trained and authorised as competent for the task to be done.
- A pre-task risk assessment to identify all risks and hazards must be conducted prior to any work commencing.
- An equi-potential zone is created for each worker on the job site by earthing, bonding and/or insulating according to approved divisional procedures.
- All conducting material is connected together, all staff onsite wear electrical safety shoes and insulating techniques are applied according to standards.
- The authorised person (Team leader) has certified and shown all team members that the apparatus is safe to work on. He / she is trained and authorised as competent for the task to be done.
- *Contractor* to take precautionary measures when working in close proximity to other power lines.
- Jumper covering is provided to serve as an overhead jumper protection covering above solid cut-outs to reduce bird electrocutions

RULE 2 : HOOK UP AT HEIGHTS

Working at height is defined as any work where an activity above 2 metres is performed from ladders, scaffolds, platforms, buckets, excavation, structures or where there is a potential for a fall. A pre-task risk assessment to identify all risks and hazards must be conducted prior to any work at height commencing.

No person may work at height where there is a risk of falling unless:

- You are appropriately trained.
- You are appropriately secured during ascending and descending.
- You are using an approved fall arrest system where applicable

The *Contractor* must be aware of the operating heights when working under HV lines.

RULE 3 : BUCKLE UP

No person may drive any vehicle on Eskom business:

Unless the driver and all passengers are wearing seat belt

RULE 4: BE SOBER

No person is allowed to work under the influence of drugs and alcohol. Under-the-influence' means the use of alcohol, drugs and /or a controlled substance to the extent that:

- The individuals faculties are in any way impaired by the consumption or use of the substances or;
- The individual is unable to perform in a safe, productive manner or;

- The individual has a level of any such substance in his body that corresponds with or exceeds accepted medical/legal standards or;
- The individual has a level of alcohol in his body that is greater than 0,02 % blood alcohol concentration.
- Any level of an illegal substance in the body' irrespective of when the substance was used

RULE 5: ENSURE THAT YOU HAVE A PERMIT TO WORK

Where an authorisation limitation dictates, no person shall work without the required Permit to Work. (PTW)

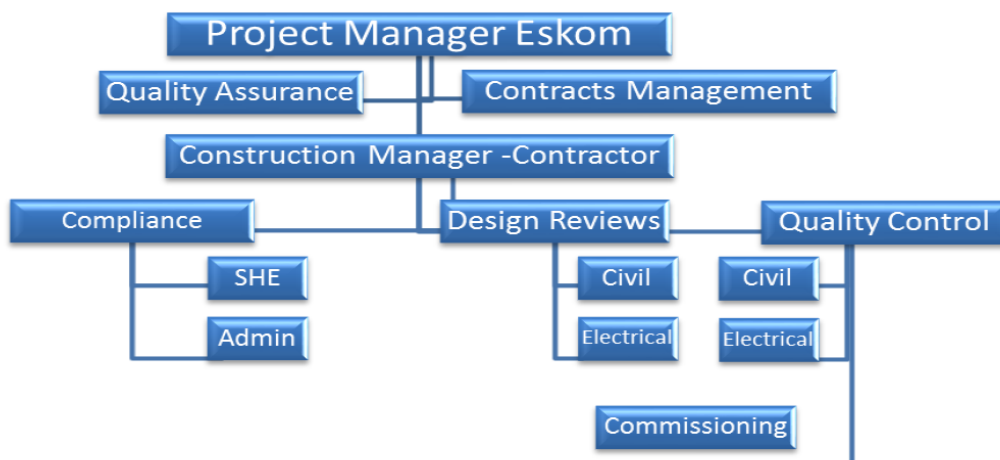
- Work is as defined in the Plant Safety Regulations (PSR) and Operating Regulations for High Voltage Systems (ORHVS) of Eskom.
- A Risk Assessment must be carried out jointly by the Authorised (AP) and Responsible Person (RP) on all work before it commences.
- The PTW must be issued by an AP, in accordance with the PSR.
- The PTW must be accepted in writing by an authorised RP.
- The PTW shall be shown to everyone working on the job and the risks explained.
- The RP must ensure that all staff working on that job is entered on a Workers' Register and the risks explained to each one.
- The RP must ensure that the conditions of the PTW are enforced for the duration of the work.

SHEQ REQUIREMENTS:

In compliance to Eskom's SHEQ Policy, the Contractor to ensure;

- Commitment to safety, health and environmental excellence
 - Conduct business with respect and care for people and minimise or avoid impact on the environment
 - Compliance to environmental legislation, conditions of Environmental Authorisations and requirements set out in environmental management plans
 - Acceptance that all injuries and occupational illnesses, as well as safety and environmental incidents are preventable
 - Report, respond to, investigate, close-out, and share learning from safety and environmental incidents
- That SHE is an integral part of your operations and that:
 - no operating condition, or urgency of service, can justify endangering the life of anyone or cause injury or damage to the environment

In addition, the *Contractor* to ensure as a **tender returnable** the following information (as per organogram) is provided, stating who the relevant qualified person is as per various role levels of the below organogram with all required credentials.



One of the fundamental requirements focuses on professional registration, where a contractor must appoint in writing, a full time or part time Construction Health and Safety Officer (CHSO) after consultation with the client and after having considered the size of the project, the degree of danger likely to be encountered or the accumulation of hazards or risks on the site. No contractor may appoint a CHSO who is not registered with the South African Council for the Project and Construction Management Professions (SACPCMP) and has necessary competencies and resources. The CHSO's involvement is generally to assist with the control of all health and safety related aspects on site. This will be effective as of 6th August 2015.”

- The person so appointed shall:
 - Supply the Eskom Safety Officer with copies of minutes of all Health and Safety Committee meetings (if relevant), on a monthly basis.
 - Supply the Eskom Safety Officer with copies of all appointments in respect of employees employed on this contract, in terms of the Act and Regulations and shall advise the Eskom Safety Officer of any changes thereto – to be handed over to the *Employer* prior to construction start.
- Eskom may, at any stage during the currency of this agreement, be entitled to;
 - do safety audits at the *Contractor's* premises, its work-places and on its employees;
 - refuse any employee, sub-contractor or agent of the *Contractor* access to its premises if such person has been found to commit any unlawful act or any unsafe working practice or is found to be not authorized or qualified in terms of the Act
 - issue the *Contractor* with a work stop order or a compliance order should Eskom become aware of any unsafe working procedures or conditions or any non-compliance with the Act, Regulations and Procedures referred to in 1 above by the *Contractor* or any of its employees, sub-contractors or agents.
- No extension of time will be allowed as a result of any action taken by Eskom in terms of the above and the *Contractor shall* have no claim against Eskom as a result thereof. Furthermore, no amendments to the Act or the Regulations or reasonable amendment to Eskom's Safety and Operating Procedures will entitle the *Contractor* to claim any additional costs incurred in complying therewith from Eskom.
- The *Contractor* shall be responsible for all expenses incurred to ensure adherence to Health and Safety Regulations as stipulated above which includes but is not restricted to ORHVS training courses, etc.

Typically, the identified risks as listed in the “Health & Safety Specification” for this contract which could endanger persons/*works* as per scope of work to be completed by the *Contractor*. Specific risks, related to projects as will be issued per Task Order are as follows:

Typical Risks to be assessed where applicable
LIVE UNDERGROUND CABLES
WORK IN LIVE CHAMBERS/RESTRICTED AREAS
LIVE OVERHEAD CONDUCTORS/CROSSINGS
CLOSE PROXIMITY WORK TO LIVE EQUIPMENT
OPERATING OF CRANES/VEHICLE MOUNTED
STATIC ELECTRICITY/INDUCTION
WORK WITH CHAINSAWS/MECHANICAL CUTTERS
MATERIALS HANDLING/ HEAVY EQUIPMENT HANDLING
CONDUCTOR STRINGING AND TENSIONING
VEHICLE RISKS
WORK IN OPEN TRENCHES/EXCAVATIONS
COVID-19 pandemic
BIOLOGICAL/HEALTH RISKS (CAMPS)
WEATHER RELATED RISKS (UV, HEAT, COLD, WIND, RAIN, SNOW, ETC.)
ENVIRONMENTAL RISKS
ERGONOMIC RISKS (BODY POSITION, FATIGUE)
WORK ON/DISMANTLING OF RUSTED & ROTTEN POLES AND STRUCTURES

FIRE RISKS
PUBLIC SAFETY RISKS
WORK CLOSE TO PUBLIC ROADS
WORKING IN ENVIRONMENTAL SENSITIVE AREA
HISTORICAL EVENTS THAT COULD INFLUENCE THE PROJECT, I.E. CURRENT STRUCTURE DESIGNS, AGE OF STRUCTURES TO BE WORKED ON, ETC
DEMOGRAPHICS OF THE AREA

THE CONTRACTOR SHALL IDENTIFY MITIGATION ACTIONS FOR ALL IDENTIFIED RISKS, AS WELL AS IDENTIFY ANY ADDITIONAL RISKS AND INCLUDE IT IN THE HEALTH AND SAFETY PLAN TO BE PROVIDED TO THE EMPLOYER ON TENDER RETURN.

The *Contractor* shall comply with other Safety application provisions of Government, Provincial, Municipal Safety Laws, Building, Construction, Electricity Regulations and Eskom Distribution Standards.

- The *Contractor* shall accept full responsibility for the means, methods, sequence or procedures of construction for safety precautions or programmes incident to the work of the *contractor*.
- The *Contractor* is required to submit a working methodology statement with regards to the Safety Standards while working within hazardous areas such as live substations or in close proximity of energized apparatus and/or lines.
- The *Contractor* shall indemnify the *Employer* and the Engineer against responsibility for safety on the site of the works.
- Reference of the Safety Methodology Statement can be found in the Government Occupational Health and Safety Act (Act 85 of 1993) and Construction Regulations Document which is publicly available.
- Typically, RISK ANALYSIS IDENTIFYING RISKS THAT could endanger the work as done by the *Contractor* will be done per Works Order. The *Contractor* should identify mitigation actions for these risks, as well as identify any additional risks and submit at tender
- The safety of the *Contractors* personnel and employees acquire precedence over the construction works.
- The *Contractor* shall submit a Safety Plan to the *Employer* within one week of award of contract prior to starting on site. The Safety Plan to be assessed by the *Employers* Representative where after on approval will the *Contractor* be allowed access to site.

Environmental constraints and management

The *Contractor* shall comply with the environmental laws and regulations as well as criteria and constraints as provided at tender stage. The *Contractor* will take due care of to ensure compliance.

All environmental legal Liabilities and claims arising from the activities of the *Contractor* shall be for the *Contractors* expense. The *Contractor* is required to have an understanding of Eskom's basic environmental principles and commitments.

Quality assurance requirements

- "Quality Assurance Requirements: The Contractor shall comply with all quality requirements as set out in the document QM-58 i.e. Eskom Contract Quality Requirements Specification.
- The Contractor shall comply with ISO9001:2008 Quality Management System Requirements.
- The Contractor shall comply with all other regulatory and statutory requirements applicable to the works.
- The Contractor needs to submit a quality plan indicating the control points for quality to ensure that the works are done according to specification.
- Quality of workmanship;
 - The *Contractor* is required to employ a competent Supervisor or Foreman on site for the duration of the work issued per Task Order to implement workmanship quality checks.
 - Eskom will do inspections and quality checks on installations completed by the *Contractor* prior to hand-over of each project

General

- Except for site management and specialized labour such as operators for plant and equipment, the *Contractor* is encouraged to use "local" labour on a temporary basis for all manual tasks.
- The *Contractor* will attend all site meetings as arranged by the *Employer*
- The *Contractor* will report all obstacles on site that could impact on time and cost to the *Employer* in writing. Where applicable Early Warnings should be issued
- All work/services shall be carried out in accordance with all the statutory requirements applicable to the area and scope, Eskom's specifications, standards and regulations
- The *Contractor* will be given access to the proposed site and the *Contractor* must comply with Eskom's, National, Provincial and Local environmental policies, safety standards and laws.
- The onus is on the *Contractor* to obtain the latest revision of standards applicable.
- The *Employer* reserves the right to alter the scope of the works, programme and constraints.
- The Clerk of Works of the *Employer* will do Quality Control Checks and inspections on the *works*. The *Contractor* notifies the Clerk of Works or *Employer's* Representative of any inspections to be done three days in advance.
- The *Contractor* shall ensure that caution is exercised when working in close proximity of live electrical equipment.

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

The *Contractor* shall keep accurate records and provide the Employers Representative with reports on the *Contractor's* actual delivery against the above stated ASGI-SA criteria. 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.

Subcontracting

Preferred subcontractors

The principle *Contractor* must ensure that his proposed subcontractor has the following documentation on record (for access by the Employer) before the appointment.

- Valid accreditations, authorization and/or Registration necessary to perform the scope
- Signed 37.2 agreement between Principle Contractor and Subcontractor
- Approved H&S plan for the subcontractor's portion of the works.
- Principle contractor to ensure his subcontractor complies with the construction regulations. Eg. Where security services are subcontracted the Contract is to ensure that Eskom Protective Services department has vetted and approve the security subcontractor before they can be mobilized OR in the case of Bush clearing, that this appointment is done via relevant Eskom department (Land Development/Environmental)
- A signed written contract that clearly outlines the roles and responsibilities of each party - must exist between the principal contractor and sub-contractor/s preferably in the NEC Engineering and Construction Subcontract or Short Subcontract form.
- Subcontractor should submit a valid Tax clearance certificate to the principle contractor.
- Subcontractors should comply with relevant requirements of the Skills Levies Act, Unemployment Insurance Fund Act and the Compensation of Occupational Injuries and Diseases Act.
- Have the required CIDB grading in place to execute the scope.
- Compliance to approved Safety, Health, Environmental and Quality plans

The contractor to indicate the percentage of subcontracting, the proposed subcontractors together with their BBBEE statuses, and the sources of assets, goods or services when local content and production criteria are applicable. The NEC system is compulsory for all subcontract documentation.

Subcontract documentation, and assessment of subcontract tenders

The use of NEC system is compulsory

Limitations on subcontracting

The *Contractor* shall not subcontract more 30% than a specified proportion of the whole of the contract.

Plant & Materials provided “free issue” by the Employer

Not applicable

Working on the Affected Property

Tenderers are to note that some of the works are to be carried out in existing occupied facilities and work need to planned properly.

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

Eskom Sites have strict entrance requirements which tendering contractors need to comply with. State

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.

Health and safety facilities on the Affected Property

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

List of drawings and documents:

Drawings issued by the Employer

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

Drawing number	Revision	Title
NOTE: Drawings specific to site and scope of service will be issued when tasks are instructed via Task Order		

Documents issued by the *Employer*

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

Document Reference	Revision	Title