



NEC3 Supply Contract (SC3)

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

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

for **DESIGN, MANUFACTURE AND TESTING EX-WORKS OF
VARIOUS TYPES OF MINIATURE SUBSTATIONS OVER A
5 (FIVE) YEAR PERIOD ON AN "AS AND WHEN
REQUIRED BASIS" TO THE DISTRIBUTION DIVISION"**

Contents:	No of pages
Part C1 Agreements & Contract Data	[26]
Part C2 Pricing Data	[5]
Part C3 Scope of Work	[13]

CONTRACT No. [Insert at award stage]

PART C1: AGREEMENTS & CONTRACT DATA

Contents:	No of pages
C1.1 Form of Offer and Acceptance	[3]
[to be inserted from Returnable Documents at award stage]	
C1.2a Contract Data provided by the <i>Purchaser</i>	[15]
C1.2b Contract Data provided by the <i>Supplier</i>	[1]
[to be inserted from Returnable Documents at award stage]	
C1.3 Proforma Guarantees	[6]

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:

DESIGN, MANUFACTURE AND TESTING EX-WORKS OF VARIOUS TYPES OF MINIATURE SUBSTATIONS OVER A 5 (FIVE) YEAR PERIOD ON AN "AS AND WHEN REQUIRED BASIS" TO THE DISTRIBUTION DIVISION"

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	Rate Based Contract
	Value Added Tax @ 15% is	Rate Based Contract
	The offered total of the amount due inclusive of VAT is ¹	Rate Based Contract
	(in words) Rate Based Contract	

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

¹ This total is required by the *Purchaser* 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 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.

Schedule of Deviations to be completed by the *Purchaser* 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 Purchaser prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

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

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

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	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for Options	
		X1: Price adjustment for inflation X2: Changes in the law X3: Multiple currencies X4: Parent company guarantee X7: Delay damages X13: Performance bond X17: Low performance damages Z: Additional conditions of contract
	of the NEC3 Supply Contract (April 2013) ²	(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):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	011 800 8111
	Fax No.	011 800 4299
10.1	The <i>Supply Manager</i> is (name):	[Insert at contract award]
	Address	[Insert at contract award]
	Tel	Insert at contract award]
	Fax	Insert at contract award]
	e-mail	[Insert at contract award]
11.2(13)	The <i>goods</i> are	Type B miniature substations
11.2(13)	The <i>services</i> are	N/A

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

11.2(14) The following matters will be included in the Risk Register

- Material supply - late delivery
- Major machine breakdown
- Failure to retain CRITICAL skills.
- Inferior production of goods
- Improper Production Planning
- Extended delivery schedule /lead times on some key raw materials.
- Theft of high value stock.
- Finished goods that does not meet the quality standard.

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 <i>law of the contract</i> is the law of	the Republic of South Africa		
13.1	The <i>language of this contract</i> is	English		
13.3	The <i>period for reply</i> is	One [1] weeks		
2	The Supplier's main responsibilities	Data required by this section of the core clauses is provided by the <i>Supplier</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data.		
3	Time			
30.1	The <i>starting date</i> is.	TBA		
30.1	The <i>delivery date</i> of the <i>goods and services</i> is:	<i>goods and services</i>	<i>delivery date</i>	
		1	Type B miniature substations	To be indicated on each purchase order
30.2	The <i>Supplier</i> does not bring the <i>goods</i> to the Delivery Place more than one week before the Delivery Date.	N/A		
31.1	The <i>Supplier</i> is to submit a first programme for acceptance within	[4] weeks of the Contract Date.		
32.2	The <i>Supplier</i> submits revised programmes at intervals no longer than	[2] weeks.		
4	Testing and defects			
42	The <i>defects date</i> is	[52] weeks after Delivery.		
43.2	The <i>defect correction period</i> is	[4] weeks		
	except that the <i>defect correction period</i> for	Imported products is 6 weeks.		
	and the <i>defect correction period</i> for	Programming is 3 weeks including testing.		
42.2	The <i>defects access period</i> is	[7] days		

	except that the <i>defect access period</i> for	Imported products is 7 days.
	and the <i>defect access period</i> for	Programming is 7 days
5	Payment	
50.1	The <i>assessment interval</i> is	Upon delivery of each batch.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	<p>For contracts valued below R50 000 000 (Fifty Million Rand) including VAT, Eskom is committed to paying Suppliers within 30 days of submission of a tax compliant invoice with a GR number to Eskom Financial Shared Services.</p> <p>For contracts valued above R50 000 000 (Fifty Million Rand) including VAT, Eskom is committed to paying suppliers within 60 days of submission of a tax compliant invoice with a GR number to Eskom Financial Shared Services.</p>
51.4	The <i>interest rate</i> is	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.
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	Title	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, liabilities, indemnities and insurance	
80.1	These are additional <i>Purchaser's</i> risks	1. None
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	R0.0 (zero Rand)
88.2	For any one event, the <i>Supplier's</i> liability to the <i>Purchaser</i> for loss of or damage to the <i>Purchaser's</i> property is limited to	<p>(1) for the <i>Purchaser's</i> existing and surrounding property in the care, custody and control of the <i>Supplier</i> the amount of the deductible (first amount payable) relevant to the event and</p> <p>(2) for all other existing <i>Purchaser's</i> property the applicable deductible as at contract date</p>

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:	100% of each batch order value.
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	100% of each batch order value.
88.5	The <i>end of liability date</i> is	3 years after Delivery of the whole of the goods and services.

9 Termination and dispute resolution

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 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).
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 www.ice-sa.org.za)
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	Midrand, South Africa
	The person or organisation who will choose an arbitrator	
	- 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.

10 Data for Option clauses

X1	Price adjustment for inflation		
X1.1	The <i>base date</i> for indices is	One month prior to tender closing date.	
	The proportions used to calculate the Price Adjustment Factor are:	proportion	linked to index for
		0.08	Aluminium Products
		0.32	Electrical Engineering Materials
			Index prepared by
			SEIFSA Table R - 99.7 EC Grade Rod
			SEIFSA Table G1 - Electrical Engineering

		0.21	Labour	SEIFSA Table C-4 - Hourly paid Employees
		0.04	Distribution Transformers (Bushing)	SEIFSA Table J-3 – Bushing
		0.13	Distribution Transformer (Super High Grade 80 index)	SEIFSA Table J-3 (A) - Super High Grade 80 index
		0.04	Distribution Transformer (Transformer oil)	SEIFSA Table J-3 (A) -Transformer Oil
		0.03	Distribution Transformer (Insulation)	SEIFSA Table J-3 (A) –Insulation
		0.15	non-adjustable	
		1.00		
X2	Changes in the law			
X2.1	A change in the law of	The country stated in the Contract is a compensation event if it occurs after the Contract Date		
X3	Multiple currencies			
X3.1	The Purchaser will pay for these items in the currencies stated	Items	Other currency	Total maximum payment in the currency
		[•]		
		[•]		
		[•]		
X3.1	The exchange rates are those published in	[•] on [•] (date)		
		The items & activities will be paid in the other currency.		
		Payment for the imported portion is to be made into a valid SARB approved CFC account in South Africa, in a foreign currency (payment will be made to the party and account nominated by the supplier in the contract, and not to any other party).		
		Please note:		
		• The contracting party must be the		

		direct importer <ul style="list-style-type: none"> For payment purposes, Eskom will require both the foreign (commercial) invoice and the local tax invoice The foreign currency values on both the commercial and local invoice must be the same. Eskom will not pay any profit in foreign currency. It is the responsibility of the supplier to ensure that the approval to invoice Eskom in foreign currency remains valid for the duration of the contract, and each time the approval is renewed with the South African Reserve Bank (SARB), Eskom should be supplied with a copy of the application to renew the approval and the response from SARB regarding the renewal application. 	
X4	Parent company guarantee	There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.	
X7	Delay damages		
X7.1	Delay damages for Delivery are	Delivery of Mini subs Type B	amount per day 0.5% Per week, capped at 10% of each order value calculated on the value of the delayed portion.
X13	Performance bond		
X13.1	The amount of the performance bond is	10% of the total contract value (if required)	
X17	Low performance damages		
X17.1	The amounts for low performance damages are:	amount R 500 R 500 R 500 R 700 R 1200	performance level for Loose connections Per connection for Faulty interlocks Per Faulty interlock for Incorrect component/s installed on mini subs Per Incorrect Component for Faulty components Per Faulty Component Oil leaks Per Detected Leak

	R 1200	SF6 leaks Per Detected Leak
	R 800	Corrosion of the housing and other metallic parts of the mini sub Per Corrosion Incident
	R 1500	Missing components Per Missing Component
Z	The additional conditions of contract are Z1 to Z15 always apply for Eskom	

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 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 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:

Affected Party means, as the context requires, any party, irrespective of whether it is the *Supplier* 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>Supplier</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.

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:

Insurance cover	84	
	84.1	When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.
	84.2	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

Insurance against	Minimum amount of cover or minimum limit of indemnity
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	<u>Loss of or damage to property</u> <u>Purchaser's property</u> 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. <u>Other property</u> The replacement cost <u>Death of or bodily injury</u> 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**

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

Nuclear Material Damage Terrorism	Per the insurance policy document
--------------------------------------	-----------------------------------

Z14 Nuclear Liability _ Not Applicable

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_ Not Applicable

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

AAIA means approved asbestos inspection authority.

ACM means asbestos containing materials.

AL means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.

Ambient Air means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.

Compliance Monitoring means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.

OEL means occupational exposure limit.

Parallel Measurements means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.

Safe Levels means airborne asbestos exposure levels conforming to the Standard's

requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.

Standard means the *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 effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *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.

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 2010³ as follows:

Group	Category	Term	Delivery Place
F	main carriage unpaid	FCA	Rosherville Warehouse
D	arrival	DAP	Rosherville Warehouse

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:

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

[Should there be a need to amplify any of the published obligations listed above for the chosen INCOTERM, add them here.]

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

³ International Chamber of Commerce, Incoterms 2010, Paris, January 2011

The Supply Requirements for this contract are as follows:

[Use these when INCOTERMS do not apply].

1. The requirements for the supply are	[State the constraints on how the <i>Supplier</i> manufactures, prototypes, tests and stores the <i>goods</i> including order and timing]	
2. The requirements for transport are	[State the extent to which the <i>Supplier</i> transports the <i>goods</i> and the mode of transport]	
3. The delivery place is	[State the location where the <i>goods</i> are to be placed by the <i>Supplier</i> , such as whether it is a dispatch department at the <i>Supplier's</i> premises, the <i>Purchaser</i> is to collect or other location the <i>Purchaser</i> may require. If the delivery place for the <i>services</i> is different to the <i>goods</i> state it here]	
4. Actions of the Parties during supply	Action	Party which does it
	Giving notice of Delivery	
	Checking packing and marking before dispatch	
	Contracting for transport	
	Pay costs of transport	
	Arrange access to delivery place	
	Loading the <i>goods</i>	
	Unloading the <i>goods</i>	
For international procurement	Undertake export requirements	
	Undertake import requirements	
5. Information to be provided by the Supplier	Title of document	
	Packing lists for cases and their contents	
	Copy of invoice for the <i>goods</i>	
	Delivery Note	
	Test results and maintenance manuals	
For international procurement	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

C1.2 Contract Data

Part two - Data provided by the *Supplier*.

Notes to a tendering supplier:

1. Please read both the NEC3 Supply Contract (SC3)⁴ and the relevant parts of its Guidance Notes (SC3-GN)⁵ in order to understand the implications of this Data which the tenderer is required to complete.
2. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data
3. Where a form field like this [] appears, data is required to be inserted relevant to the option selected. Click on the form field **once** and type in the data. Otherwise complete by hand and in ink.

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

Clause	Statement	Data								
10.1	The <i>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</i> and <i>services</i> is:	<table><tr><th><i>goods and services</i></th><th><i>delivery date</i></th></tr><tr><td>1</td><td>[•]</td></tr><tr><td>2</td><td>[•]</td></tr><tr><td>3</td><td>[•]</td></tr></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	%								

⁴ Either April 2013 or December 2009 Edition as stated by *Purchaser* in Contract Data part 1.

⁵ Available from Engineering Contract Strategies Tel 011 803 3008, Fax 086 539 1902, or www.ecs.co.za

C1.3 Forms of Securities

Pro formas for Bonds & Guarantees

For use with the NEC3 Supply Contract (SC3)

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

- Option X4: Parent company guarantee
- Option X13: Performance bond

These Options require a bond or guarantee "in the form set out in the Goods Information".

Pro forma documents for these bonds and guarantees are provided here for convenience but are to be treated as part of the Goods Information.

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

Pro forma Parent Company Guarantee (for use with Option X4)*(to be reproduced exactly as shown below on the letterhead of the Supplier's Parent Company)*

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

Date:

Dear Sirs,

Parent Company Guarantee for Contract No

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

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

(the *Purchaser*) and

[Insert registered name and address of the *Supplier*]

(the *Supplier*), for

[Insert details of the *goods* and *services* from the Contract Data]

(the *goods* and
services).

I/We the undersigned

on behalf of the *Supplier's*
parent company (name)

of physical address

and duly authorised thereto do hereby unconditionally guarantee to the *Purchaser* that the *Supplier* shall Provide the Goods and Services in accordance with the above numbered Contract.

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

Signed at _____ on this _____ day of _____ 20__

Signature(s)	
Name(s) (printed)	
Position in parent company	
Signature of Witness(s)	
Name(s) (printed)	

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

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

Eskom Holdings SOC Ltd
Megawatt Park
Maxwell Drive
Sandton
Johannesburg

Bank reference No. _____

Date: _____

Dear Sirs,

Performance Bond – Demand Guarantee for [insert name of *Supplier*] required in terms of contract [insert *Supplier's* contract reference number or title]

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

1.1	"Bank" means	[Insert name of Bank], [●] Branch, Registration No. [●]
1.2	"Bank's Address" means	[Insert physical address of Bank]
1.3	"Contract" means	the written agreement relating to providing the <i>goods</i> and <i>services</i> , entered into between the <i>Purchaser</i> and the <i>Supplier</i> , on or about the [●] day of [●] 200[●] (Contract Reference No. [●]) as amended, varied, restated, novated or substituted from time to time;
1.4	" <i>Supplier</i> " means	[●] a company registered in accordance with the laws of [●] under Registration No [●].
1.5	" <i>Purchaser</i> " means	Eskom Holdings SOC Ltd a company registered in accordance with the laws of the Republic of South Africa under Registration Number [●]
1.6	"Expiry Date" means	the earlier of <ul style="list-style-type: none"> the date that the Bank receives a notice from the <i>Purchaser</i> stating that all amounts due from the <i>Supplier</i> as certified in terms of the contract have been received by the <i>Purchaser</i> and that the <i>Supplier</i> has fulfilled all his obligations under the Contract, or the date that the Bank issues a replacement Bond for such lesser or higher amount as may be required by the <i>Purchaser</i>.
1.7	"Guaranteed Sum" means	the sum of R[●], ([●] Rand)
1.8	" <i>goods</i> and <i>services</i> " means	[insert details from Contract Data part 1]

2. At the instance of the *Supplier*, we the undersigned _____ and _____, in our respective capacities as _____ and _____ of the Bank, and duly authorized thereto, confirm that we hold the Guaranteed Sum at the disposal of the *Purchaser* as security for the proper performance by the *Supplier* of all of its obligations in terms of and arising from the Contract and hereby undertake to pay to the *Purchaser*, on written demand from the *Purchaser* received prior to the Expiry Date, any sum or sums not exceeding in total the Guaranteed Sum.

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

- be signed on behalf of the *Purchaser* by a Group Executive, Divisional Executive, Senior General Manager, General Manager or its delegate;
- state the amount claimed ("the Demand Amount");

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

Signed at _____ on this _____ day of _____ 20__

For and on behalf of the Bank

Bank Signatories(s)

Name(s) (printed)

Witness(s)

Bank's seal or stamp

PART 2: PRICING DATA

NEC3 Supply Contract

Document reference	Title	No of pages
C2.1	Pricing assumptions	2
C2.2	The <i>price schedule</i>	[2]

C2.1 Pricing assumptions

1. How goods and services are priced and assessed for payment

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

Identified and defined terms	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.
Assessing the amount due	50.2	The amount due is
		<ul style="list-style-type: none"> the Price for each lump sum item in the Price Schedule which the <i>Supplier</i> has completed, 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, plus other amounts to be paid to the <i>Supplier</i>, less amounts to be paid by or retained from the <i>Supplier</i>. <p>Any tax which the law requires the <i>Purchaser</i> to pay to the <i>Supplier</i> is included in the amount due.</p>

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.

2. 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.

3. 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;
- 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.

3.1. 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.

C2.2 the *price schedule*

Item nr	SAP No.	Description	Unit	Quantity	Rate
1	170 758	M/SUB 315kVA 11kV/420V B FH CSTL D8050	Each	1	R
2	170 759	M/SUB 500kVA 11kV/420V B FH CSTL D8050	Each	1	R
3	170 760	M/SUB 1000kVA 11kV/420V B FH CSTL D8050	Each	1	R
4	170 764	M/SUB 1000kVA 22kV/420V B FH CSTL D8051	Each	1	R
5	170 861	M/SUB 315kVA 22kV/420V B FH CSTL D8051	Each	1	R
6	182 407	M/SUB 315kVA 11kV/420V B CB CSTL D8050	Each	1	R
7	182 409	M/SUB 500kVA 11kV/420V B CB CSTL D8050	Each	1	R
8	182 411	M/SUB 1000kVA 11kV/420V B CB CSTL D8050	Each	1	R
9	182 414	M/SUB 315kVA 22kV/420V B CB CSTL D8051	Each	1	R
10	182 416	M/SUB 500kVA 22kV/420V B CB CSTL D8051	Each	1	R
11	182 418	M/SUB 1000kVA 22kV/420V B CB CSTL D8053	Each	1	R
12	592 762	M/SUB H/R 11KV 500KVA B CB CSTL 60	Each	1	R
13	592 760	M/SUB H/R 22KV 500KVA B CB CSTL 15	Each	1	R
14	592 763	M/SUB H/R 11KV 500KVA B FH CSTL	Each	1	R
15	592 761	M/SUB H/R 22KV 500KVA B FH CSTL	Each	1	R
16	650 055	SWITCHG:MS HR 1MVA 1C;B CSTL;CB;11KV	Each	1	R
17	650 056	SWITCHG:MS HR 500KVA 1C;B CSTL;CB;11KV	Each	1	R
18	650 059	SWITCHG:MS HR 500KVA 1C;B CSTL;CB;22KV	Each	1	R
19	650 058	SWITCHG:MS HR 1MVA 1C;B CSTL;CB;22KV	Each	1	R
20	650 050	SWITCHG:MS 500KVA;CSTL;B CB;3.3KV;20 KA	Each	1	R

21	650 051	SWITCHGEAR:MS 1000KVA;CSTL;B CB;3.3 KV	Each	1	R
22	650 052	SWITCHGEAR:MS 500KVA;CSTL;B CB;6.6 KV	Each	1	R
23	650 053	SWITCHGEAR:MS 1000KVA;CSTL;B CB;6.6 KV	Each	1	R
24	650 054	SWITCHG:MS HR 1MVA 3C;B CSTL;CB;11KV	Each	1	R
25	650 057	SWITCHG:MS HR 1MVA 3C;B CSTL;CB;22KV	Each	1	R
26	697 246	CONTROLLER: HANDHELD PUSH BUTTON REMOTE	Each	1	R
27	697 293	BATT PCK:24 VDC; PORTABLE BATTERY PACK	Each	1	R
28	650 060	SWITCHG:MS RTU 500KVA 1C;B CSTL;CB;11KV	Each	1	R
29	650 061	SWITCHG:MS RTU 500KVA 3C;B CSTL;CB;11KV	Each	1	R
30	650 062	SWITCHG:MS RTU 1MVA 1C;B CSTL;CB;11KV	Each	1	R
31	650 063	SWITCHG:MS RTU 1MVA 3C;B CSTL;CB;11KV	Each	1	R
32	650 064	SWITCHG:MS RTU 500KVA 1C;B CSTL;CB;22KV	Each	1	R
33	650 065	SWITCHG:MS RTU 500KVA 3C;B CSTL;CB;22KV	Each	1	R
34	650 066	SWITCHG:MS RTU 1MVA 1C;B CSTL;CB;22KV	Each	1	R
35	650 067	SWITCHG:MS RTU 1MVA 3C;B CSTL;CB;22KV	Each	1	R
36a		Transport _ Actual Cost	Sum	1	R
36b		Transport _ Fee	Percentage		

Note:

- 1) Transportation of equipment may be carried out by the supplier of such equipment.
- 2) Transport (Actual Cost) - This will be assessed based on actual cost incurred. Awarded Suppliers will be required to provide supporting documentation for the actual cost incurred when claiming for this item.
- 3) Transport Fee _ Tenderers are required to price for this item as a percentage markup fee based on the transport actual cost.

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	1
C3.1	Purchaser's Goods Information	11
C3.2	Supplier's Goods Information	1
	Total number of pages	13

C3.1: *PURCHASER'S* GOODS INFORMATION

Contents

Part 3: Scope of Work 1

C3.1: *Purchaser's* Goods Information 2

1	Overview and purpose of the <i>goods</i> and <i>services</i>	3
2	Specification and description of the <i>goods</i>	4
2.1	<i>Purchaser's</i> design	4
2.2	Procedure for submission and acceptance of <i>Supplier's</i> design	5
2.3	Other requirements of the <i>Supplier's</i> design	5
2.4	Use of <i>Supplier's</i> design	6
2.5	Manufacture & fabrication	6
2.6	Factory acceptance testing (FAT)	6
2.7	Other tests and inspections and commissioning in place of use	6
2.8	Operating manuals and maintenance schedules	6
3	Supply Requirements	7
4	Specification of the <i>services</i> to be provided	7
5	Constraints on how the <i>Supplier</i> Provides the Goods	7
5.1	Programming constraints	7
5.2	Work to be done by the Delivery Date	7
5.3	Marking the <i>goods</i>	7
5.4	Constraints at the delivery place and place of use	8
5.5	Cooperating with Others	8
5.6	Services & other things to be provided by the <i>Purchaser</i> or <i>Supplier</i>	8
5.7	Management meetings	8
5.8	Documentation control	8
5.9	Health and safety risk management	9
5.10	Environmental constraints and management	9
5.11	Quality	9
5.12	Invoicing and payment	9
5.13	Insurance provided by the <i>Purchaser</i>	10
5.14	Contract change management	10
5.15	Provision of bonds and guarantees	10
5.16	Records of Defined Cost, payments & assessments of compensation events to be kept by the <i>Supplier</i>	10
6	Procurement	11
6.1	Subcontracting	11
6.1.1	Preferred subcontractors	11
6.1.2	Limitations on subcontracting	11
6.1.3	Spares and consumables	11
6.1.4	Other requirements related to procurement	11
6.1.5	Cataloguing requirements	12
7	List of drawings	12
7.1	Drawings issued by the <i>Purchaser</i>	12
C3.2	<i>Supplier's</i> Goods Information	13

1 Overview and purpose of the goods and services

The Mini-substations have become the preferred electrical supply configuration for streets front power distribution in the South African built environment over the past decades – particularly in areas where underground cable networks are prominent. Based upon the concept of a prefabricated medium voltage/low voltage (MV/LV) substation in accordance with South African National Standards SANS 1029, the Mini-substations are widely used by all distribution utilities in South Africa to transform electrical power supplied from medium voltage cable networks to low voltage underground cable distribution feeders – in the supply of electricity to low voltage (LV) customers.

Design, manufacture and testing ex-works of various types of miniature substations over a 5 (five) year period on an "as and when required basis" to the distribution division".

The scope of work is based on estimated requirements for the design, manufacture and testing (ex-works) of various types of Mini substations over a 5 (Five) year's period on "an as and when required" basis:

No	SAP #	Description
1	170 758	M/SUB 315kVA 11kV/420V B FH CSTL D8050
2	170 759	M/SUB 500kVA 11kV/420V B FH CSTL D8050
3	170 760	M/SUB 1000kVA 11kV/420V B FH CSTL D8050
4	170 764	M/SUB 1000kVA 22kV/420V B FH CSTL D8051
5	170 861	M/SUB 315kVA 22kV/420V B FH CSTL D8051
6	182 407	M/SUB 315kVA 11kV/420V B CB CSTL D8050
7	182 409	M/SUB 500kVA 11kV/420V B CB CSTL D8050
8	182 411	M/SUB 1000kVA 11kV/420V B CB CSTL D8050
9	182 414	M/SUB 315kVA 22kV/420V B CB CSTL D8051
10	182 416	M/SUB 500kVA 22kV/420V B CB CSTL D8051
11	182 418	M/SUB 1000kVA 22kV/420V B CB CSTL D8053
12	592 762	M/SUB H/R 11KV 500KVA B CB CSTL 60
13	592 760	M/SUB H/R 22KV 500KVA B CB CSTL 15
14	592 763	M/SUB H/R 11KV 500KVA B FH CSTL
15	592 761	M/SUB H/R 22KV 500KVA B FH CSTL
16	650 055	SWITCHG:MS HR 1MVA 1C;B CSTL;CB;11KV
17	650 056	SWITCHG:MS HR 500KVA 1C;B CSTL;CB;11KV
18	650 059	SWITCHG:MS HR 500KVA 1C;B CSTL;CB;22KV
19	650 058	SWITCHG:MS HR 1MVA 1C;B CSTL;CB;22KV
20	650 050	SWITCHG:MS 500KVA;CSTL;B CB;3.3KV;20 KA
21	650 051	SWITCHGEAR:MS 1000KVA;CSTL;B CB;3.3 KV
22	650 052	SWITCHGEAR:MS 500KVA;CSTL;B CB;6.6 KV
23	650 053	SWITCHGEAR:MS 1000KVA;CSTL;B CB;6.6 KV
24	650 054	SWITCHG:MS HR 1MVA 3C;B CSTL;CB;11KV
25	650 057	SWITCHG:MS HR 1MVA 3C;B CSTL;CB;22KV
26	697 246	CONTROLLER: HANDHELD PUSH BUTTON REMOTE
27	697 293	BATT PCK:24 VDC; PORTABLE BATTERY PACK
28	650 060	SWITCHG:MS RTU 500KVA 1C;B CSTL;CB;11KV

29	650 061	SWITCHG:MS RTU 500KVA 3C;B CSTL;CB;11KV
30	650 062	SWITCHG:MS RTU 1MVA 1C;B CSTL;CB;11KV
31	650 063	SWITCHG:MS RTU 1MVA 3C;B CSTL;CB;11KV
32	650 064	SWITCHG:MS RTU 500KVA 1C;B CSTL;CB;22KV
33	650 065	SWITCHG:MS RTU 500KVA 3C;B CSTL;CB;22KV
34	650 066	SWITCHG:MS RTU 1MVA 1C;B CSTL;CB;22KV
35	650 067	SWITCHG:MS RTU 1MVA 3C;B CSTL;CB;22KV
36a		Transport_ Actual Cost
36b		Transport – Fee Percentage

Note:

- a) Transportation of equipment may be carried out by the supplier of such equipment.
b) It must be noted that where zero quantities are listed in the scope of work it is due to the fact that these items are new, and no demand has been forecasted for it. However, should a new item be required (Items 28 to 39) the requirement will be reduced from the units where there was a forecast (Items 1 to 27)



2 Specification and description of the goods



The mini subs as stated in cause 1 above shall be manufactured in accordance with the SPECIFICATION FOR MEDIUM VOLTAGE MINIATURE SUBSTATIONS FOR SYSTEMS WITH NOMINAL VOLTAGES OF 3.3 KV, 6.6 KV, 11 KV AND 22 KV STANDARD (rev 2 of 240-56062752).

The tender submission will be evaluated in accordance with the Technical Evaluation Criteria for Miniature Substations (240-91422345). The normative references as stated in the two documents will be applicable as well.

2.1 Purchaser's design

Please refer to the specifications attached in the table below:

No	Unique Identifier	Revision	Document Title
1	240-56062752	3	SPECIFICATION FOR MEDIUM VOLTAGE MINIATURE SUBSTATIONS FOR SYSTEMS WITH NOMINAL VOLTAGES OF 3.3 KV, 6.6 KV, 11 KV AND 22 KV STANDARD  240-56062752_Mini sub spec.pdf
2	240-70500896	1	LOSS FACTORS FOR PROCUREMENT OF TRANSFORMERS (2019 CALCULATION)  Transformer loss factors 2019 Engine

3	240-170000721	1	TECHNICAL CLARIFICATIONS ASSOCIATED WITH 240-56030406 RMU SPECIFICATION REVISION 2  TB_240-170000721. pdf
4	240-91422345	4	TECHNICAL EVALUATION CRITERIA FOR MINIATURE SUBSTATIONS  RP_240-91422345 Rev 4.pdf

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

Refer to the following specifications attached under number 2.1:

- SPECIFICATION FOR MEDIUM VOLTAGE MINIATURE SUBSTATIONS FOR SYSTEMS WITH NOMINAL VOLTAGES of 3.3 KV, 6.6 KV, 11 KV AND 22 KV STANDARD. Unique Identifier: 240-56062752
- LOSS FACTORS FOR PROCUREMENT OF TRANSFORMERS (2019 CALCULATION). Unique Identifier: 240-53114081

2.3 Other requirements of the *Supplier's* design

Refer to the following specifications attached under number 2.1:

- LOSS FACTORS FOR PROCUREMENT OF TRANSFORMERS (2019 CALCULATION). Unique Identifier: 240-53114081
- TECHNICAL CLARIFICATIONS ASSOCIATED WITH 240-56030406 RMU SPECIFICATION REVISION 2
- SANS 780, SANS 1029, SANS 1874, SANS 876, SANS/IEC 62271-200, SANS/IEC 62271-202 and etc

2.4 Use of *Supplier's* design

Refer to the following specifications attached under number 2.1:

- LOSS FACTORS FOR PROCUREMENT OF TRANSFORMERS (2019 CALCULATION). Unique Identifier: 240-53114081
- TECHNICAL CLARIFICATIONS ASSOCIATED WITH 240-56030406 RMU SPECIFICATION REVISION 2
- SANS 780, SANS 1029, SANS 1874, SANS 876, SANS/IEC 62271-200, SANS/IEC 62271-202 and etc

2.5 Manufacture & fabrication

The Purchaser does not usually prescribe how the goods are to be manufactured and fabricated, however the Supplier is advised to adhere to the provided specification for the goods required.

2.6 Factory acceptance testing (FAT)

Refer to the following specifications attached under number 2.1:

- TECHNICAL EVALUATION CRITERIA FOR MINIATURE SUBSTATIONS. Unique Identifier: 240- 91422345

2.7 Other tests and inspections and commissioning in place of use

Refer to the following specifications attached under number 2.1:

- SANS 780, SANS 1029, SANS 1874, SANS 876, SANS/IEC 62271-200, SANS/IEC 62271-202 etc.

2.8 Operating manuals and maintenance schedules

Refer to the following specifications attached under number 2.1:

- Technical evaluation criteria for miniature substations, Unique Identifier: 240-91422345, rev. 4
- SPECIFICATION FOR MEDIUM VOLTAGE MINIATURE SUBSTATIONS FOR SYSTEMS WITH NOMINAL VOLTAGES of 3.3 KV, 6.6 KV, 11 KV AND 22 KV STANDARD. Unique Identifier: 240-56062752

3 Supply Requirements

The Supply Requirements for this contract are in an Annexure to the Contract Data provided by the *Purchaser*.

4 Specification of the *services* to be provided.

Refer to the following specifications attached under number 2.1:

- Technical evaluation criteria for miniature substations, Unique Identifier: 240-91422345, rev. 4
- SPECIFICATION FOR MEDIUM VOLTAGE MINIATURE SUBSTATIONS FOR SYSTEMS WITH NOMINAL VOLTAGES of 3.3 KV, 6.6 KV, 11 KV AND 22 KV STANDARD. Unique Identifier: 240-56062752

5 Constraints on how the *Supplier* Provides the Goods

5.1 Programming constraints

The Supplier is to indicate all detailed activities for the manufacture, supply and delivery of the goods per purchase order to be issued for acceptance by the Supply Manager prior to the finalisation of the purchase order.

Regular production meetings will be held to discuss manufacture and delivery to obtain Supplier feedback.

5.2 Work to be done by the Delivery Date

Refer to the following specifications attached under number 2.1:

- SPECIFICATION FOR MEDIUM VOLTAGE MINIATURE SUBSTATIONS FOR SYSTEMS WITH NOMINAL VOLTAGES of 3.3 KV, 6.6 KV, 11 KV AND 22 KV STANDARD. Unique Identifier: 240-56062752
- LOSS FACTORS FOR PROCUREMENT OF TRANSFORMERS (2019 CALCULATION). Unique Identifier: 240-53114081

5.3 Marking the *goods*

Refer to the following specifications attached under number 2.1:

- Technical evaluation criteria for miniature substations, Unique Identifier: 240-91422345, rev. 4
- SPECIFICATION FOR MEDIUM VOLTAGE MINIATURE SUBSTATIONS FOR SYSTEMS WITH NOMINAL VOLTAGES of 3.3 KV, 6.6 KV, 11 KV AND 22 KV STANDARD. Unique Identifier: 240-56062752

5.4 Constraints at the delivery place and place of use

- The delivery place, the hours of access to the delivery place and other information to be provided by the *Supplier* at the time of Delivery such as the delivery note, which notifies the actual delivery date.
- The delivery place is Eskom Gauteng Cluster, Rosherville Warehouse, Lower Germiston Road, Rosherville.

5.5 Cooperating with Others

Not applicable.

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

Not applicable.

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	Weekly on _____ at _____		
Overall contract progress and feedback	Monthly on _____ at _____		<i>Purchaser, Supplier, and _____</i>

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.

5.8 Documentation control

All contractual communications will be in the form of properly compiled letters or forms attached to emails and not as a message in the email itself. All communication from the Supplier must be addressed to the Purchaser, where relevant and distributed to all other stakeholders.

Escalation protocols from either party must also be stated and agreed at the kick off meeting.

5.9 Health and safety risk management

The Supplier shall comply with the health and safety requirements in accordance with the Occupational Health & Safety Act, No. 85 of 1993.

5.10 Environmental constraints and management

The Supplier shall comply with the environmental criteria and constraints in line with the Environmental Legislation and by-laws.

5.11 Quality

The Supplier to be ISO-9001 compliant and to comply with the Eskom's Supplier Quality Management Specification, 240-105658000.

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:

- Name and address of the *Supplier* and the *Supply Manager*.
- The contract number and title.
- *Supplier's* VAT registration number.
- The *Purchaser's* VAT registration number.
- Description of *goods* and *services* provided for each item invoiced based on the Price Schedule.
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT.

General Information	X
- No Pro-forma Invoice	
- Check Vendor number against the Address and name on Tax invoice	
- Insert the Vendor number on Tax invoice (Top right-hand corner)	
- Bank details must be on the invoice or on an attached sheet, but it does not require a bank stamp just a letter)	
- Check banking details on invoice against SAP system. If more than one banking account check bank account against banking details on invoice. If banking details not on invoice, write the bank code next to the vendor account (bank code 0002)	
- Check Vendor VAT number against the vendor master. (FK03) If VAT number not on master records, prepare a list and forward to Vendor Management to check and update the vendor master records	
- No fax copies of Tax invoices allowed	
- No copies of Tax invoices allowed unless originally printed by the Vendor if a photocopy tax invoice, it must be an original "certified copy" (i.e., not a copy of a "certified copy" invoice) from the vendor and check in system if not previously be paid. Put stamp "not previously paid" on invoice and sign.	
- Ensure that date received stamp is clear on invoice	
- Stamp all Invoices with the Vat stamp, complete and sign (only when VAT is applicable)	
- The stamp should not be stamped over any written information	
- When scanning invoice, check the quality before linking in SAP (inboxes)	

With Reference Invoices	X
- Goods receipt must be done (payment with reference)	
- Ensure that the SAP purchase order number is clear and correct on the invoice	
- GR number to be written on the Invoices	
- If multiple lines on invoice write the line number of the order against the line to ensure that the processors match the correct lines (to ensure that 191100 is matched correctly)	

5.13 Insurance provided by the *Purchaser*.

The Supplier provides the insurances stated in the Insurance Table except any insurance which the Purchaser is to provide as stated in the Contract Data. The Supplier provides additional insurances as stated in the Contract Data.

The insurances provide cover for events which are at the Supplier's risk from the starting date until the last defects date or a termination certificate has been issued.

5.14 Contract change management.

Use of standard forms

- The Supplier and the Purchaser to give an early warning by notifying the other as soon as either becomes aware of any matter which could increase the total of the Prices, interfere with the timing of the delivery of the goods and impair the effectiveness of the delivery.
- The Supplier may give an early warning by notifying the Purchaser of any other matter which could increase the total cost.
- The Supplier enters early warning matters in the Risk Register.
- Early warning of a matter for which a compensation event has previously been notified is not required.

5.15 Provision of bonds and guarantees.

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

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

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

For other compensation events, the changes to the Prices are assessed as the effect of the compensation event upon

- the actual Defined Cost of the work already done,
- the forecast Defined Cost of the work not yet done and
- the resulting amount calculated by applying the percentage for overheads and profit to the Defined Cost of the work.

Effects on Defined Cost are assessed separately for

- people,
- equipment,
- plant and materials included in the goods,
- work subcontracted by the Supplier and
- transport.

The Supplier shows how each of these effects is built up in each quotation for a compensation event.

If the compensation event arose from the Supply Manager giving an instruction, changing an earlier decision, or correcting an assumption, the date which divides the work already done from the work not yet done is the date of that communication. In all other cases, the date is the date of the notification of the compensation event.

The percentage for overheads and profit is applied to the assessed effect of the event on Defined Cost except that it is not applied to any tax charges for:

- customs clearance and
- export and import.

The date when the Supply Manager instructed or should have instructed the Supplier to submit quotations divides the work already done from the work not yet done.

6 Procurement

6.1 Subcontracting

6.1.1 Preferred subcontractors

The Supplier is to subcontract to one or more of the following designated groups:

- (i) an EME or QSE which is at least 51% owned by black people who are youth.
- (ii) an EME or QSE which is at least 51% owned by black people who are women.
- (iii) an EME or QSE which is at least 51% owned by black people with disabilities.
- (iv) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships.
- (v) a cooperative which is at least 51% owned by black people.

6.1.2 Limitations on subcontracting

The Supplier shall not subcontract 100% of the whole of the Scope of Work. A supplier awarded a contract may not subcontract more than 25% of the value of the contract to any other entity that does not have an equal or higher B-BBEE status level of a contributor than the supplier concerned unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

6.1.3 Spares and consumables.

The contract may need to include provision for the supply of a minimum category of spares or other consumables which the Purchaser may need at or just after delivery or commissioning of the goods. This is to be negotiated prior to contract award.

6.1.4 Other requirements related to procurement.

National Industrial Participation Programme Eskom will implement the NIPP requirement, which determines that the contractor/supplier must contact the Department of Trade, Industry and Competition (dtic) to arrange for support and development of local businesses. Eskom is required to inform the tenderers of this requirement. NIPP will only be applicable for contracts with an FGN component or content of USD 5 million or more.

The following narrative must be captured in all tenders that have import/foreign content equal to or more than USD 5 million:

"NIPP is a programme that seeks to leverage economic benefits and support the development of South African industry by effectively utilising the instrument of government procurement. The NIPP programme is mandatory for all government and parastatal purchases or lease contracts (goods and services) with an imported content equal to or exceeding USD 5 million.

"The programme targets South African and foreign industries, enterprises, and suppliers of goods and services to government/parastatals, where the imported content of such goods and services equals to or exceeds USD 5 million. The first customer of NIPP is the South African industry that benefits through the NIPP business plans, which, when implemented, generate new or additional business activities through one or more of the following: investment, export opportunities, job creation, increased local sales, SMME and BEE promotion, R&D, and technology transfer.

"Companies with an NIPP obligation must sign this obligation agreement with the Department of Trade, Industry and Competition (dtic) before the contract with Eskom Holdings SOC Ltd, as a purchasing entity, is signed. The obligation agreement governs the relationship between the dtic and the supplier. It defines the NIPP obligation value(s), requirements to fulfil the NIPP obligation, performance milestones, performance monitoring processes, and the NIPP credit allocation criteria.

"All tenders with an import content that is equal to or exceeds the threshold of USD 5 million compels the winning bidder to negotiate and enter into a NIPP obligation agreement with the dtic before signing the contract with Eskom."

6.1.5 Cataloguing requirements by the *Supplier*

The required goods already have SAP numbers which the Supplier must always indicate.

7 List of drawings

7.1 Drawings issued by the *Purchaser*.

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

Drawing number	Revision	Title
D-DT 8050		Buyer`s guide
D-DT 8051		Buyer`s guide
D-DT 8052		Buyer`s guide
D- DT8053		Buyer`s guide

C3.2 *SUPPLIER'S* GOODS INFORMATION

This section of the Goods Information will always be contract specific depending on the nature of the *goods* and *services*.

It is most likely to be required for supply contracts where the tendering supplier will have proposed specifications and schedules for the *goods* and *services*, which once accepted by the *Purchaser* prior to award of contract now become obligations of the *Supplier* per core clause 20.1.

This section could also be compiled as a separate file.
