



NEC3 Term Service Contract (TSC3)

Between

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

and

PROVISION OF

Maintenance and repairs of current systems including Adhoc installations requests contract for Security Systems for Megawatt Park, Eskom Academy of Learning and Eskom Research & Innovation Centre.

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PR No.

TENDER NO.

CONTRACT NO.46000.....

PART C1: AGREEMENTS & CONTRACT DATA

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C1.1 Form of Offer & Acceptance

C1.1 Form of Offer and Acceptance

Offer

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

Maintenance and repairs of current systems including Adhoc installations requests contract for Security Systems for Megawatt Park, Eskom Academy of Learning and Eskom Research & Innovation Centre.

The contractor, 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 contractor, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the contractor 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.

The offered total of the Prices exclusive of VAT is	R
Value Added Tax @ 15% is	R
The offered total of the Prices inclusive of VAT is	R
(in words)	

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the contractor before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the contractor 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:**

Name &
signature of
witness

Date

Tenderer's CIDB registration number:

Acceptance

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the contractor'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 contractor's Offer shall form an agreement between the Employer and the contractor 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 and Acceptance)	Agreements and Contract Data, (which includes this Form of Offer
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 contractor 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 contractor 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 contractor receives one fully completed and signed original copy of this document, including the Schedule of Deviations (if any).

Signature(s)

Name(s)	Amos Mboweni	
Capacity	General Manager: Eskom Real Estate	
for the Employer	Eskom Holding SOC Megawatt Park, Maxwell Drive, Sandton, Johannesburg	
Name & signature of witness	Date	

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 contractor's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

No.	Subject	Details
1		
2		
3		
4		
5		
6		
7		

By the duly authorised representatives signing this Schedule of Deviations below, the Employer and the contractor 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 contractor 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 contractor 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 contractor:	For the Employer
Signature _____	_____
Name _____	Amos Mboweni
Capacity _____	General Manager: Eskom Real Estate
On behalf of _____	Eskom Holding SOC
Name & signature of witness _____	Megawatt Park, Maxwell Drive, Sandton, Johannesburg
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
		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 ¹ (TSC3)	
10.1	The <i>Employer</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company

¹ Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902 www.ecs.co.za

	Address	incorporated in terms of the company laws of the Republic of South Africa Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
10.1	The <i>Service Manager</i> is (name):	Charmaine Mokoena
	Address	Megawatt Park, Maxwell Drive
	Tel	011 800 5778
	e-mail	masombcn@eskom.co.za
11.2(2)	The Affected Property is	Eskom Megawatts Park, EAL, Grootvalei and ERIC
11.2(13)	The <i>service</i> is	Maintenance and repairs of current systems including Adhoc installations requests contract for Security Systems for Megawatt Park, Eskom Academy of Learning, Grootvallei Nature Reserve, and Eskom Research & Innovation Centre
11.2(14)	The following matters will be included in the Risk Register	N/A
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 working days
2	The Contractor's responsibilities	main 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	One (1) weeks of the Contract Date
3	Time	
30.1	The <i>starting date</i> is.	01 June 2026
30.1	The <i>service period</i> is	36 months
4	Testing and defects	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
5	Payment	
50.1	The <i>assessment interval</i> is	between the 25th day of each successive

		month.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	4 weeks.
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and (ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.
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	N/A
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	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).

83.1	The <i>Employer</i> provides these additional insurances	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)
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	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
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 Service for any one event is:	whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i>.
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).
9	Termination	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than	Three (3) weeks.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i>	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the

		Arbitration Foundation of Southern Africa (AFSA).
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.
W1.4(2)	The <i>tribunal</i> is:	arbitration
W1.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.
	The place where arbitration is to be held is	South Africa
	The person or organisation who will choose an arbitrator	
	- if the Parties cannot agree a choice or	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.
	- if the arbitration procedure does not state who selects an arbitrator, is	
12	Data for secondary Option clauses	
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 the total of the Prices at the Contract Date and the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles in the

		Employer's 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 • 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	1 (One) month 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	Two working 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 <i>Contractor</i> does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the <i>Employer</i> .	
Z1.2	Notwithstanding the above, the <i>Employer</i> may on written notice to the <i>Contractor</i> 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 <i>Contractor</i> 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 <i>Employer</i> 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 Ethics

Z4.1 Any offer, payment, consideration, or benefit of any kind made by the *Contractor*, which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for terminating the *Contractor's* obligation to Provide the Service or taking any other action as appropriate against the *Contractor* (including civil or criminal action).

Z4.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Service if the *Contractor* (or any member of the *Contractor* where the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations) is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices.

Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the *Employer* or other people or organisations and including in circumstances where the *Contractor* or any such member is removed from the an approved vendor data base of the *Employer* as a consequence of such practice.

Z4.3 Notwithstanding the provisions of core clause 90.2, the procedures on termination in terms of this clause are P1, P2 and P4 as stated in the core clause 92 and the amount due is A1 and A3 as stated in core clause 93.

Z5 Confidentiality

- Z5.1 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.
- Z5.2 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*.
- Z5.3 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.
- Z5.4 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*.
- Z5.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z6 Waiver and estoppel: Add to core clause 12.3:

- Z6.1 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.

Z7 Health, safety and the environment: Add to core clause 27.4

- Z7.1 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.

Z7.2 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.

Z8 Provision of a Tax Invoice and interest. Add to core clause 51

Z8.1 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.

Z8.2 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.

Z8.3 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.

Z9 Notifying compensation events

Z9.1 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.

Z10 Employer's limitation of liability

Z10.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)

Z10.2 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.

Z11 Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

Z11.1 or had a business rescue order granted against it.

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.

1. 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.
2. 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.
3. 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.
4. 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.
5. 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.
6. Further information and full details of all Eskom provided policies and procedures may be obtained from:

http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx

C1.2 Contract Data

Part two - Data provided by the Contractor

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is The <i>subcontracted fee percentage</i> is	100% 0%
11.2(14)	The following matters will be included in the Risk Register	Strike and Industrial Action, Incliment Weather
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	To be submitted to the Service Manager
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job: Responsibilities: Qualifications: Experience:	
CV's (and further key person's data including CVs) are in the tender submission.		
A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	PART 2: PRICING DATA
11.2(19)	The tendered total of the Prices is	

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>	4

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 *price list* unless later changed in accordance with this contract.
- (17) The Price for Services Provided to Date is the total of
- the Price for each lump sum item in the Price List which the *Contractor* has completed and
 - where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the *Contractor* 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 Contractors or in a Tender Schedule, may have listed some items that he requires the *Contractor* to include in the *price list* to be prepared and priced by him.

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

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

Format of the *price list*

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

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

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

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

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

C2.2 the *price list*

The rates and Prices entered for each item includes for all work and other things necessary to complete the items.

PART 3: SCOPE OF WORK

1. PROVISION AND SERVICING OF SECURITY EQUIPMENT & SUPPLY AND INSTALL DESCRIPTION OF THE ITEMS FOR SECURITY EQUIPMENT

Background Information

Eskom Real Estate (ERE) is mandated to manage the four major corporate properties, three of which are located in the Gauteng region, with the fourth being a nature reserve situated in Limpopo. These properties are currently occupied by Eskom employees and serve critical operational functions within the organization. The management and oversight of these assets fall under the purview of the ERE Operations.

To ensure the safety and integrity of these facilities, robust security protocols must be implemented. A key component of these protocols is the deployment of advanced security technologies designed to manage, monitor, and control access and egress across all four sites. These systems are essential for safeguarding Eskom's assets, personnel, visitors, vehicles, and equipment from criminal activities and vandalism.

The integration of technology within the security infrastructure is vital for loss prevention and for mitigating risks associated with nefarious behaviour. Furthermore, these systems must be capable of recording incidents and maintaining comprehensive audit trails to support legal and regulatory compliance. In certain cases, the implementation of such security systems is mandated by the National Treasury's Supply Chain Management (SCM) policy.

2. Description of Service or product.

Eskom Real Estate needs to establish a comprehensive contract for the maintenance and repairs of current systems including new ad-hoc installations requests contract for Security Systems. This contract shall be for the four corporate sites which are Megawatt Park, Eskom Academy of Learning, Grootvallei Nature Reserve, and Eskom Research & Innovation Centre for all Security Systems infra-structure, for both software and hardware for a period of 36 months.

The contract shall ensure that maintenance and repairs of current systems including Adhoc installations requests shall be aligned to the sites current infra-structure, as well as improvements as listed under the scope.

2.1 Daily maintenance Tasks:

- Conduct frequent inspection of security system components
- Perform routine maintenance tasks (e.g. cleaning, testing, software updates & firmware bi-annually).

- Repair or replace faulty components
- Test system or device functionality
- Offer technical support troubleshooting
- Perform upgrades and modifications as requested
- Clean and calibrate biometric devices quarterly
- Clean camera lenses and housing quarterly or as and when required
- Check camera positioning and focus monthly or as and when required
- Test recording and playback functionality monthly
- Test door controllers and locks monthly
- Review access logs quarterly.

2.2 Labour manpower

- A dedicated team of a site technician and assistant site technician shall be permanently appointed to service MEGAWATT PARK and rotate between Eskom academy of Learning (EAL) & Eskom Research and Innovation Centre (ERIC) to conduct the above daily maintenance tasks.
- Therefore, the site technician and Assistant shall operate daily from Megawatt Park, proceed to EAL for a day and ERIC respectively to discharge daily maintenance tasks
- The site technicians will be responsible for the installation of any adhoc request, replacement, maintenance or repairs invoiced monthly under Monthly maintenance flat rate to be determined.

The specification shall ensure that redundancy for future development must be built into the design for any technological advancements or storage requirements for data integrity during audit purposes. There shall be very stringent gatekeepers for this contract to go out tender, this is to ensure that we have made the best selection for an accredited service provider with a reputable track record.

The tenderer shall be expected to have verifiable Proof of Concept (POC's) of major security systems solutions for corporate buildings that their organizations have successfully completed. The service provider shall have valid accreditation with mandatory bodies, in the security industry, specifically for the technical experience.

Furthermore, we shall be perusing certification of their key personnel, for compliance to the industry's mandatory requirements, as well as Eskom's best interests for our system's integrity. It

would be prudent to pursue a Non-disclosure Agreement (NDA) between Eskom and the successful bidder.

2. Specification of Product or Goods

The following is a list of the existing security systems currently deployed at Megawatt Park (MWP), Eskom Research & Innovation Centre (ERIC), and Eskom Academy of Learning (EAL). The scope of the proposed contract shall encompass all listed systems, equipment, and technologies currently in use at these sites. However, the contract shall not be limited to these items alone; it will also include any additional systems and equipment that may be present onsite during the contract period and allow the new technology to be implemented where current technological equipment is outdated (no more supplied).

Furthermore, the contract will extend to cover all future ad-hoc requests acquisitions and installations, as outlined in the service description. This ensures that the service provider is responsible for the full lifecycle support—maintenance, repair, and integration—of both existing and newly procured.

MWP Integrated CCTV System:		Supply & Installation	
Device	Make	Quantity	Price
Pelco Box camera	IMP1110-1	198	
Pelco Dome camera	IXE10LW	125	
AXIS PTZ camera	Axis	12	
AXIS camera	Axis	285	
AXIS PTZ Controller	Axis	1	
Pelco PTZ Controller	Pelco	1	
Hikvision PTZ camera	Hikvision	1	
TVT PTZ camera	TVT	1	
TVT camera	TVT	1	
Hikvision camera	Hikvision	1	
NUUO IP Plus NVR	Nuuu	1	
NUUO 8160 NVR	Nuuu	1	
Switches PoE 24 Port	Netgear	24	
Switches Fibre 24 Port	Netgear	2	
Core Switch 24 Port Fibre	Hewlette Packart	1	
48 Port PoE	Hewlette Packart	1	
24Port PoE Switch	Hewlette Packart	18	
Computers		8	
Fiber Media Converters	Fiber Converter	20	
Wireless Nano Stations	Ubiquiti	18	
NUUO Mini 2 - NVR	Nuuu	16	
NUUO 8160 NVR	Nuuu	12	
Mass Storage System 2PB	VNX	1	

4TB Hard drives	Western Digital	224	
43-inch Display Screen	Samsung	21	
65' Smart Signage Display Screen	Samsung	1	
ACCESS CONTROL BOOMS AND TURNSTILES			
Booms	Turnstar	30	
Spike barrier	Turnstar	2	
Turnstiles Full Hight Industrial	Turnstar	10	
Waist Height Turnstiles	Turnstar	51	
Glass PWD Gates automated	Turnstar	13	
Glass Man traps	Flow System	3	
Xray Scanners and Metal Detectors			
Xray Scanners	HABSacn	11	
Walk through Metal Detectors	HABSacn	11	
EBI Access Control MWP			
Tema Power Supply	Honeywell EBI	38	
Tema Server	Honeywell EBI	38	
A08 Controller	Honeywell EBI	240	
A08 Controller PSU, Battery & Enclosure	Honeywell EBI	240	
Fingerprint Readers	Sagem	169	
Card Readers	HiD	207	
ACCESS CONTROL HONEYWEEL/EBI			
MWP Integrated Bus Management System			
RAC-ClockWatch Bus Managemnet Server	RAC	1	
RAC-ClockWatch Bus Managemnet Workstation	RAC	3	
Full Height Double Turnstile	Boom Gate	6	
RAC-ClockWatch Integrated Controller	RAC	6	
RAC-ClockWatch Integrated ControllerPSU, Battery & Enclosure	RAC	6	
Fingerprint Readers	Sagem	12	
RAC-ClockWatch Integrated handheld Controller	RAC	2	
ERIC Building CCTV system			
Nuuo Network Video Recorder	Nuuo	6	
Nuuo Storage 4TB		32	
AXIS camera	Axis/TVT/Hikvision	95	
AXIS PTZ	Axis/TVT/Hikvision	1	
Core Switch 24 Port Fibre	Hewlette Packart	1	
Switches PoE 24 Port	Netgear	6	

Switches PoE 8 Port	Netgear	4	
55/ 43 Inch Display Screen	Samsung	4	
Video Display Controller		4	
UPS system		4	
Perimeter Electric Fence 2,4Km			
i7 Nemtek System Controller	Nemtek	1	
Nemtek Software	Nemtek	1	
Nemtek Energiser	Nemtek	4	
Nemtek Energiser LCD controller	Nemtek	1	
Nemtek fence management software	Nemtek	1	
Wireless Networks	Nemtek	8	
20line installed electric fence(meter)	Nemtek	2400	
200Ah Battery	Forbatt	8	
Gate motors		1	
ELECTRIC FENCE			
EBI Access Control ERIC Building			
Tema Power Supply	Honeywell EBI	8	
Tema Server	Honeywell EBI	8	
A08 Controller	Honeywell EBI	60	
A08 Controller PSU, Battery & Enclosure	Honeywell EBI	60	
Fingerprint Readers	Sagem	30	
Card Readers	HiD	90	
ACCESS CONTROL			
ERIC Building RAC-ClockWatch Access Control			
RAC-ClockWatch Access Control Server	RAC	1	
RAC- ClockWatch workstation	RAC	1	
RAC- ClockWatch Controller	RAC	1	
RAC Controller PSU, Battery & Enclosure	RAC	1	
Face recognition	RAC	1	
Waist height turnstile	RAC/ Turnstar	1	
Door siren	RAC	1	
Emergency break glass	RAC	1	
Access cards & accessories	HID	1	
Access card printer & accessories		1	
Video Intercoms		1	
EAL CCTV system			
Nuuo Network Video Recorder	Nuuo	21	
Nuuo Storage		24	
AXIS camera	Axis	336	
AXIS PTZ	Axis	1	
Bosch Camera	Bosch	70	
Switches PoE 24 Port	Netgear	14	

Switches PoE 8 Port	Netgear	48	
43 Inch Display Screen	Samsung	6	
Video Display Controller		4	
EAL CCTV system			
RAC-ClockWatch Access Control			
RAC-ClockWatch Access Control Server	RAC	1	
RAC- ClockWatch workstation	RAC	2	
RAC- ClockWatch Controller	RAC	45	
RAC Controller PSU, Battery & Enclosure	RAC	45	
Fingerprint Readers	Sagem	0	
Card Readers	HiD	90	
RAC-ClockWatch Access Control			
RAC-ClockWatch Meal Management System			
RAC-ClockWatch Meal Management Server	RAC	1	
RAC- ClockWatch workstation	RAC	4	
RAC- ClockWatch Meal Management Kiosk	RAC	2	
RAC Controller PSU, Battery & Enclosure	RAC	45	
Waist height Turnstile	Turnstar	3	

New ad-hoc requests			
Description	Make	Quantity	Price
New CCTV Cameras	Latest on the market compatible with the current systems	1	
Integrated Access Control Systems ((IACS)	Latest on the market compatible with the current systems	1	
1. Video monitoring & Surveillance camera (PTZ etc		1	
2. CCTV Dome/Bullet cameras		1	
3. Push -To-Exit button (gates, firedoors etc)		1	
4. Emergency Exits (Glass-break system or pull handle for emergency escape)		1	
55-inch Display Screens with frameless or ultra-narrow bezel video wall	Latest on the market compatible with the current systems	1	
Human Interface device (HID) Access Cards	Latest on the market compatible	1	

	with the current systems		
Single sided Card printer ribbon (Cartridge)	Latest on the market compatible with the current systems	1	
PVC White printable adhesive cards per pack of 100		1	
Eskom Laptop/ equipment permit	Check Cataloguing	1	
PVC card holders	Check Cataloguing	1	
Eskom blue Lanyards	Check Cataloguing	1	
Labour Cost			
Description	Quantity	Rate	Amount
1. Site Technician	1		
2. Assistant Site technician	1		
3. Engineer	1		
4. Call out (after hours)	1		
5. Monthly maintenance flat rate	1		

3. Motivation

Eskom Real Estate needs to comply with the National Building Regulations & standards and shall include all critical aspects of the Occupational Health & Safety as well as Security requirements both physical and technical. The Security Systems Contract shall ensure the protection of the occupants, visitors, assets and all associated equipment, as well as the valuables for each property.

The security equipment needs to be serviced and maintained in order to operate optimally, to prevent the life span of the equipment being degraded and to cover the costs of call – outs in the event of system failure. Maintenance also ensures inter alia, systems availability, serviceability, reliability and reduces repair costs and repair times.

Furthermore, the maintenance contract for the equipment for all ERE corporate sites is also intended to achieve optimised operational expenditure on maintenance operations and to ensure the maintenance history of all serviced equipment is kept in a database that will assist the department to make informed decisions when the equipment is obsolete and/or requires to be reclaimed or disposed-off.

4. **Benefits to Eskom**

This contract shall enable Eskom Real Estate to provide a safe, professional, and functional work environment for office occupants, visitors, and contractors in all four Corporate Properties. In addition, the contract shall enable the organization to manage and maintain the functionality of the technical security system's infra-structure which will aid in eliminating losses from criminal elements, security breaches and vandalism.

- ✓ Sound equipment database Management
- ✓ The integration of maintenance operations at all ERE Sites will offer optimal Opex Management.
- ✓ The equipment will operate optimally thereby increasing availability and limiting system downtime.
- ✓ Reduction of reactive maintenance
- ✓ Maintenance service history and Serial numbered parts,
- ✓ Reliability data: MTBF, MTTB (mean time to breakdown), MTBR (mean time between removals),
- ✓ Maintenance and repair documentation and best practices,
- ✓ Warranty/guarantee documents.

5. **Scope of work/supply**

The new concept of having the systems to work remotely at a Centralized Control facility at Megawatt Park will be the key to the objective of this contract. The contract shall ensure that the following security systems infra-structure, shall be serviced and maintained for functionality at each above-mentioned site and information will be transferred to the Centralized Control Centre.

The scope shall identify systems that are currently in use, which forms part of the daily security functionality, within the department. The Eskom Real Estate Security mandate will be to protect and safeguard all the business operations within the four Corporate Properties based in Gauteng and Limpopo.

Therefore, all new installations will be added to Eskom's inventory and maintained for the duration of the contract.

6. **Access Control**

- Boom gates, spikes, security booths per site
- Touchless access control, (optional temperature sensing)
- Emergency Exits per site.
- Emergency Evacuation Systems per site
- Visitor Management Systems functionality available to all sites
- Centralized Monitoring and Management capabilities for all the sites, including local functionality.
- Software Licenses to be owned by Eskom (Pass keys).
- Recording of access control data storage for 72 months minimum per site
- Lifecycle refurbishment/upgrade for hardware
- Scanning devices X-ray Machines

7. Electric Fence

- Solar back-up
- Battery replacements
- Lifecycle refurbishment/upgrade
- Warning devices, sounders, intrusion detection system
- Centralized Monitoring capabilities for all the four Corporate Properties
- Energizers and gate motors

8. CCTV

- Centralized Monitoring capabilities for all the four Corporate Properties system's integrity with tiered Access for operating system i.e. Management, Supervisor and Operator levels.
- Recording devices and data storage for footage for 12 months.
- Software licenses and Pass keys shall be owned by Eskom.
- Lifecycle repairs/upgrade for hardware.
- Night detection with early warning capabilities as an improvement.
- Inside all the critical areas, including plant rooms.
- Software update/ upgrade
- Night vision capability cameras

9. Alarm or Panic Systems

- Emergency system for response, any threats, medical incidents within the properties.
- Alert system for First Aider responses, Fire and Evacuation Wardens
- Public announcement (PA) systems

10. Contractual Obligations:

- SLA shall be in place to ensure that we have weekly system inspection and reports for all the above security systems.
- System's integrity to be intact, the system shall operate on a stand-alone basis, separate to other Building Operating Systems.
- Systems training on operations at different levels for Management, Supervisory and Operator levels.
- Response time in case of breakdown to be quoted within 2hrs during working hours as well as outside normal office hours.
- 24hrs Emergency or breakdown service
- Method statement and risk assessments for regular work activities performed at any site.

- Adherence to Eskom's Safety Policies including Safety Adherence and ensure compliance to regulations relating to the management of any declared pandemic.
- SLA timeline requirements in terms of agreed timelines and emergency callouts need to be met or penalty clauses of 10% to monthly contract values apply if scope or conditions of contract are not met (instituted by non-conformance notice, or early warning notice).
 - Spares shall be kept on site as specified in the Bill of Quantities.
 - The contracting supplier must be able to perform those activities within their company resources and can only sub-contract work to a maximum of 10% of contract value, dependent on prior written approval by Eskom representative to secure a competent, credible, registered engineering service for any civil or structural work.
 - Any work performed should provide a warranty of
 - 6 months for workmanship or repairs
 - 12 months for new installations
 - Payment certificates for completed work can only be accepted against a registered & traceable asset with relevant certificate and warranty in place.
 - The SLA time frames for repairs must not exceed 4hrs or meet agreed time frames indicated in task/work orders issued.
 - Penalties will be applied as stipulated in the NEC3 terms services contract.
 - Eskom reserves the right to obtain or request any other supplier quotes to secure a competitive or market related pricing.
 - A weekly work schedule for planned/preventative maintenance activities will be issued and must be accepted/signed and completed within each week to allow for billing thereof.
 - A list of reactive maintenance request /in form of task or work orders for any unforeseen breakdowns are issued on daily basis and corrected within same day or within 4hrs time frame.

The tenderer shall submit pricing for the supply of material and equipment as per the schedule contained herein. The tenderer shall also provide pricing for the labour rates to deliver such a service to each site. Pricing under the labour rates must also include overtime costs, call out fees as well as travel costs to each site.

Document reference	Title	No of pages
C3.1	This cover page	1
	<i>Employer's</i> Service Information	2
	Total number of pages	13

C3.1: EMPLOYER'S SERVICE INFORMATION

1. Description of the service

1.1. Executive overview

The works amongst others consist of supervision, labour, plant and equipment necessary to carry out security equipment maintenance services.

1.1 *Employer's requirements for the service*

The Contractor shall provide labour and tools to carry out the Employer's requirements.

A. SECURITY

The names and identity numbers of all workmen engaged in the work are to be submitted when the contract is awarded, and shall be amended as required. The contractor shall nominate a responsible person who will be in charge for each site, and who must be present at all times whilst work is in progress

B. OCCUPATIONAL HEALTH AND SAFETY REQUIREMENTS

Contractor must comply with the provisions of the OHS Act & it's regulations and Eskom SHEQ requirements and other applicable legislation.

C. APPOINTMENT OF RESPONSIBLE PERSONS

The contractor shall cause all work to be carried out under general Supervision of a responsible person appointed by the Contractor in writing in accordance with the provisions of the Regulations made in terms of the Occupational Health Act and Safety Requirements to be met be the Contractor and Sub-Contractor employed by Eskom

A copy of the letter of appointment and of the appointee's written acceptance thereof shall be lodged with the Facilities Manager before any work on site shall commence.

In addition, the Contractor shall provide the Services Manager with the names of any safety representatives appointed in terms of Section 4.2.1.3 of the abovementioned Act and who has been given the responsibility of any site or sites falling under the terms of this contract.

D. CONTRACT REQUIREMENTS:

The company must ensure that workers/employees' salaries/wages are according to Government Gazette for all persons employed on Eskom sites. Non-payment of staff salaries/wages will be considered a serious breach in terms of this contract as it has adverse effect on the services to be rendered.

- Supplier must ensure that they have the necessary equipment to provide the services required from the start and end date of the contract.
- Supplier must ensure that only SABS approved building and electrical material/products are being used.
- The contractor will be expected to attend monthly contract management meetings.
- In order to promote local job creation contractors will be required to source from the local communities within the area as per Eskom Zonal boards
- Supervisors to ensure that times sheets are signed by contractor's employees all times.

Non-conformance to the above will result in the following consequences:

Eskom reserves the right to cancel the contract immediately and replace with another service provider. All costs incurred as a result of such action will be recovered from the outgoing contractor.

LEADERSHIP VISIBILITY:

- Eskom will carry out random inspections at the sites and evaluation visits.
- The directors or senior managers of the company must visit sites at least once per month.

UNIFORM:

- Wearing of uniform/PPE & COVID-19 PPE is compulsory;
- The following PPE must be issued to the employees where necessary
 - Mask covers both nose and mouth
 - Safety gloves;
 - Uniform/ overalls; and
 - Safety boot
 - Helmet
 - Hearing Aid
 - Goggles

NB: All PPE must be serviced /washed

1.2 Interpretation and terminology

N/A

2. Management strategy and start up.

2.1. The Contractor's plan for the service

The Contractor shall ensure that the service is supervised at all time. Wherein the Director of the Contractor is not directly managing the works, the Director is expected to visit the site once a month and complete an inspection form which will include recommendation on the improvement of the provision of service. The *Service Manager* reserves the right to request the aforementioned copied of inspection.

2.2. Management meetings

Meetings will be scheduled by the Eskom Real Estate should a need arises.

Meetings of a specialist nature may be convened as specified elsewhere in this Service Information or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the service. Records of these meetings shall be submitted to the *Service Manager* by the person convening the meeting within five days of the meeting.

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

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Site Operations challenges	Weekly	Eskom offices (respective site)	Site Supervisors and Supplier
Operations challenges	Monthly	Eskom offices MWP	Service manager, Site Supervisors and the Supplier
Risk register and compensation events	As required	Eskom offices	Both parties
Overall contract progress and feedback	Quartely	Eskom offices	<i>Both parties</i>

2.3. Contractor's management, supervision and key people

- The Contractor keeps up to date organogramme on site showing his people and their lines of authority / communication.
- The Contractor keeps a daily attendance register, which must be signed off by the Contractor on monthly basis and filed for audit purposes.

2.3.1 Annual\Sick\Maternity\Family responsibility leave:

- When a staff member is off sick or on leave, Contractor must arrange for reliever, which will be paid by the Contractor and not the employee who is on leave.
- Payment for the reliever will be for the Contractor and not the employee who is on leave.

2.3.2 Absence:

- When a staff member is absent, Contractor must arrange for reliever, which will be paid by the Contractor and not the employee who is absent.

2.3.3 Employee Salaries:

- Salaries of all the contractor staff must be in their bank accounts on the last working day of the month. Non-compliance will be considered as breach of contract.
- Salaries and bonuses paid to the workers must be in accordance with the minimum prescribed wages as per the Labour Relations Act.
- Payslips for each employee is compulsory and it must be according to the labour law standards.

2.3.4 Job Output:

- No alcohol, fire arms, knives and other life threatening objects are allowed on the Eskom premises.
- Adherence to Eskom Code of Ethics.

2.3.5 Contractor's responsibility:

- In the execution of his duties, it is expected of the supplier to comply with Eskom Distribution Standard entitles Occupational Health Contractors Reference ESKASAAP4 (Rev1) (copy available on request).
- The Contractor must comply with the Occupational Health and Safety Act and Compensation of Occupational Injuries and Safety Act and Compensation of occupational Injuries and Diseases Act.
- All the supplier's employees must be registered for UIF, Provident Fund and Workman's Compensation.
- Induction is compulsory and will be done yearly by Eskom, but the Contractor will be liable for transport to the venue.
- Yearly medicals are compulsory and proof must be handed in.

2.3.6 Uniforms and protective clothing

- The contractor will supply all his staff with clothing of uniform colour and styles, clearly marked with the Company's name:
- It is the Contractor's responsibility to maintain the clothing in a neat, tidy and clean condition at all times.
- All machine operators will be equipped with safety helmets, eye and ear protectors and safety boots.
- The Contractor shall ensure that all staff members are wearing the correct uniform at all times whilst on site.
- Head gear/hats will be standardized and shall be considered part of the staff member uniform. However, hats are not required to be worn at all times.

All of the above must be in the correct sizes to fit the employee. Employees will not be allowed on Eskom premises without the correct PPE.

2.4. Provision of bonds and guarantees

N/A

2.5. Documentation control

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

2.6. Invoicing and payment

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

Each invoice shall contain the following information:

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

Electronic submission of invoices via e-mail:

Details on how to submit invoices and additional information:

- Ensure that the Eskom order number is clearly indicated on your invoice together with the line number on the order you are billing for.
- 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 as Eskom's SAP system does not support more than one PDF being linked into workflow at a time.
- **Only one PDF file per email. (one invoice or debit note or credit note)**
- Send all invoices in PDF straight from your system to an Eskom email address (see email addresses below)
- For Foreign invoices, suppliers will still be required to physically deliver hard copies of original documents to the respective documentation management centers even though you have e-mailed those invoices (**Eskom is still seeking clarity from the South African Reserve Bank regarding e-invoicing for Foreign Invoices or invoices in foreign currency. Current requirements are that these manual invoices should still be submitted. You can send the invoice copy to the email addresses indicated below).**
- **Please ensure that you comply with the tax Requirement for submitting invoices electronically.**

- Introduction of electronic invoicing does not guarantee payment but will ensure visibility of all invoices and ensure that no invoices get lost. If the goods receipt is not done the invoice will be parked and the system will automatically send an e-mail to the end user to do the goods receipt. 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.
- Email address for invoice submission:
invoiceseskomlocal@eskom.co.za

2.7. Contract change management

No additional requirement to than what has already been specified.

2.8. Records of Defined Cost to be kept by the Contractor

For the purpose of Compensation Events the Contractor keeps provide a copy of the invoice/quotation to the Employer.

2.9. Insurance provided by the *Employer*

The insurance provided by the Employer, is addressed under the contract data.

2.10. Training workshops and technology transfer

The Contractor provides his employees with relevant training for them to execute the Service in accordance with the contract.

2.11. Design and supply of Equipment

This shall be in accordance with the specification that accompanies this document.

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

2.12.1 Equipment

Not applicable.

2.12.2 Information and other things

Not applicable.

2.13. Management of work done by Task Order

Not applicable.

3. Health and safety, the environment and quality assurance

Eskom has an approved procedure which provides employees/contractors with guidance regarding the management of incidents. This is a business procedure that requires all employees/contractors to adhere to and comply with.

Any incident that occurs within the business should be communicated using the Flash report. The Flash report should be completed and reported within 24 hours to the Facilities Manager, Security Manager and SHEQ Manager.

3.1. Life Saving Rules

Due to the importance to safe life's and apparatus of Eskom it is recommended that if a contractor abuse any Life Saving Rules, all work allocated to the contractor will immediately put on hold until final outcome with investigation. Safety is the combined responsibility of the team and therefore team leader or team will be punished together. There are five Life Saving Rules rules that may not be broken by the Team Leader and his/her team.

The five Eskom Life Saving Rules are as follows:

Rule 1: *Open, isolated, tests, earth, and bond and/or insulate before touch*

Rule 2: *Hook up at height*

Rule 3: *Buckle Up*

Rule 4: *Be Sober*

Rule 5: *Ensure that you have a permit to work*

3.2. Specifications

The attached documents form part of this legal binding contract, the *Contractor* confirms that he has familiarized himself with all the embedded documents from 1 to 19 as indicated.

Do not print and send them when returning this contract

<u>NO</u>	<u>UNIQUE IDENTIFIER</u>	<u>REVISIO</u>	<u>DOCUMENT TITLE</u>
1	32 - 727	2	SAFETY, HEALTH, ENVIRONMENT AND QUALITY (SHEQ) POLICY 32-727  1_Eskom SHEQ Policy 32-727.pdf
2	32 - 136	6	CONSTRUCTION SAFETY HEALTH AND ENVIRONMENTAL MANAGEMENT  2_Construction Safety Health and En
3	32-524	0	DEVELOPING A SAFETY, HEALTH AND ENVIRONMENTAL SPECIFICATION  3_Developing a Safety, Health and En
4	32 - 421	1	ESKOM CODE OF ETHICS – 32-757 ;ESKOM LIFE SAVING RULES 32-421

			 Code of Ethics Procedure 32-757.pc Attach Doc for Life saving rules
5	CONSTRUCTION REG 3		NOTIFICATION OF CONSTRUCTION WORK TO DEPARTMENT OF LABOUR  6_Notification of Construction Work to
6	CONSTRUCTION REG 4 & 5		APPOINTMENT LETTERS FOR CLIENT REPRESENTATIVE, PRINCIPAL CONTRACTOR & CONTRACTOR  7_Appointment letters for Client repr
7 & 8	OHS ACT		WRITTEN AGREEMENT ON OHS ACT SECTION 37(2) & STANDARD CLAUSE   8_Written agreement on OHS Act 9 Standard clause Eskom Contracts Sect
9, 10 & 11	34 - 1063	0	EXPANDED PUBLIC WORKS REPORT 34-1063.    10_34-1063 EPWP Works Instruction.pdf 11_EPWP Guidelines Second edition 2005. Eskom EPWP report template rev 6.xls
12	32 - 95	6	ENVIRONMENTAL, OCCUPATIONAL HEALTH AND SAFETY INCIDENT MANAGEMENT PROCEDURE  Adobe Acrobat Document
13	32 – 520	2	OCCUPATIONAL HEALTH & SAFETY RISK ASSESSMENT PROCEDURE  Adobe Acrobat Document
14	240-43848327	1	EMPLOYEES' RIGHT OF REFUSAL TO WORK IN AN UNSAFE SITUATION PROCEDURE  Adobe Acrobat Document
15	240-73419711	2	
16	<u>DST 34-961</u>	0	LEGAL APPOINTMENTS AND AUTHORIZATIONS  13_Legal Appointments and Au
17	TPC 41-55		TRANSPORTING PERSONS ON BACK OF VEHICLES

			 14_Transporting of Passengers on the ba
18	QUALITY REQUIREMENT S		 QM-58 Supplier Contract Quality Req QM 58 LINK

The contractor is to supply confirmation of access to the Eskom Web in order to access standards, procedures and bulletins. The contractor must supply his access number or must supply his

For further details please contact, Johan Scholtz Tel: (011) 629 5624 Fax :086 662 9438 email: scholtjf@eskom.co.za

Acknowledgement by Contractor

I/WE, DO HEREBY ACKNOWLEDGE HAVING READ AND UNDERSTOOD THE ABOVE ANNEXED DOCUMENTS FROM 1 TO 12 IN PART **C3** OF THIS CONTRACT.

I/WE UNDERTAKE TO STUDY AND ABIDE BY THESE REQUIREMENTS AT ALL TIME.

SIGNED AT: ON THE DAY OF20.....

4. Constraints on how the *Contractor* Provides the Works

4.1 Quality Control

1. An approved NEC SOW specific Method Statement for the contract duration is to be implemented in conjunction with, and to the approval of, the Project Manager.
2. The Contractor needs to submit a Method statement indicating how the SOW activities shall be executed quality to ensure that the works are done according to specification for each task order issued;
3. The Contractor is required to employ a competent Supervisor or Foreman on site for the duration of the project to implement workmanship quality checks. .
4. Eskom will do inspections and quality checks on installations completed by the Contractor prior to hand-over of each project, but this does not relieve the contractor from doing 1st line inspections and doing quality work.

4.2 Quality Engineering

- a. All construction and installation methods are to comply with the Power Delivery Engineering standard requirements as contained in the National and Provincial Standards on the Distribution Technology websites;

- b. The Contractor shall comply with the Project Specifications included in the NEC document. Any changes proposed during the contract phase shall notify the Project Manager who will allow the Project Change Request approval process;
- c. Eskom Holdings SOC Limited's representative must be allowed access to the site at any time during the contract to carry out an inspection of the works.
- d. The contractor shall ensure the material used for cleaning is SABS approved;

4.3 General Quality requirements

- 1. Compliance with the provisions of this clause in no way relieves the Contractor of the final responsibility to furnish an acceptable product and/or services;
- 2. The Contractor agrees to control and professionally preserve and store appropriate documents, records and recordings to guarantee the traceability of the services rendered and inspection thereof, as per the Contract.
- 3. The Contractor agrees to implement all necessary improvements for the installation, production and organisation deemed necessary to meet the requirements of the order.
- 4. The delivered product and / or service shall be uniform in Quality and condition, sound and free from defects, consistent with good industry practices and adhere to the requested Eskom requirements, without deviation.
- 5. Eskom shall have the right to conduct surveys and perform surveillance of the Contractor's and Sub- Contractor's facilities to evaluate their capability to comply with the requirements necessary to conform to contractual requirements.
- 6. Eskom reserves the right to review , inspect and audit , at reasonable times , any or all parts of the Contractor's QMS as well as documents associated with the service provision of the work included in the contract , at the Contractor's premises or elsewhere . Verification by Eskom shall not absolve the Contractor of the responsibility to provide acceptable product and / or services, nor shall it preclude subsequent rejection by Eskom.
- 7. The services must comply with the agreed specifications and the applicable directives and technical standards set out in the Scope of Work and Specifications. Defects notified by Eskom shall be remedied by the Contractor upon demand by Eskom without undue delay and at no extra cost. The Contractor shall continuously monitor and identify non-conformances, both internal and external, as signals of opportunities for improvement making process and other relevant changes to prevent recurrence
- 8. The Contractor shall further identify potential problems before they occur by identifying deviations in patterns or trends in product, service or process performance.
- 9. Nothing contained in the Contract shall relieve in any way the Contractor from the obligation of Quality control thereof.

10. The Contractor guarantees that the quantity and Quality of the delivered product/services comply with the requirements of the contract and/or relevant specifications.
11. The Contractor shall prove its ability to relate to the proposed scope of work which establishes the manner in which the Contractor intends to perform the Contract.
12. The Contractor shall, on request, prove its organisational, logistics and support resources to ensure the requirements of the contract can be achieved.
13. Eskom reserves the right to assess and measure , in the selection process, the qualifications , capability and competence of the key staff (assigned personnel) in relation to the scope of work and to interview any / all Contractors to confirm the Quality evaluation.
14. The personnel of the Contractor, who will be conducting the service, will be available on a continuous basis until the conclusion of the project.
15. The Contractor shall demonstrate experience in comparable projects or specific aspects of the project and / or performance in similar projects.
16. The Quality of the service / product and the contents thereof will be in accordance with prescribed standards.
17. For the duration of the Contract , the Contractor shall ensure that suitably experienced people are assigned to perform designated work
18. Prior to the commencement of the management of the Professional services, the Contractor must have scrutinised Eskom's requirements with specific focus on , inter alia , its policies and practises.
19. It is the Contractor's obligation to ensure that his/her operations and the products and/or services it provides to Eskom comply with any applicable statutes and or regulations. Any non-compliance by the Contractor and the resultant corrective actions shall be the responsibility of the Contractor.
20. The Contractor shall ensure that he/she complies with the Scope of Work and that appropriate quality requirements (as in the main contract) are included in subcontracts placed by the Contractor to ensure sub-contractor's compliance with the Scope of Work ,if and when applicable
21. The Contractor shall:
 - a) Support Eskom's effort to monitor, verify and / or witness any activities associated with the service at any reasonable time.
 - b) Comply with Eskom requests for documentation, records, inspections and witnessing. Eskom participation in audits, appraisals, assessment of plan and verification shall be conducted at no extra cost to Eskom.
 - c) Where applicable, the Contractor shall ensure that Eskom has access to all work procedures, quality records and to all supporting documentation through provision of access to view and photocopy as required to support verification of work scope requirements. Access shall include the ability to photograph Eskom equipment, systems, system components, materials, as required.

- d) Provide access to all quality related information pertaining to activities performed by the Contractor or sub-contractor(s), which Eskom might not have participated in the witnessing of quality assurance or control thereof. (This refers to inspections, audits, or any part of the Contractor's QMS , performed by the Contractor on its own sub-contractors, if applicable).
- e) Ensure above requirements (a-d) are communicated down to and accepted by sub-contractors if and when applicable.
- f) Utilise detailed review of the work scope to determine deliverables, including deliverable quality activities identified and delivery schedules.

23. The Contractor shall allow Eskom the right to:

- a). Oversee Contractor audit programs by participating in selected audits as an observer and by assessing Contractor at key work stages. Eskom will coordinate with the Contractor to develop an oversight schedule aligned with Contractor audit schedule.
- b) Access to any audit reports (if any)
- c) Conduct independent quality audits during all phases of the contract and the Contractor shall provide all resources to support these activities.
- d). Have electronic and hard copy access to all method statement; procedures, documentation other quality records relating to the service provision including but not limited to data extracts.(if applicable)
- e) The Supplier shall comply with the Quality requirements as set out in the latest edition of Eskom QM-58 document, Supplier Contract Quality Requirements Specification, as well as all applicable legislation included in or referred to in this document.
- f) The supplier shall ensure that all personnel have attended necessary training for equipment to be used;

5. Performance Management

- The Contractor's Performance will be assessed in accordance with a Performance Appraisal Process.
 - All the work will be done as per the Scope of works and plan schedules for the project/work that needs to be prioritised will be shared with the supplier by the Project manager or the Site Supervisors for each respective site.

LOW PERFORMANCE DAMAGES

Item No.	Key Performance Area	Key Performance Indicator	Key Performance Targets	Penalties
1	Service Performance Management	React within 1 hour to diagnose the root cause	100% Compliance	3 consecutive non-conformances will result in R 250 penalty, amount payable the following month.
		Critical work to be completed within 4 hours (CCTV cameras in strategic areas, access control system (boom-gates, doors, PAC ,faulty plugs, power supply,etc)	100% Compliance	3 consecutive non-conformances will result in R 250 penalty, amount payable the following month.
		Maintain 80% for closure of defects vs logged defects	80% Compliance – measured monthly	2 consecutive non-conformances will result in R 5000 penalty, amount payable the following month.
2	Statutory Inspection Compliance	Maintain statutory compliance	100% Compliance	2 consecutive non-conformances will result in R 5000 penalty, amount payable the following month. 2 consecutive non-conformances will result in termination of the contract.
3	Safety, Health and Environmental Contravention	Safety, health and environment standards are regularly monitored, reviewed and maintained in accordance with all legal and regulatory requirements	0 contravention	3 consecutive non-conformances will result in termination of the contract.
4	Availability of spares	Provide well maintained equipment	100% availability during any random inspection/audit	3 consecutive non-conformances will result in R 5000 penalty, amount payable the following month.
5	Employee Compensation and Benefits	Payment of Employee salaries/wages, Provident Fund, UIF, COIDA, etc. as per the agreed date	100% Compliance	2 consecutive non-conformances will result in R 5000 penalty, amount payable the following month. 4 consecutive non-conformances will result in termination of the contract

6. Construction Safety

- The Contractor shall be responsible for ensuring that all equipment supplied and used and all work carried out under this contract shall be in accordance with the Occupational Health and Safety Act (Act 85 of 1993) and regulations remaining in force, as may be amended from time to time.
- In addition, the Contractor shall comply with other Safety application provisions of Government, Provincial, Municipal Safety Laws, Building,
- The Contractor shall accept full responsibility for the means, methods, sequence or procedures of work 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 • The Contractor shall indemnify the employer against responsibility for safety on the site of the works.
- The Contractor shall enter into an agreement to complete the work required in accordance with the provisions of all pertinent legislation and in particular with the provisions of the Occupational Health and Safety Act (Act 85 of 1993) and the regulations promulgated there under.
- 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 available publicly.
- The safety of the Contractors personnel and employees acquire precedence over the provision of service.

7. Compensation for Occupational Injury and Diseases Act

- The Contractor shall submit with his tender proof of adherence to the above act.
General Environmental Management Requirements
- All environmental legal Liabilities and claims arising from the negligent activities of the Contractor shall be for the Contractors expense.

8. Waste Disposal

The supplier shall ensure:

- That waste is disposed of on a permitted / legal waste site, for the applicable waste type, in terms of the Environment Conservation Act, 73 of 1989 and the National Environmental Waste Management Act (Act 59 of 2008).
- That a disposal certificate (waste manifest) is obtained, if hazardous waste was disposed-of.
- That where appropriate, waste is recycled or re-used.

9. Title to site materials

The Contractor ensures that during the period of procurement and installation, all materials and part of the plant are suitably stored on site in such a manner as to prevent damage by weather, fire, manhandling, corrosion, theft and any other peril. The cost of providing necessary protection, storing, handling and security is borne by the Contractor for the duration of this contract.

The Contractor returns all un-used spares to the Employer store.

10. Working on the Affected Property

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

Refer to the Scope of Works above.

10.2 People restrictions, hours of work, conduct and records

Refer to the Scope of Works above.

Contractor's regular working hours

The *Contractor's* Regular Working Hours, in terms of the contract, Refer to the Scope of works above.

Health and safety facilities on the Affected Property

Refer to the Health and Safety Documents attached.

10.3 Environmental controls, fauna & flora

Refer to the ERE environmental control documents.

10.4 Records of Contractor's Equipment

Refer to the Scope of Works above.

The Contractor is responsible for maintaining the asset register equipment on site and shall be audited by the Employer from time to time.

10.5 Equipment provided by the Employer

None

10.6 Site services and facilities

10.6.1 Provided by the Employer

Facility for the tools and working station to perform work as per the Scope of works.

10.6.2 Provided by the Contractor

The Contractor will provide everything else as per the Scope of works and the BOQ.

10.7 Control of noise, dust, water and waste

None

10.8 Hook ups to existing works

Refer to the Scope of Works

10.9 Tests and inspections

Tests and Inspections will be conducted on a regular basis as per the Employers request.

11 List of drawings

11.1 Drawings issued by the Employer

The site drawings shall be issued by the *Employer* on request.