



## NEC3 Supply Contract (SC3)

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

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

for **The Manufacture and Supply of steel x-arms for a period  
of 36 months as and when required**

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

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## **PART C1:      AGREEMENTS & CONTRACT DATA**

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## 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:

**The Manufacture and Supply of Steel X-arms for a period of 36 months on an "as and when" required basis**

The tenderer, identified in the Offer signature block, has

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

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the *Supplier* under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the Contract Data.

	The offered total of the Prices exclusive of VAT is	<b>To be determined at specific Purchase Order</b>
	Value Added Tax @ 15% is	<b>To be determined at specific Purchase Order</b>
	The offered total of the amount due inclusive of VAT is <sup>1</sup>	<b>To be determined at specific Purchase Order</b>
	(in words) <b>To be determined at specific Purchase Order</b>	

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.

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

Signature(s)

Name(s)

Capacity

**For the  
tenderer:**

\_\_\_\_\_  
*(Insert name and address of organisation)*

Name &  
signature of  
witness

Date

\_\_\_\_\_

## 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	N/A	N/A
2	N/A	N/A
3	N/A	N/A
4	N/A	N/A
5	N/A	N/A
6	N/A	N/A
7	N/A	N/A

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***

Clause	Statement	Data
1	<b>General</b>	
	<p>The <i>conditions of contract</i> are the core clauses and the clauses for Options</p>	<p><b>X1: Price adjustment for inflation</b></p> <p><b>X2: Changes in the law</b></p> <p><b>X4: Part Company Guarantee</b></p> <p><b>X7: Delay damages</b></p> <p><b>X13: Performance Bond</b></p> <p><b>Z: Additional conditions of contract</b></p>
	<p>of the NEC3 Supply Contract (April 2013) <sup>2</sup></p>	
10.1	<p>The <i>Purchaser</i> is (name): Eskom</p> <p>Address</p> <p>Tel No.</p>	<p><b>Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa</b></p> <p><b>Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg</b></p> <p><b>011 800 3000</b></p>
10.1	<p>The <i>Supply Manager</i> is (name):</p> <p>Address</p> <p>Tel</p> <p>e-mail</p>	<p><b>Matsie Gumede</b></p> <p><b>Gemma Cluster</b></p> <p><b>+27 72 480 1158</b></p> <p><b>GumedeMJ@eskom.co.za</b></p>
11.2(13)	<p>The <i>goods</i> are</p>	<p><b>The Manufacture and Supply of steel x-arms for a period of 36 months on an "as</b></p>

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

**and when" required basis.**

11.2(14)	The following matters will be included in the Risk Register	<b>1. Late deliveries</b>				
11.2(15)	The Goods Information is in	<b>Part 3: Scope of Work and all documents and drawings to which it makes reference.</b>				
11.2(15)	The Supply Requirements as part of the Goods Information is in	<b>Annexure A to this Contract Data</b>				
12.2	The <i>law of the contract</i> is the law of	<b>the Republic of South Africa</b>				
13.1	The <i>language of this contract</i> is	<b>English</b>				
13.3	The <i>period for reply</i> is	<b>One week</b>				
2	<b>The Supplier's main responsibilities</b>	<b>Data required by this section of the core clauses is provided by the Supplier in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data.</b>				
3	<b>Time</b>					
30.1	The <i>starting date</i> is.	<b>tbc</b>				
	The <i>completion date</i> is.	<b>tbc</b>				
30.1	The <i>delivery date</i> of the goods and services is:	<table border="1"> <thead> <tr> <th><i>goods and services</i></th> <th><i>delivery date</i></th> </tr> </thead> <tbody> <tr> <td>1 Manufacture and Supply of Steel X-arms</td> <td></td> </tr> </tbody> </table>	<i>goods and services</i>	<i>delivery date</i>	1 Manufacture and Supply of Steel X-arms	
<i>goods and services</i>	<i>delivery date</i>					
1 Manufacture and Supply of Steel X-arms						
30.2	The <i>Supplier</i> does not bring the goods to the Delivery Place more than one week before the Delivery Date.	<b>Unless otherwise agreed by the parties</b>				
31.1	The <i>Supplier</i> is to submit a first programme for acceptance within	<b>4 weeks of the Contract data</b>				
32.2	The <i>Supplier</i> submits revised programmes at intervals no longer than	<b>4 weeks</b>				
4	<b>Testing and defects</b>					
42	The <i>defects date</i> is	<b>52 weeks after delivery</b>				
43.2	The <i>defect correction period</i> is	<b>2 weeks</b>				

5	<b>Payment</b>	
50.1	The <i>assessment interval</i> is	<b>Between the 25 day of each successive month.</b>
51.1	The <i>currency of this contract</i> is the	<b>South African Rand</b>
51.2	The period within which payments are made is	<b>Within 30 days upon submission of a tax compliant invoice to Eskom Financial Shared Services depending on the BBEEE status of the supplier</b>
51.4	The <i>interest rate</i> is	<b>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</b>
6	<b>Compensation events</b>	<b>There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.</b>
7	<b>Title</b>	<b>There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.</b>
8	<b>Risks, liabilities, indemnities and insurance</b>	
80.1	These are additional <i>Purchaser's</i> risks	<b>None</b>
88.1	The <i>Supplier's</i> liability to the <i>Purchaser</i> for indirect or consequential loss, including loss of profit, revenue and goodwill is limited to	<b>R0.0 (zero Rand)</b>  <b>In the event that the appointed successful manufacturer(s) are unable to meet Eskom's full requirements of the Purchase Order (PO); Eskom shall implement the following solution:</b>

- **Procure from an alternative manufacturer(s) at the offered prices and claim the difference from the awarded manufacturer(s). This shall be dealt with the NEC 3 Supply Contract conditions in terms of clause 88.1 (The Supplier's liability to the Purchaser for indirect or consequential loss, including loss of profit, revenue and goodwill is limited to the following applies) : Should the Supplier fail to perform in terms of timeous delivery, after remedial measures have been put in place and agreed upon, Eskom reserves the right to purchase the shortfall of goods on order elsewhere. The Supplier will be liable for the total difference in cost of the items relevant to the shortfall, should the purchase price of an Alternative Supplier exceed the Suppliers contracted price for the specific purchase order to which the non-performance is attributed to.**

- **The defaulting manufacturer(s) will be disqualified from participating in the subsequent RFQ until such time that they close the Notification of default (NOD) or Non - Conformance Report (NCR). Any other matter excluding the above mentioned, where it is proven that the contractor is liable the amount payable will be determined upon investigation.**

88.2 For any one event, the *Supplier's* liability to the *Purchaser* for loss of or damage to the *Purchaser's* property is limited to

**(1) for the Purchaser's existing and surrounding property in the care, custody and control of the Supplier the amount of the deductible (first amount payable) relevant to the event and**

**(2) for all other existing Purchaser's property the highest applicable deductible (First amount payable)**

namely:

- R 2 million ( two million Rand) for Distribution and all other Purchaser’s property

**See notes in Annexure B**

88.3 The *Supplier’s* liability for Defects due to his design which are not notified before the last *defects date* is limited to: **The total value of the defective good.**

88.4 The *Supplier’s* total liability to the *Purchaser*, for all matters arising under or in connection with this contract, other than the excluded matters, is limited to **The value of the purchase order.**

88.5 The *end of liability date* is **3 Year after Delivery of the whole of the goods and services.**

**9 Termination and dispute resolution**

94.1 The *Adjudicator* 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](http://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 *Adjudicator nominating body* 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](http://www.ice-sa.org.za))**

94.4(2) The *tribunal* is: **arbitration**

94.4(5) The *arbitration procedure* 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 **Northern Cape & Nort West, South Africa**

	held is  The person or organisation who will choose an arbitrator	
	<ul style="list-style-type: none"> <li>- if the Parties cannot agree a choice or</li> <li>- if the arbitration procedure does not state who selects an arbitrator, is</li> </ul>	<b>the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.</b>
<b>10</b>	<b>Data for Option clauses</b>	
<b>X1</b>	<b>Price adjustment for Inflation</b>	
<b>X1.1</b>	The base date for indices is	<p><b>- The rates provided in the Pricing Data will apply for the first 12 months after the base date. The base date will be one month before the start date of the contract.</b></p> <p><b>- From the anniversary date of base date, the rates will be adjusted for inflation using the relevant tables published by the Department of Labour.</b></p> <p><b>Price adjustment for inflation SEIFSA :</b></p> <p><b>Table E : 85%</b>  <b>Fixed Portion : 15%</b>  <b>Total : 100%</b></p> <p><b>Price fluctuations may result in an increase or decrease in the rates provided in the Pricing Data.</b></p>
<b>X2</b>	<b>Changes in the law</b>	
<b>X2.1</b>	A change in the law of	<b>South Africa is a compensation event if it occurs after the Contract Date.</b>
<b>X4</b>	<b>Parent Company Guarantee</b>	<b>There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.</b>
<b>X7</b>	<b>Delay Damages</b>	
<b>X7.1</b>	Delay damages for Delivery are	<b>Manufacture and 0.1% of the order</b>

		<b>Supply of Steel X-arms</b>	<b>value per day up to a maximum of 10% of the order value</b>
<b>X13</b>	<b>Performance bond</b>		
X13.1	The amount of the performance bond is	<b>R 0.00</b>	
<b>Z</b>	<b>The <i>additional conditions of contract</i> are</b>		<b>Z1 to Z15 always apply for Eskom</b>

### **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 *Supplier*, 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 *Supplier* provides the insurances stated in the

Insurance Table A 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.

**INSURANCE TABLE A**

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

**Z\_13.2      Replace core clause 87 with the following:**

**Insurance by the *Purchaser***

87

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

**INSURANCE TABLE B**

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

Assets All Risk	Per the insurance policy document
Contract Works insurance	Per the insurance policy document
Environmental Liability	Per the insurance policy document
General and Public Liability	Per the insurance policy document
Transportation (Marine)	Per the insurance policy document
Motor Fleet and Mobile Plant	Per the insurance policy document
Terrorism	Per the insurance policy document
Cyber Liability	Per the insurance policy document
Nuclear Material Damage and Business Interruption	Per the insurance policy document
Nuclear Material Damage Terrorism	Per the insurance policy document

**Z14 Nuclear Liability**

- Z14.1 The *Purchaser* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.
- Z14.2 The *Purchaser* is solely responsible for and indemnifies the *Supplier* or any other person against any and all liabilities which the *Supplier* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Supplier* or any other person or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.
- Z14.3 Subject to clause Z14.4 below, the *Purchaser* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Supplier* or any other person, or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.
- Z14.4 The *Purchaser* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.
- Z14.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

**Z15 Asbestos**

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

**AAIA** means approved asbestos inspection authority.

<b>ACM</b>	means asbestos containing materials.
<b>AL</b>	means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.
<b>Ambient Air</b>	means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
<b>Compliance Monitoring</b>	means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
<b>OEL</b>	means occupational exposure limit.
<b>Parallel Measurements</b>	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
<b>Safe Levels</b>	means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
<b>Standard</b>	means the <i>Purchaser's</i> Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
<b>SANAS</b>	means the South African National Accreditation System.
<b>TWA</b>	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

*[Notes: The example given in the NEC3 Supply Contract Guidance Notes pages 15 to 20 inclusive is based on Incoterms 2000. However users will probably wish to use Incoterms 2010 which the details below are based on. Users may need to adjust the information to comply with actual requirements. First decide whether Incoterms will be used or not, then delete the arrangement below which does not apply and delete these notes]*

### The Supply Requirements for this contract are based on the use of INCOTERMS:

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

[Select the group and then term within the group which applies and state the applicable delivery place. Delete all the other groups and this note]

Group	Category	Term	Delivery Place
E	departure	EXW	Supplier's South African treatment and testing plant

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

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

<b>A8</b>	Proof of delivery, transport document or equivalent electronic message	<b>B8</b>	Proof of delivery, transport document or equivalent electronic message
<b>A9</b>	Checking - packing - marking	<b>B9</b>	Inspection of goods
<b>A10</b>	Other obligations	<b>B10</b>	Other obligations

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

**The Supply Requirements for this contract are as follows:**

[Use these when INCOTERMS do not apply].

<b>1. The requirements for the supply are</b>	Manufacture and supply according to latest edition of SANS 754 and the additional requirements in the Technical schedule A and (Annex C of 240-8401 0203)	
<b>2. The requirements for transport are</b>	Rotek will collect	
<b>3. The delivery place is</b>	Rotek to collect on behalf of Eskom and deliver to various sites	
<b>4. Actions of the Parties during supply</b>	<b>Action</b>	<b>Party which does it</b>
	Giving notice of Delivery	Supplier
	Checking packing and marking before dispatch	Supplier
	Contracting for transport	Eskom
	Pay costs of transport	Eskom
	Arrange access to delivery place	Eskom
	Loading the <i>goods</i>	Supplier
	Unloading the <i>goods</i>	Eskom
<b>For international procurement</b>	Undertake export requirements	Supplier
	Undertake import requirements	Supplier
<b>5. Information to be provided by the <i>Supplier</i></b>	<b>Title of document</b>	
	Packing lists for cases and their contents	
	Copy of invoice for the <i>goods</i>	
	Delivery Note	

## 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)<sup>4</sup> and the relevant parts of its Guidance Notes (SC3-GN)<sup>5</sup> 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	<b>NOT APPLICABLE – PRICES TO BE TENDERED AT MINI TENDER STAGE.</b>
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	

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

<sup>5</sup> Available from Engineering Contract Strategies Tel 011 803 3008, Fax 086 539 1902, or [www.ecs.co.za](http://www.ecs.co.za)

	<i>services is:</i>	<i>goods and services</i>	<i>delivery date</i>
		1 [Purchase order based]	[Purchase order based]
		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	%	

## 1.3 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 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.; in the case of this contract within 28 days after award.

The bond is renewable annually and must be in place for the 5 years. The supplier is required to ensure that a valid bond is in place failure to which will result in not ordering from the supplier until such time that a valid bond is in place.

## PART 2: PRICING DATA

### C2.1 Pricing assumptions

#### 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 *price schedule* unless later changed in accordance with this contract.

**Assessing the amount due**      50.2      The amount due is

- the Price for each lump sum item in the Price Schedule which the *Supplier* has completed,
- where a quantity is stated for an item in the Price Schedule, an amount calculated by multiplying the quantity which the *Supplier* has completed by the rate,
- plus other amounts to be paid to the *Supplier*,
- less amounts to be paid by or retained from the *Supplier*.

Any tax which the law requires the *Purchaser* to pay to the *Supplier* is included in the amount due.

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

#### Function of the Price Schedule

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

### **Preparing the *price schedule***

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

It will be assumed that the tendering supplier has

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

### **Format of the *price schedule***

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

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

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

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

## C2.2 the Price Schedule

Request for Quotations to the list of accredited suppliers who have met the Pre-qualification criteria based on the forecasted demands from the Gemma Cluster on as “as and when required basis”. Will be required to quote on the following items during the mini tender process.

To evaluate quotations based on the PPFA (80/20 or 90/10) preferential point scoring system. Purchase order allocation will also be dependent on the capacity and geographical location to ensure the demand and delivery dates are met.

Item No	SAP No.	Description
1	0168689	X-ARM St Interm T 90 x 65 x 8 x 2000LG

Note:

1. Transport to be done by Eskom Rotek Industries SOC Limited(Rotran), Supplier to notify Rotran to pick up wood poles/cross arms 5 days prior to the goods being ready. Rotran will then pick up the goods from supplier and deliver to the Eskom site.

## **PART 3: SCOPE OF WORK**

The Manufacture and Supply of steel x-arms for a period of 36 months on an “as and when” required basis.

### **C3.1: PURCHASER'S GOODS INFORMATION**

#### **Overview and purpose of the goods and services**

The manufacture and supply of Steel X-arms for Gemms Cluster on an “as and when” required basis for a duration of 36 months. Eskom Rotek Industries will provide transportation for delivery of the Steel X-arms.

Item No	SAP No.	Description
1	0168689	X-ARM St Interm T 90 x 65 x 8 x 2000LG

Individual purchase orders for goods as listed in the price schedules will be placed with the Supplier as and when required by the end users from the Distribution Division Operating Units.

#### **Manufacture & Fabrication**

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

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

Eskom reserves the right to conduct routine factory inspections or assessments to ensure technical compliance is maintained.

#### **Operating manuals and maintenance schedules**

As per the quality requirements.

## Supply requirements

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

## Specification of the goods to be provided

The manufacture and supply of Steel X-arms according to Eskom technical evaluation criteria, SANS 754 and Quality requirements.

## Constraints on how the Supplier Provides the Goods

### 1.1 Programming constraints

Supplier must supply the goods as per the various local purchaser order requirements.

The *Supplier* should include in his programme how to manage availability of the ordered material as per Purchase order requirement.

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

All goods to be supplied will be stated on the Purchase Order.

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

Supplier notifies/communicate with Rotek as well as releasing officer regarding Collection readiness.

### 1.4 Cooperating with Others

Supplier notifies/communicate with Rotek as well as releasing officer regarding site readiness for acceptance of the delivery.

### 1.5 Services & other things to be provided by the Purchaser or Supplier

Monthly progress reports of orders received and expected delivery dates

## Management meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	As and when required	TBA	Key Stakeholders

Overall contract progress and feedback	As and when required	TBA	<i>Key Stakeholders</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.

**Documentation control**

All contractual Documentation must have relevant contract number and Purchase Order Number as reference as per Eskom Holdings SOC Limited Standards (List).

All communication is to be channelled through the Supp/y Manager and the Suppliers key person.

**Health and safety risk management**

The Supplier, in and about the execution of the supply, complies with all applicable Eskom 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.

**Environmental constraints and management**

The Supplier, in and about the execution of the supply, complies with all Eskom 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.

**Quality**

The supplier shall comply with the following quality requirements:

1. Eskom QM-58 Specification (Supplier Contract Quality Requirements Specification)
2. ISO 9001 (Quality Management System Requirements)

## **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; (add other as required)

Bank details of supplier

PDF invoice to be submitted to [invoiceseskomlocal@eskom.co.za](mailto:invoiceseskomlocal@eskom.co.za)

## **Insurance provided by the *Purchaser***

As per NEC Core Clause 8

## **Contract change management**

Refer to the Eskom QM-58 Specification (Supplier Contract Quality Requirements Specification).

## **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.

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

N/A

## **Procurement**

### **Subcontracting**

#### **Preferred subcontractors.**

As per SD&L matrix. The determination of the Supplier Development Localisation and Industrialisation (SDL&I) targets and sub-contracting will be based on the outcome of each specific purchase order.

#### **Limitations on subcontracting**

As per SD&L requirements.

### **Retention**

a) Eskom shall be permitted to retain 2.5% (two and half percent) of the invoices (including VAT) as security for the fulfillment by the tenderers of their SD&L obligations.

b) Once Eskom has verified that the supplier has fulfilled their SD & L obligations, the 2.5% retained shall be approved for reimbursement by Eskom to tenderers within 90 (ninety) days of verification by Eskom.

### **Reporting**

a. The tenderers shall on a quarterly basis submit a report to Eskom in accordance with Data Collection Template on their compliance with the SD& L obligations described above.

b. Eskom shall review the quarterly reports submitted by the tenderers within 60 (sixty) days of receipt of the reports and notify the tenderers in writing if their SD&L obligations have not been met.

c. Upon notification by Eskom that the tenderers have not met their SD&L obligations, the tenderers shall be required to implement corrective measures to meet those SD&L obligations before the commencement of the following quarter, failing which Retention clauses shall be invoked. Every contract shall be accompanied by the SD&L implementation schedule which must be completed by the tenderers and returned to SD&L representative for acceptance **30 days after** contract award, This will be used as a reference document for monitoring, measuring and reporting on the tenderer's progress in delivering on their stated SD&L commitments.

**List of drawings**

**Drawings issued by the Purchaser**

N/A