



NEC3 Term Service Contract (TSC3)

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

and
(Reg No. _____)

for **The provision of Laundry Service at Kendal Village**

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CONTRACT No. TBA

PART C1: AGREEMENTS & CONTRACT DATA

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C1.1 Form of Offer & Acceptance

Offer

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

Title of the Contract

The tenderer, identified in the Offer signature block, has examined the documents listed in the Tender Data and addenda thereto and by submitting this Offer has accepted the Conditions of Tender.

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

Options A	The offered total of the Prices exclusive of VAT is	R [●]
	Sub total	R [●]
	Value Added Tax @ 14% is	R [●]
	The offered total of the amount due inclusive of VAT is ¹	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 tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the *Contractor* in the *conditions of contract* identified in the Contract Data.

Signature(s)

Name(s) _____

Capacity _____

For the tenderer:

(Insert name and address of organisation)

Name & signature of witness

Date

Tenderer's CIDB registration number: _____

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

Acceptance

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the *conditions of contract* identified in the Contract Data. Acceptance of the tenderer's Offer shall form an agreement between the Employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

Part C1 Agreements and Contract Data, (which includes this Form of Offer and Acceptance)

Part C2 Pricing Data

Part C3 Scope of Work: Service Information

and drawings and documents (or parts thereof), which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

The tenderer shall within two weeks of receiving a completed copy of this agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed and signed original copy of this document, including the Schedule of Deviations (if any).

Signature(s)

Name(s) _____
Capacity _____

**for the
Employer**

Name & signature of witness _____
Date _____

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

Schedule of Deviations to be completed by the Employer prior to contract award

Note:

1. This part of the Offer & Acceptance would not be required if the contract has been developed by negotiation between the Parties and is not the result of a process of competitive tendering.
2. The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

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

By the duly authorised representatives signing this Schedule of Deviations below, the Employer and the tenderer agree to and accept this Schedule of Deviations as the only deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Tender Schedules, as well as any confirmation, clarification or changes to the terms of the Offer agreed by the tenderer and the Employer during this process of Offer and Acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Form shall have any meaning or effect in the contract between the parties arising from this Agreement.

	For the tenderer:		For the Employer
Signature	_____	_____	_____
Name	_____	_____	_____
Capacity	_____	_____	_____
On behalf of	<i>(Insert name and address of organisation)</i>	<i>(Insert name and address of organisation)</i>	
Name & signature of witness	_____	_____	_____
Date	_____	_____	_____

C1.2 TSC3 Contract Data


Part one - Data provided by the *Employer*

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	dispute resolution Option and secondary Options	<p>A: Priced contract with price list</p> <p>W1: Dispute resolution procedure</p> <p>X1: Price adjustment for inflation</p> <p>X2 Changes in the law</p> <p>X18: Limitation of liability</p> <p>X19: Task Order</p> <p>Z: Additional conditions of contract</p>
	of the NEC3 Term Service Contract April 2013 ² (TSC3)	
10.1	The <i>Employer</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	013 647 6286
	Fax No.	
10.1	The <i>Service Manager</i> is (name):	Nompucuko Tshicila
	e-mail	Tshicin@eskom.co.za
11.2(2)	The Affected Property is	Kendal Contractors Village
11.2(13)	The <i>service</i> is	The provision of Laundry Service at Kendal Village
11.2(14)	The following matters will be included in the Risk Register	None
11.2(15)	The Service Information is in	Part 3: Scope of Work and all documents
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa

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

13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	Two weeks
2	The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the Contractor 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	2 weeks of Contract Date
3	Time	
30.1	The starting date is.	01 March 2024
30.1	The service period is	21 Months
4	Testing and defects	No data is required for this section of the conditions of contract.
5	Payment	
50.1	The <i>assessment interval</i> is	21th 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 (four) 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
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	
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	The amount of the deductibles applicable in terms of the Employers Contract All Risk Insurance Policy for the Kusile Power Station Project.
83.1	The <i>Employer</i> provides these additional insurances	The amount of the deductibles applicable in terms of the Employers Contract All Risk Insurance Policy for the Kusile Power Station Project.
83.1	The <i>Contractor</i> provides these additional	

	insurances:	
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 replacement amount applicable in terms of the Employers Contract All Risk Insurance Policy for the Kusile Power Station Project.
83.1	The insurance against loss of or damage to the <i>works</i> , Plant and Materials is to include cover for Plant and Materials provided by the <i>Employer</i> for an amount of	Whatever the contractor deems necessary in addition to that provided by Employer.
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 Contractor deems necessary in addition to that provided by the Employer.
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 Contractor's 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 Rand), and. Or as per the laws of the land in which the Contractor's employees are domiciled.
9	Termination	There is no contract data required for this section of the conditions of contract.
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	4 (four) 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

	<p>The place where arbitration is to be held is</p> <p>The person or organisation who will choose an arbitrator</p> <ul style="list-style-type: none"> - if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is 	<p>Arbitrators (Southern Africa) or its successor body.</p> <p>Gauteng- South Africa</p> <p>the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.</p>
12	Data for secondary Option clauses	
X1	Price adjustment for inflation	
X1.1	<p>The <i>base date</i> for indices is</p> <p>The proportions used to calculate the Price Adjustment Factor are:</p>	
X2	Changes in the law	No data required for this Section.
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 "B" insurance policy available on request from Eskom Insurance Management Services
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	<p>The greater of</p> <p>the total of the Prices at the Contract Date and</p> <ul style="list-style-type: none"> • the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles in the <i>Employer's</i> assets and works policies available on request from Eskom Insurance Management Services
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	<p>the total of the Prices other than for the additional excluded matters.</p> <p>The <i>Contractor's</i> total liability for the additional excluded matters is not limited.</p> <p>The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for</p>

		<ul style="list-style-type: none"> • 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 •
X18.5	The <i>end of liability date</i> is	Two (02) weeks after the end of the <i>service period</i> .
X19.5	Contractor Submit a Task Order Programme to the Service Manager	5 Days after receiving Order
Z	The additional conditions of contract are	Z1 to Z11 always apply.

Z1 Cession delegation and assignment

- Z1.1 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer*.
- Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry and the Electricity Distribution Industry.

Z2 Joint ventures

- Z2.1 If the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Employer* for the performance of this contract.
- Z2.2 Unless already notified to the *Employer*, the persons or organisations notify the *Service Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Contractor* on their behalf.
- Z2.3 The *Contractor* does not substantially 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 Works.
- 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 2003 (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 from the last sentence in core clause 61.3, "unless the *Service Manager* should have notified the event to the *Contractor* but did not".

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 under the compensation events stated in 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 judicial management order granted against it.

Annexure A: Insurance provided by the Employer

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 B' 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.*

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

Annexure B: The Employer's Panel of Adjudicators

The following persons listed in alphabetical order of their surname have indicated their willingness to be included in the Eskom Panel of Adjudicators. Their CV's may be obtained by using the contact details provided.

Name	Location	Contact details (phone & e mail)
Nigel ANDREWS	Gauteng	+27 11 836-6760 nigela@quoin.net
Andrew BAIRD	Gauteng	+27 11 803 3008 andrewbaird@ecscconsult.co.za
Christopher BINNINGTON	Gauteng	+27 11 888-6141 cdb@bca.co.za
Peter HIGGINS	UK	+44 1293 873 868 peterhiggins@pdconsult.co.uk
Bruce LEECH	Gauteng	+27 11 290 4000 leech@counsel.co.za
Nigel NILEN	Gauteng	+27 11 465 3601; nilences@global.co.za
Peter THURLOW	Gauteng	+27 11 787 6226 info@thurlowassoc.com

Information about the Panel and appointment of the selected Adjudicator is available from Eskom Supply Chain Operations management, by contacting Leighton Itholeng (Tel.: +27 (0)11 800 4031) (Fax :+27 (0)86 668 0419) E-mail: Leighton.Itholeng@eskom.co.za

C1.2 Contract Data

Part two - Data provided by the Contractor

[Instructions to the contract compiler: (delete this notes before issue to tenderers with an enquiry)

Whenever a cell is shaded in the left hand column it denotes this data is optional and would be required in relation to the option selected. In the event that the option is not required select and delete the whole row.]

Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract April 2013 and the relevant parts of its Guidance Notes (TSC3-GN)³ in order to understand the implications of this Data which the tenderer is required to complete.
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>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	
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	Part 3: Scope of work and all documents which it makes reference
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job Responsibilities:	

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

Qualifications:

Experience:

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

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

Part 2: Pricing Data
TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The <i>price list</i>	[•]

C2.1 Pricing assumptions: Option A

How work is priced and assessed for payment

Clause 11 in NEC3 Term Service Contract (TSC3) core clauses and Option A states:

Identified and defined terms

11 (12) The Price List is the *price list* unless later changed in accordance with this contract.

11.2

(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 Tenderers or in a Tender Schedule, may have listed some items that he requires the *Contractor* to include in the *price list* to be prepared and priced by him.

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

- Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A;
- Understands the function of the Price List and how work is priced and paid for;
- Is aware of the need to link operations shown in his plan to items shown in the Price List;
- Has listed and priced items in the *price list* which are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk;

- Has priced work he decides not to show as a separate item within the Prices or rates of other listed items in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.
- Understands there is no adjustment to items priced as lump sums if the amount, or quantity, of work within that item later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the (lump sum) Prices is as a result of a compensation event.

Format of the *price list*

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

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

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

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

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

C2.2 the *price list*

Attached on a spreadsheet

Part 3: Scope of Work

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

C3.1: EMPLOYER'S SERVICE INFORMATION

Contents

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Description of the service

1. Executive overview

The work covers for the Provision of Laundry Services at Kendal Contractor Accommodation Site. The Employer plans to continue providing laundry services to contractor semi-skilled employees during the construction phase of the Kusile Power Station. The Construction Site is situated approximately 45 kilometres from Witbank on the R545 in the Balmoral District. Under the contract, the Service Provider will perform Laundry services by washing linen, blankets, curtains and employee's overalls directly attached to the Construction of Kusile Power Station for the period 15 Months.

The scope shall apply to service rendered at Kendal Contractor Accommodation Village.

1.1 Employer's requirements for the service

The Contractor shall perform daily laundry activities, as directed by the Employer's Manager/Supervisor, of equipment and furnishings in all Facilities listed below but not limited to the below areas:

- Washing and Ironing Linen
- Washing and Ironing Employees Overalls
- Washing of Curtains
- Washing of blankets

Such service shall include, but not be limited to, the following:

- Dispensing of products
- Operating Rolling iron
- Operating steam Iron
- Cleaning of Dryers
- Packing of overalls
- Issue linen to new employees / residents

The Contractor will be required to work overtime twice a week Monday and Thursdays when receiving and handing over overalls. (From 17:00 – 20:00)

The Contractor shall maintain a stock of materials as required to perform the laundry work specified herein and as directed by the Employer's Manager/Supervisor.

The Contractor shall provide all labour, supervision, administration and management, supplies and washing materials to perform the laundry services. Storeroom for the storage of consumables to be provided by the Employer (Eskom)

Depending on the urgency and emergency of the laundry service requested, the Contractor may also be required to assist to perform other laundry related works attached to Kusile Power Station as directed by the Employer's Manager/Supervisor. Eg. Washing of curtains from the station.

1.2 Interpretation and terminology

Abbreviation	Meaning given to the abbreviation
Village	Kendal Contractor Accommodation
SD&L	Supplier Development and Localisation
SHE	Safety Health and Environment
QCP	Quality Control Plan
CPA	Cost Price Adjustment
PLA	Project Level Agreement
B-BBEE	Broad-Based Black Economic Empowerment
EMP	Environmental Management Plan
RoD	Record of Decision
SDC	Safe Disposal Certificate

1.2.1 Frequency of Planned Schedule

The Contractor adheres to the laundry services schedules provided but not limited to it. The Contractor shall comply with response times for laundry activities below

AREA	RESPONSE TIME	PLANNED INTERVALS
Washing and Ironing of Linen	8 Hours	Weekly (Once a week)
Washing and ironing of overalls	16 Hours	Weekly (twice a week)
Washing and ironing of curtains	8 Hours	Weekly (once a week)
Washing boardroom curtains	24 Hours	As and when required.
Washing of blankets	2 Weeks	Quarterly
General house keeping	End/Task	Daily

2. Management Strategy and Start Up

2.1 The Contractor's Plan for the Service

2.1.1 Contractor's Office

During the execution of the Works at the Project Site, the Contractor shall maintain a suitable office at the Project Site in the area allocated for that purpose by the Employer, which shall be the headquarters of the Contractor's Representative and authorised to receive drawings, instructions or other communications or notices under the Contract.

The Contractor shall maintain, at the Contractor's Project Site office, one complete, up-to-date copy of the Contract and all Contract related documents (including Contractor's Documents, drawings and documents issued by and to the Contractor, Compensation Events, Progress Reports, correspondence, non-conformance reports etc.). Without limitation the Contractor shall maintain at the Contractor's Project Site office one up-to-date copy of all approved shop drawings, product data, samples, and other submittals required of the Contractor. These documents shall be available to the Employer at all times.

Pre-Mobilization Readiness Review Meeting

The Contractor shall conduct a Pre-Mobilization Readiness Review Meeting (PMRRM) at the Project Site no later than forty-two (42) days prior to the Contractor's access to Site date (unless the period from the Contract Date to the Site access date is less than 42 days in which event the plan will be provided not later than 14 days after the Contract Date). The purpose of this meeting is to review the Work Coordination Process deliverables and Work Coordination Plan submitted for Employer's review. At the discretion of the Employer, additional PMRRMs may be required to confirm Contractor's readiness to mobilize prior to the Contractor's access to Site date. The Contractor's Representative, as well the Contractor's assigned site supervisor, health & safety officer, environmental officer and quality manager, shall be in attendance at all PMRRMs.

2.2 Management Meetings

The following requirements for conducting Project Site meetings apply to the Works. The Contractor and all Sub-Contractors shall actively participate in, and adhere to the Employer's requirements and other procedures initiated for the purpose of maintaining the Project Site administrative control. The Contractor and all Sub-Contractors shall attend other Project Site meetings when deemed required by the Employer to coordinate the Works or the Project Works.

Title and Purpose	Approximate Time & Interval	Location	Attendance by:
Progress feedback meeting	Monthly	Kendal village admin offices	Employer and Contractor Site Representative
Safety management Meeting	Monthly	Kendal village admin offices	Employer and Contractor's Risk Officer

1.3 Contractor's Management, Supervision and Key People

The Contractor shall provide the Employer with a detailed organogram of all staff and management on the contract. This must be revised quarterly and must reflect any changes to the staff and management structure. The Employer reserves the right to audit and verify the structure. The minimum core Team on site shall consist of the following personnel:

- Supervisor x 1.
- SHE Officer (Tertiary Qualification and two year experience in the Environmental and Safety Field). Not full time on site but reports once a week.
- General Workers x 10.

2.4 Documentation Control

The Contractor will submit the following documents to the Employer for review, the Employer will review the documents for acceptance and inform the Contractor if the documents have been accepted or if it is not accepted and stating the reasons of not the accepting the documentation. The Employer will give the Contractor reasonable time which will be agreed to between the Contractor and the Employer to respond or re-submit the documents as in Scope of Work.

2.5 Invoicing and Payment

Within one week of receiving a payment certificate from the Employer in terms of Core Clause 51.1, the Contractor provides the Employer with a tax invoice, by no later than the first day of the month or as per agreed date, showing the amount due for payment equal to that stated in the Employer's payment certificate.

The Contractor shall address the Tax Invoice to:

Eskom Holdings SOC Limited
 Kusile Power Station
 Suite 46

Postnet
Highveld Mall, Emalaheni
1035

Attention: Nomvuyo Msomi
Email: msominp@eskom.co.za
InvoicesgrpcapitalKCT@eskom.co.za
Tel: +27 13 755 9036

ONLY ORIGINAL INVOICES WILL BE ACCEPTED.

The following must be stated on the Tax Invoice:

Name and address of the Contractor and the Employer;

The contract number and title;

Contractor's VAT registration number;

The Employer's VAT registration number 4740101508;

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;

2.6 Contract Change Management

The Employer may instruct changes to the scope at any time, each instruction shall set out the change and the date on which it becomes effective; and must be issued to the Contractor in writing to be valid.

2.7 Records of Defined Cost to be kept by the Contractor

The Contractor must keep all documentation related to the compensation events, quotes and instructions from the Employer for the period of 5 years after contract completion for audit purposes.

2.8 Insurance Provided by the Employer

The insurance policy provided by the Employer will be dealt with as specified in Clause 86.1 TSC.

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

Information and other things

At the end of the service period the Contractor will be required to provide the Employer with the following:

- The Contractor's Safety file.
- The specifications and data of the plants, trees, and any other installations or plantation that was made by the Contractor during the service period.

3 Health and Safety, the Environment and Quality Assurance

3.1 Health and Safety Risk Management

The Contractor shall comply with the health and safety requirements contained in Project Facilities Safety, Health and Environmental Specification as updated. The Employer's Safety Officers shall inspect the Contractor Working Areas and Facilities for compliance to Eskom's standards.

3.2 Environmental Constraints and Management

The Contractor shall comply with the environmental criteria and constraints stated in Kusile Environmental Management Plan (EMP) as updated and the Record of Decision (RoD).

3.3 Quality Assurance Requirements

The Contractor shall comply with the quality requirements as stated in QM-58.

4. Procurement

The Contractor provides the following procurement services in performing the scope:

- Preparation of Employer approved supplier and Sub-Contractor's lists for equipment and contracts to be submitted to the Employer for review and approval.
- Follows the least cost and time procurement strategies.
- Contract management services for the selection, appointment and management of Sub-Contractors requires to execute the scope.
- The services of all buyers, contracts officers, inspectors, expeditors and other personnel necessary to procure and deliver all plant, material, equipment, supplies and services necessary to provide the scope.
- Receives and evaluates all bids/quotations and compiles a bidders evaluation report detailing the technical, commercial and costing components of each bid;
- Obtains the Employers' approval prior to committing any contracts or orders;
- Obtains delivery dates from Sub-Contractors and suppliers in order to realize the Completion Date;
- Receiving of invoices, verification thereof in terms of purchase orders and contract provisions, certification of invoices as being correct and payable and supply of correct invoices to the Employer within.
- Management of and negotiating of all suppliers and Sub-Contractors compensation events and recommendations to the Employer as to the validity, amount and payment of such events.
- Determination of penalties payable by suppliers and Sub-Contractors and recommendation to the Employer as to the enforcement of such penalties prior to any communication to suppliers and Contractors.
- Ensuring that all suppliers and Sub-Contractors, from whom the Contractor procures equipment and materials do not retain, encumber or reserve title to such items.

4.1 People

4.1.1 Minimum Requirements of People Employed

The Contractor will be required to recruit within the Nkangala District Municipality. Kusile Power Station employment procedure will apply.

4.1.2 B-BBEE and Preferencing Scheme

The Contract shall:

- Maintain the Required B-BBEE Recognition Level for the duration of the Agreement;
- Provide Eskom with a valid Verification Certificate and such other information as Eskom may reasonably request, in respect of which the Contractor claims maintenance for the duration of the Agreement of the Required B-BBEE Recognition Level. For the purpose of this clause "verification Certificate" means a

verification certificate and the accompanying documentary proof confirming the B-BBEE Status of a particular entity as issued by an accredited verification agency;

- Comply with and fulfil its obligations in respect of the Supplier Development and Localisation and the Industrialisation Programme (the latter, if any) in accordance with and as provided for in the Supplier's SD&L & Localisation Obligations Schedule.

Without limiting or derogating from Eskom's other rights under the Agreement including Eskom's rights to terminate the Agreement, Eskom shall be entitled to claim (and to deduct from the consideration payable) a penalty equal to ZAR 300 000.00 (three hundred thousand Rand) if the Contractor fails to maintain the Required B-BBEE Recognition Level for the Stated Time; subject to the proviso, however, that the penalty shall not be applied if the Contractor re-achieves the Required B-BBEE Recognition Level within 184 days of first losing it and thereafter maintains the Required B-BBEE Recognition Level for the balance of the Agreement.

4.1.3 Supplier Development and Localisation

The Contractor complies with and fulfils the Contractor's obligations in respect of the Accelerated and Shared Growth Initiative – South Africa in accordance with the Contractor's SD&L Compliance Schedule.

The Contractor shall keep accurate records and provide the Employer with reports on the Contractor's actual delivery against the SD&L criteria stated in the contract. The reporting templates will be provided on contract award. The Contractor's failure to comply with his SD&L obligations constitutes substantial failure on the part of the Contractor to comply with his obligations under the contract.

4.2 Subcontracting

This Contract does not constitute an agreement of employment, partnership, joint venture or agency between Eskom and the Contractor and shall not give rise to any relationship of employer and employee, master and servant or principal and agent between Eskom and the Contractor or between Eskom and any employee, agent or sub-Contractor of the Contractor. Accordingly, neither the Contractor nor Eskom shall have the power, nor purport to make a contract in the name of the other, to grant or pledge credit of the other, to incur liability on behalf of the other, or to employ any person on behalf of the other.

The Contractor shall not be entitled to sub-contract the whole of the services but shall, subject to Eskom's consent (which consent shall only be valid if given in writing and signed by the Eskom Representative), be entitled to sub-contract selected parts of its obligations in terms of this Agreement to any other person/s, provided that such sub-contracting shall not relieve the Contractor of its obligations and the Contractor shall remain liable for all and any acts or omissions of such person/s as though they were acts or omissions of the Contractor.

The Contractor shall not be entitled to cede, delegate, assign or otherwise transfer any of its rights and/or obligations without the prior written consent of Eskom, which consent shall not be unreasonably withheld.

4.2.1 Subcontract Documentation, and Assessment of Subcontract Tenders

Prior to appointment of a sub-contractor, the Contractor shall submit to Eskom all detail of the contractor, including BEE certificate and CIPC registration documents, for verification.

4.3 Plant and Materials

4.3.1 Specifications

The Contractor is responsible for providing plant and material necessary to provide the services.

4.3.2 Correction of Defects

The Contractor shall provide maintenance and repair of all the plant necessary to provide the services. All defects to the works shall be rectified as specified in QM 58.

4.3.3 Contractor's Procurement of Plant and Materials

The Contractor may be required to provide the Employer with a technical data sheet of the plant or material supplied to the Employer. A guarantee and warranties certificate may also be required for any plant and material supplied by the Contractor to the Employer.

4.3 Plant & Materials provided "free issue" by the Employer

None

5. Working on the Affected Property

5.1. Employer's Site Entry and Security Control, Permits, and Site Regulations

5.1.1 Security and Access

The Employer will provide perimeter security and access control for the Project Site. Strict access control shall be implemented 24 hours a day at all entrances to the Project Site. All persons and vehicles entering or exiting the Project Site may be subjected to searches and the Employer reserves the right to refuse entrance to Project Site to any person not meeting security and/or access requirements.

From time to time, and as required, the Employer will issue policies and procedures regarding Project Site security and access control. These policies and procedures shall be strictly adhered to by the Contractor. The Employer shall be entitled, at his discretion, to amend or relax the Project Site security and/or access requirements to deal with emergencies or other circumstances justifying such amendment or relaxation.

Any breach of security must be reported to the Employer immediately.

5.1.2 Access Control for Persons

The Contractor's Personnel and any visitors on the Project Site must be in possession of a valid identification card supplied by the Employer. Applications for identification cards shall be made in the form prescribed by the Employer. The identification cards and finger print identification shall be used to gain access to the Project Site and only persons with legitimate business on the Project Site and in possession of such identification cards will be allowed access.

Applications for identification cards and finger print imaging shall be made in good time prior to access being required. Lost, stolen or damaged cards shall be reported to the Employer immediately. A fee shall be charged for replacement cards.

Identification card holders will be required to produce their identification cards for a photo to face and finger print check at the security check points. Where a card holder's right of access to the Project Site is withdrawn, his identification card will be electronically cancelled. It is the responsibility of the Contractor to ensure the card is returned to the Employer.

5.1.3 Removal of Persons from the Project Site and other places, if any, as may be specified under the Contract as forming part of the Site

The Employer may remove from the Project Site (or from any other places, if any, as may be specified under the Contract as forming part of the Site) any person who poses a risk to the Project Works or to the progress thereof, or who poses a risk to security or to the health and safety of persons at the Project Site (or at such other places, if any, as may be specified under the Contract as forming part of the Site).

The Employer furthermore remove from the Project Site (or from any other places, if any, as may be specified under the Contract as forming part of the Site) any person who ceases, for any reason, to have legitimate business thereon.

If any such person was permitted access as Contractor's Personnel or as a visitor of the Contractor, the Contractor shall, at the request of the Employer, take all steps necessary to ensure his removal from the Project Site (or from such other places forming part of the Site, as the case may be).

5.1.4 Removal of Goods from the Project Site

All persons removing inter alia materials, equipment, toolboxes, temporary facilities etc. from the Project Site must be in possession of a valid gate release permit. Applications for general or specific gate release permits shall be made in the form prescribed by the Employer.

5.1.5 Access Control for Vehicles

Only a limited number of Contractor and Subcontractor non-construction vehicles will be allowed at Kendal village. As a general rule, however, Contractors' and visitors' personal vehicles are not allowed within the Kendal Site and must be parked in the designated area and the Contractor is required to collect his visitors from the access point.

Vehicle entry discs will be issued at the discretion of the Employer on receipt of an application signed by the Contractor. Applications for vehicle entry discs shall be made in a form prescribed by the Employer.

5.1.6 Visitors

Before entering the Project Site, visitors (meaning any person other than the Contractor's Personnel) must be in possession of a valid identification card supplied by the Employer.

Applications shall be made in a form prescribed by the Employer prior to access being required and visitors must be in possession of positive identification. The Contractor's visitors shall be subject to all Project Site rules and regulations including those related to Health & Safety and discipline. As a minimum requirement, visitors must wear safety shoes, hard hats and any other personal protective equipment as required by the Employer and must be accompanied by their hosts at all times whilst on the Project Site.

5.1.7 Fire-arms

Fire-arms will not be permitted on the Project Site (nor at other places, if any, as may be specified under the Contract as forming part of the Site). This restriction does not, however, apply to the South African Police Services (SAPS) in the pursuance of official duties.

5.1.8 Project Site Fences

The modification or removal of Project Site fences is strictly prohibited unless otherwise instructed by the Employer.

5.1.9 Helicopter Traffic

In addition to compliance with applicable Law, helicopter landings at the Project Site (except emergency aid Helicopters) require the prior approval of the Employer. Applications for landing shall be submitted in the form prescribed by the Employer. Applications shall include the following details, as a minimum:

- Purpose of visit;
- Date of landing;
- Estimated time of arrival on and departure from Project Site;
- Number and names of passengers;
- Company represented and registration number of helicopter.

5.2 Contractor's Security

The Contractor is solely responsible for the protection and security of the Works and all areas allocated to him, including his allocated lay-down areas and areas outside the Project Site, if any, which are specified under the Contract as forming part of the Site.

For areas outside the Project Site which are specified under the Contract as forming part of the Site, the Contractor shall also be responsible for implementing access control for persons (including Contractor's Personnel and visitors) and vehicles. Such access control shall be to the satisfaction of the Employer and shall be subject to the direction and control of the Employer.

5.3. Cleanliness and Housekeeping

The Contractor shall maintain a high standard of cleanliness during the conduct of his activities on the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site). The Contractor shall, at all times maintain, clean and attend to the upkeep of the Site and such other areas as may be allocated for storage of materials, site offices, etc. to the satisfaction of the Employer. The Contractor shall at all times keep these areas, clean and free from accumulation of waste materials and refuse regardless of the source.

5.4 Waste Removal and Disposal

The Contractor is responsible for the prompt removal of all waste to a designated disposal area. The disposal area will be on or in the vicinity of the Project Site and will be designated by the Employer. Waste must only be disposed of at a designated area.

For the purpose hereof, "waste" means any matter, whether liquid or solid or any combination thereof, which is a by-product, emission, residue or remainder of any process or activity carried out in connection with the Works and which is not reused on the Site in the ordinary course of carrying out the Works within 7 (seven) days of maintenance.

The Contractor shall provide an adequate number of marked bins and containers at offices, in yards, at workshops and on the Site for the temporary storage of waste. These bins and containers shall be to the satisfaction of the Employer.

The Contractor shall be required to segregate certain items of waste by type as designated by the Employer. Bins and containers shall be emptied and waste removed to the designated area at least once a week. All the temporary storage areas for bins and containers must be kept tidy and shall not constitute a nuisance to others. The Contractor shall take all steps required to avoid the spillage of waste alongside the bins and containers and during removal and disposal.

All waste that cannot be contained in either a bin or container must be placed on a temporary waste site the position of which shall be to the satisfaction of the Employer. The waste shall be removed as soon as possible but in any event at least once a week. No burning of waste shall be allowed on the Project Site (or at other places, if any, as may be specified under the Contract as forming part of the Site) unless otherwise approved by the Employer.

Hazardous waste shall be dealt with in accordance with the safety, health and/or environmental requirements of the Contract, as applicable, and the Contractor is solely responsible for the proper disposal thereof in accordance therewith.

5.5 Signage

No signage shall be erected by the Contractor at the Project Site (or at other places, if any, as may be specified under the Contract as forming part of the Site) without the prior specific or general approval of the Employer. The positioning and content of signage, whether required by applicable Law and/or otherwise required to be displayed by the Contractor under the Contract, shall be subject to applicable policies and procedures issued by the Employer from time to time.

No Contractor notice boards will be allowed on the main road, other than signs necessary to facilitate deliveries, but the Contractor will be permitted to erect his own notice board on the Project Site, in the vicinity of the Site, or at other places, if any, as may be specified under the Contract as forming part of the Site, the positioning of which, must have the prior approval of the Employer.

Works Area Limits

The Employer will designate the working area boundary limits and assign for the Contractor's use access roads, parking areas, storage areas, existing facilities areas and construction areas. The Contractor shall not trespass in or on areas not so designated. The Contractor shall be responsible for keeping Contractor's Personnel out of areas not designated for Contractor's use, except, in the case of isolated work located within such areas for which the Contractor shall have been authorised under the Work Co-ordination Process.

5.5. Project Site Traffic

The Contractor shall comply with the Employer's directions for the movement of traffic, vehicular or pedestrian, at the Project Site. The Contractor shall interfere as little as possible with Project Site traffic, vehicular or pedestrian, during the performance of the Works. When necessary to cross, obstruct or close roadways or walks, the Contractor shall provide advance notice to the Employer, obtain the permission from the Employer and maintain suitable detours or other expedients for the accommodation of other Project Site traffic. In making open cuts across traffic paths, the Contractor, unless otherwise approved by the Employer, shall cut only one-half of the traffic paths at a time.

These Project Site traffic provisions shall likewise apply to places, if any, outside the Project Site as may be specified under the Contract as forming part of the Site.

5.7 People Restrictions, Hours of work, Conduct and Records

5.7.1 Hours of Work

The Contractor shall be required to work 2 (two) shifts, one starting from 07:30 to 16:00 Monday to Friday and the other shift starts from 17:00 to 20:00 Monday and Thursday.

5.7.3 Anti-poaching Undertaking

The Contractor shall not recruit or attempt to recruit staff and labour from amongst the personnel of Other Project Contractors during the execution of the Project Works.

5.7.4 This restriction shall not, however, prevent the Contractor from recruiting a person where:

That person has been demobilised or the employment of that person has been terminated for any reason other :

The person has resigned and a period of 90 days has lapsed from the date of resignation; or

The person has been released by the Other Project Contractor for employment by the Contractor (evidenced by written confirmation to this effect by the Other Project Contractor).

Notwithstanding the above, if a person has been dismissed by any other Project Contractor for misconduct or for poor performance, he shall not be employed by the Contractor on the Project Site (or at any other places, if any, as may be specified under the Contract as forming part of the Site) without the prior approval of the Employer.

5.7.5 Transportation of Contractor's Personnel

Due to the remoteness of the Project Site, the Contractor is required to provide suitable mass transportation facilities to and from the Project Site (and/or to and from other places, if any, as may be specified under the Contract as forming part of the Site) for Contractor's Personnel, particularly for unskilled and semi-skilled.

Without limiting the Contractor's other obligations under the Contract relating to transport of persons, the Contractor shall ensure that Contractor's Personnel are transported only in licensed and roadworthy vehicles, driven by licensed drivers, which are fit for purpose, properly maintained and which comply with applicable Law as a minimum. Transport of Contractor's Personnel in the back of trucks, tractors or light delivery vehicles is strictly prohibited.

5.7.6 Substance Abuse Testing

There shall be zero tolerance for substance abuse at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site).

Throughout the Works at the Project Site (and/or to other places, if any, as may be specified under the Contract as forming part of the Site), periodic seminars and instruction programs may be given by the Employer on the recognition of the characteristics, behaviours, detection, and reporting of substance abuse and persons fitness for duty. All Contractor's supervisory personnel, (including superintendents and foremen), and other key Contractor's Personnel involved at in the Works at the Project Site (and/or to other places, if any, as may be specified under the Contract as forming part of the Site) shall be required to attend this training and the Contractor shall make Contractor's Personnel available for and encourage their participation in these programs.

Any person who is, or appears to the Employer to be, under the influence and/or has failed or refused to submit to a substance abuse test may be refused access to the Project Site. If such person is Contractor's Personnel, the Contractor shall take necessary steps against such person (including disciplinary action, where appropriate, and the removal of the person from the Project Site or from other places, if any, as may be specified under the Contract as forming part of the Site).

Being "under the influence" includes the presence of drugs or alcohol in a person's system (whether detectable through behaviour and/or testing) to the extent the person's facilities are in any way impaired and/or to the extent the person is unable to perform work in a safe and productive manner. Insofar as the consumption of alcohol is concerned, alcohol levels in the blood in excess of 0.02 percent shall be considered as being under the influence. Without limitation, persons shall likewise be considered to be under the influence where the presence of drugs or alcohol corresponds to or exceeds accepted medical standards or those prescribed under applicable Laws.

The Employer shall be entitled to conduct random testing of any person at the Project Site (or at other places, if any, as may be specified under the Contract as forming part of the Site) and/or require the Contractor to test any Contractor's Personnel suspected of being under the influence of any substance or suspected of being in possession of alcohol or drugs.

The Contractor shall, at his cost, put in place measures (including all required testing capabilities) necessary to ensure compliance herewith. The measures to be employed by the Contractor will include a drug detection and prevention program which will include, but not be limited to, the following:

5.7.7 Pre-Assignment Testing

Contractor's Personnel at the Project Site must pass a pre-assignment drug screening / alcohol test. This pre-assignment test must be undertaken within ten days prior to reporting for work to the Project Site. Contractor's Personnel will only be permitted initial access to the Project Site against evidence of this test having been passed and such person having been certified drug / alcohol free to the Employer's satisfaction. Contractor's Personnel who visit the Project Site on a short-term basis (being not longer than 14 days unless otherwise approved by the Employer) are not subject to this pre-assignment drug testing requirement.

Continuing Random Drug Testing

The Contractor shall conduct periodic unannounced (random) testing at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site) at least once each month. The date of such testing shall be selected using a means that, to the Employer's satisfaction, randomly selects the date within the time frame specified, so that the date is unpredictable to the potential subject of the testing.

Contractor's supervisory personnel at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site) will not be informed of the date of testing and the selected Contractor's Personnel will not be notified until the morning of the selected day.

Contractor's Personnel to be tested shall be selected using a means which, to the Employer's satisfaction, randomly selects the number of subjects (10% minimum) from among the pool of all Contractor's Personnel actually at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site). Possible subjects shall include all Contractor's Personnel present at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site) on the day selected for random testing, including those who have been selected for testing on previous occasions. The subjects shall be identified by a unique and individual identification number. It is therefore conceivable that an individual could be selected to undergo testing more than one time in any given period.

Testing shall, as a minimum,

Comprise onsite enzyme immunoassay screening and/or colorimetric alcohol saliva screening; and

Include for cocaine, opiates, amphetamines, and marijuana.

The Contractor shall be required to confirm all positive tests by gas chromatography / mass spectrometry laboratory analysis (or by other means acceptable to the Employer).

The Contractor shall provide regular updates of these random tests to the Employer. All positive tests shall be reported to the Employer immediately and in writing. Evidence that Contractor's Personnel has passed a substance test shall be provided to Employer within three days of completion of the test.

Accommodation Policy

No accommodation will be provided by the Employer. The Contractor will be required to recruit within the Nkangala District Municipality. limited accommodation may be provided to stand by employees should the need arise, catering will be provided for such employees.

Industrial Action Policy

The Contractor shall comply with the Industrial Action Policy as per the New Partnership Agreement.

Health and Safety Facilities on the Affected Property

Environmental Controls, Fauna and Flora

The Contractor shall comply with the environmental criteria and constraints stated in Kusile Environmental Management Plan (EMP) as updated.

Cooperating with and Obtaining Acceptance of Others

Except as directed by the Employer, the Contractor shall in no way interfere with, remove, adjust or operate plant, materials and/or equipment of or being supplied or operated by Other Project Contractors. Without derogating from the foregoing, the Contractor shall not cut reinforcing steel, remove concrete, drill holes into concrete or structural steel, weld on to reinforcing bars or structural steel without the approval of the Employer. The Contractor shall, at all times, keep the work of Other Project Contractors free from dropping, dripping and spattering of materials used in the Works.

Records of Contractor's Equipment

The Contractor is responsible for replacement and replenishment of equipment and vehicle. Asset registers of such equipment shall be maintained by the Contractor and shall be audited by the Employer from time to time.

Water

The Contractor shall exercise economy in use of the water obtained from the Employer.

Potable water use shall be limited to servicing Project Works related activities requiring potable quality water. The Contractor shall provide, install, maintain, and remove when no longer required all pipes, fixtures, equipment, and metering (if necessary) from the Employer supplied source to the point of Contractor's use. Pipes shall be placed at least 900 mm underground or as otherwise approved by the Employer and on routes approved by the Employer. Installation shall meet all applicable codes and standards and be to the satisfaction of the Employer at all times.

Electricity

The Employer will supply electrical power for construction purposes at mini substations established on the Project Site until the issue of the Taking-Over Certificate for the Works or for the last Section (as may be applicable).

Electrical power to the Project Site is provided via a 22kV ring supply as well as a 22kV sub-station. The 22kV ring supply furnishes power to mini substations throughout the Project Site. Prior to furnishing power to the Contractor, a standard "Application for Power" form shall be completed and submitted to the Employer. The request must be made at least 2 (two) weeks prior to power supply being required. Power supply shall only be provided in the following 400V, 3-phase, 4-wire ratings: 20, 40, 63, 80, 100, 225, 250 and 400 amps.

The Contractor shall have indicated his requirements in the Tender. Neither the Employer nor the Employer's Services Manager shall, however, be bound to approve any revised requirements.

The Contractor shall use electricity efficiently in the course of the execution of his Works on the Project Site. There shall be no charge for electricity used for construction purposes, unless the Contractor's use thereof is unreasonable.

The Contractor shall take all necessary precautions not to damage the construction power supply during performance of the Work. No connection shall be made to the permanent installation of the Kusile Power Station electrical reticulation system without the prior approval of the Employer.

The Employer shall endeavour to provide a safe and reliable power supply with interruptions kept to a minimum. No guarantees of power supply quality are, however, given and power supply interruptions of extended duration may occur without warning.

The Employer shall, where practicable, give reasonable notice of interruption of supply. Planned outages are normally arranged and advised for low activity periods such as a Sundays and limited to 8 hours. The Employer, however, reserves the right, in case of uncontrollable interruptions, emergency, or when it is not reasonably practicable to give notice, to cut off the supply without warning.

To this end the Contractor shall make arrangements, at his own expense, to guarantee continuity and quality of power for all activities where same is required and shall furthermore be considered to have allowed for all Costs and time for 12 hours of power related interruptions to the Works at the Project Site per rolling 28 day period.

Sanitation and Sewage

The Employer will provide and operate a sewage treatment plant and general use toilet facilities at the Project Site. Until this plant and toilet facilities are in operation and to supplement Contractor's remote work areas, the Employer will provide the necessary sanitary facilities for all Contractors. This will include chemical toilets and toilets with holding tanks as needed. Routine maintenance and emptying of these facilities shall be based on the level of usage to assure sanitary and health requirements are met. The Contractor shall provide, maintain, and remove when no longer needed, all pipe, pumps, and hardware to connect the sewage treatment plant to his office facilities from a connection point designated by the Employer. Installations shall be to the satisfaction of the Employer.

Lighting

The Employer will provide and maintain general use Project Site lighting in the form of pole or mast mounted lighting fixtures. This general use lighting will comprise area lighting at the construction parking area and the Project Site entrance, at the site office areas, immediately outside the Boiler and Turbine houses and near power centres.

No local or Project Works lighting will be provided by the Employer. Accordingly, all temporary local lighting required by the Contractor, including lighting required to comply with the applicable Law, shall be provided by the Contractor at his own expense.

Provided by the Contractor

Facilities provided by the Contractor are described in paragraph 5.8.1.1 (Project Site Facilities & Services Matrix).

Hook ups to Existing Works

The performance of the Works which affects the Employer's operations or the systems of Other Project Contractors shall be scheduled to be performed only at times approved by the Employer. The procedure for carrying out work which of necessity interrupts the Employer's operations, or the systems of Other Project Contractors, or imposes abnormal operating conditions on their systems, is subject to the Work Co-ordination Process and the approval of the Employer.