

NEC3 SUPPLY SHORT CONTRACT (SSC3)

A CONTRACT BETWEEN THE PURCHASER
ESKOM ROTEK INDUSTRIES SOC LIMITED
(REG NO. 1990/06897/30)

AND THE SUPPLIER

FOR THE SUPPLY, DELIVERY, AND INSTALLATION OF A
DUAL FACE PLATE SPIN-CASTING MACHINE

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Contract No

Documentation
prepared by:

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C1 Agreements & Contract Data

C1.1 Form of Offer and Acceptance

Offer

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

THE SUPPLY, DELIVERY, AND INSTALLATION OF A DUAL FACE PLATE SPIN-CASTING MACHINE

The tenderer, identified in the signature block below, has 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.

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	
Value Added Tax @ 15% is	
The offered total of the Prices inclusive of VAT is	
(The offered total of the Prices inclusive of VAT in words in words)	
(All VAT will be charged in local ZAR currency, using the South African Reserve Bank rate of exchange at the time of invoicing.)	

This Offer may be accepted by the Purchaser by signing the form of Acceptance overleaf and returning one copy of this document including the Schedule of Deviations (if any) to the tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the Supplier in the conditions of contract identified in the Contract Data.

Signature(s)

Name(s)

Capacity

**For the
tenderer:**

Name &
signature of
witness

Date

Tenderers CIDB Registration Number and Grading:

Registration Number:
Grading:

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

Part 2 Pricing Data

Part 3 Scope of Work: Goods 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 Tender 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, which must be signed by the duly authorised representative(s) for both parties.

The tenderer shall within one week 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 copy of this document, including the Schedule of Deviations (if any) together with all the terms of the contract as listed above.

Signature(s)

Name(s)

Capacity

**for the
Purchaser**

**Eskom RoteK Industries SOC Ltd
Lower Germiston Road,
Cleveland
Johannesburg
2022**

Name &
signature of
witness

Date

Schedule of Deviations

Note:

1. To be completed by the Purchaser prior to award of contract. 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

Name &
signature
of witness

Date

Eskom Rotek Industries SOC Ltd
Lower Germiston Road,
Cleveland
Johannesburg
2022

C1.2 Contract Data

Data provided by the *Purchaser*

Completion of the data in full is essential to create a complete contract.

Clause	Statement	Data
	General	
10.1	The <i>Purchaser</i> is (Name):	Eskom RoteK Industries SOC Limited (Reg No: 1990006897/30), a juristic person incorporated in terms of the company laws of the Republic of South Africa
	Address	Lower Germiston Road Cleveland Johannesburg 2022 Cleveland. 2022
	Represented by:	Njabulo Mpanza
	Tel No.	+27 11 629 4368
	Mobile	+27 76 361 2610
	E-mail address	MpanzaNZ@eskom.co.za
11.2(4)	The <i>delivery date</i> is	from receipt of official order DDP RoteK Rosherville Workshop, after receipt of official purchase order.
11.2(5)	The Goods Information is in	the document called 'Goods Information' in Part 3 of this contract.
11.2(8)	The <i>goods</i> are	The supply, delivery and Installation of a Dual Face Plate Spin-casting Machine
12.2	The <i>law of the contract</i> is	the Republic of South Africa
13.2	The <i>period for reply</i> is	1 (one) week
15.1	The <i>premises</i> are	RoteK Rosherville Workshops
23.1	The <i>Purchaser</i> requires the <i>Supplier</i> to Provide the Goods when instructed by Batch Order.	No
23.1	If the <i>goods</i> are instructed by Batch Order,	
	the batch order interval is	Not Applicable
	the end date is	Not Applicable
	the quantity range of <i>goods</i> in a batch is	from Not Applicable to Not Applicable
30.1	The <i>starting date</i> is.	On Receipt of the Official Order
30.1	The <i>completion date</i> is.	Days after receipt of official order and to be mutually agreed by both parties
41.1	The <i>defects date</i> is	On Notification of defects

42.2	The period for the correction of Defects after Delivery is	2 Working days or to be mutually agreed between the parties
50.1	The <i>assessment day</i> is the	25th Day of Each Month and upon completion of the service.
50.5	The <i>delay damages</i> are	Not Applicable
51.2	The interest rate on late payment is	0% per complete week of delay. [Insert a rate only if a rate less than 0.5% per week of delay has been agreed]
84.1	The <i>Purchaser</i> provides this insurance [only enter details here if the <i>Purchaser</i> is to provide insurance; otherwise state none]	
	1. Insurance against	Loss of or damage to the <i>goods</i>, plant and materials and loss of or damage to the <i>Purchaser's</i> surrounding property.
	Cover / indemnity is	Overseas shipment / transit insurance (only) to cover events at the <i>Supplier's</i> risk (if any) after the <i>goods</i> have left the <i>Supplier's</i> overseas premises. See notes in Annexure B If this contract includes the supervision of installation, testing, commissioning or building work at the <i>Purchaser's</i> premises, the <i>Purchaser</i> also provides cover for physical loss of or damage to the <i>Purchaser's</i> surrounding property including any temporary work required to complete the Delivery.
	The deductibles are	See data for clause 86.2 below and Annexure B
86.1	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	Nil Rand
86.2	The <i>Supplier</i> is not liable to the <i>Purchaser</i> for loss of or damage to the <i>Purchaser's</i> property in excess of	(1) for the <i>Purchaser's</i> existing and surrounding property in the care, custody and control of the <i>Supplier</i> the amount of the deductible (first amount payable) relevant to the event described in the insurance policy available on http://www.eskom.co.za/c/101/insurance-policies-procedures/ and (2) for all other existing <i>Purchaser's</i> property the highest applicable deductible (first amount payable) namely: <ul style="list-style-type: none">• R15 million (fifteen million Rand) for Generation Division property;• R7.5 million (seven million five hundred thousand Rand) for Transmission Division property and;• R1 million (one million Rand) for Distribution Division and all other <i>Purchaser's</i> property

		See notes in Annexure B
93.1	The <i>Adjudicator</i> is (Name)	the person selected from the Panel of Adjudicators listed in Annexure A to this Contract Data by the Party intending to refer a dispute to him.
93.2(2)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA, (a Division of the South African Institution of Civil Engineering), or its successor body (See www.ice-sa.org.za)
93.4	The <i>tribunal</i> is: If the <i>tribunal</i> is arbitration, the arbitration procedure is	Arbitration. the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.
11.1	The <i>conditions of contract</i> are the NEC3 Supply Short Contract (December 2009)¹ and the following additional conditions (Clauses Z1 to Z19 always apply):	

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	The Purchaser may on written notice to the Supplier cede and delegate its rights and obligations under this contract to any of its present divisions or operations which may be converted into separate legal entities or to Eskom SOC Limited or any of Eskom's SOC Limited's subsidiaries.	
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 Project Manager within two weeks of the Contract Date of the key person who has the authority to bind the Purchaser on their behalf.	
Z2.3	The Supplier 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 Purchaser having been given to the Purchaser 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 Purchaser within thirty days of the notification or as otherwise instructed by the Purchaser.	
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 Subcontract Works.	

¹ State whether attached as a 'PDF' file in terms of an ePrint licence from the publishers, Thomas Telford Ltd in UK, or to be obtained from Engineering Contract Strategies on www.ecs.co.za, Tel 011 803 3008, Fax 011 803 3009

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	Ethics
Z4.1	Any offer, payment, consideration, or benefit of any kind made by the Supplier, 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 Supplier's obligation to Provide the Works or taking any other action as appropriate against the Supplier (including civil or criminal action).
Z4.2	<p>The Purchaser may terminate the Supplier's obligation to Provide the Works if the Supplier (or any member of the Supplier where the Supplier 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.</p> <p>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 Supplier or any such member is removed from the an approved vendor data base of the Purchaser as a consequence of such practice.</p>
Z4.3	Notwithstanding the provisions of core clause 90.2, the procedures on termination in terms of this clause are P1, P2 and P3 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 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 25.1, the Supplier ensures that the provisions of this clause are complied with by the recipient.
Z5.2	If the Supplier is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the Project Manager.
Z5.3	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.
Z5.4	The taking of images (whether photographs, video footage or otherwise) of the works or any portion thereof, in the course of Providing the Works and after Completion, requires the prior written consent of the Project Manager. All rights in and to all such images vests exclusively in the Purchaser.
Z5.5	The Supplier ensures that all approved his Sub-Suppliers 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 Project Manager, the Supervisor, 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	<p>The Supplier undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the works. Without limitation the Supplier:</p> <ul style="list-style-type: none"> • accepts that the Purchaser 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 Site; • 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 works; and • undertakes, in and about the execution of the works, 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 Suppliers, employees and others under the Supplier's direction and control, likewise observe and comply with the foregoing.
Z7.2	The Supplier, in and about the execution of the works, complies with all applicable environmental laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Sub-Suppliers, employees and others under the Supplier'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 Project 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 Works Information, showing the amount due for payment equal to that stated in the payment certificate.
Z8.2	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.
Z8.3	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 (4330196330) on each invoice he submits for payment.
	<p>The Contractor shall address the tax invoice to Eskom RoteK Industries SOC Limited</p> <p>and include on each invoice the following information:</p> <p>Name and address of the Purchaser and the Project Manager:</p> <p>Eskom RoteK Industries SOC Ltd Lower Germiston Road, Cleveland Johannesburg 2022</p> <p>The contract title: The Supply of An Ultra Sonic Leak Detection Camera</p> <p>Contract No:</p>

	<p>Suppliers VAT registration number;</p> <p>The Employer's VAT registration number: 4330196330</p> <p>Description of service provided for each item invoiced based on the Price List; Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT; (add other as required)</p> <p>a) the Price for each lump sum item in the Price List or Task Order which the Contractor has completed and</p> <p>b) where a quantity is stated for an item in the Price List or Task Order, an amount calculated by multiplying the quantity which the Contractor has completed by the rate.</p>
Z9	Notifying compensation events
Z9.1	Delete from the last sentence in core clause 61.3, "unless the <i>Project Manager</i> should have notified the event to the <i>Supplier</i> but did not".
Z10	Purchaser's limitation of liability
Z10.1	The <i>Purchaser's</i> liability to the <i>Supplier</i> for the <i>Supplier's</i> indirect or consequential loss is limited to R0.00 (zero Rand)
Z10.2	The <i>Supplier's</i> entitlement under the indemnity in 83.1 is provided for in 60.1(14) and the <i>Employer's</i> liability under the indemnity is limited to compensation as provided for under the compensation events stated in this contract.
Z11	Clause 90 - Termination
	<p>If the <i>Purchaser</i> terminates in terms of this clause, the procedures to be followed will be as per those stated in Clause 92 and the amount due will include amounts as listed in Clause 93, less a deduction of the forecast additional cost to the <i>Purchaser</i> for completing the <i>works</i>. Furthermore, if the amount due by the <i>Supplier</i> for delay damages reaches the limits stated in this Contract Data, the <i>Purchaser</i> may also terminate the <i>Supplier's</i> obligation to provide the <i>works</i>. If the <i>Purchaser</i> terminates under the aforementioned circumstances then the procedures and amounts due will be as per Clauses 92 and 93 mentioned above, less a deduction of the forecast additional cost to the <i>Purchaser</i> for completing the <i>works</i>.</p>
Z12	Addition to secondary Option X7 Delay damages (if applicable in this contract)
Z12.1	If the amount due for the <i>Supplier's</i> payment of delay damages reaches the limits stated in this Contract Data for Option X7 or Options X5 and X7 used together, the <i>Purchaser</i> may terminate the <i>Supplier's</i> obligation to Provide the Works.
Z12.2	If the <i>Purchaser</i> terminates in terms of this clause, the procedures and payment on termination as those applied for reasons R1 to R15 or R18 stated in the Termination Table.
Z13	Second Tier Procurement
Z13.1	The <i>Purchaser</i> requires the <i>Supplier</i> to maximise the use of regional suppliers surrounding the site.
Z14	Delays By the Purchaser
Z14.1	Delays in access to the site, if notified by the <i>Purchaser</i> within one week of the event, will be compensated as an extension of time <u>without</u> additional costs
Z15	Change of Legal Status
Z15.1	The <i>Supplier</i> immediately notifies the <i>Purchaser</i> in writing of any change in its legal status. Failure on the part of the <i>Supplier</i> to notify the <i>Purchaser</i> of a change in legal status will

	constitute a reason for termination. The <i>Purchaser</i> assesses the impact of the change on the contract and reserves the right to terminate the contract.
Z15.2	If the <i>Purchaser</i> 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 per A1 and A3 as stated in Clause 93
Z16	Payment of Employee's Wages
Z16.1	It is understood and agreed between the parties that wages for work carried out by the <i>Supplier's</i> employees shall be paid by the <i>Supplier</i> to all workmen employed by or on behalf of the <i>Supplier</i> . The <i>Supplier</i> shall remain liable for payment of his employee's remuneration even in the event of non-payment by the <i>Purchaser</i> . Failure to meet the aforesaid payment of the employee's remuneration will result in the termination of this subcontract agreement
Z17	Entire agreement
	The Contract comprises the entire agreement between the Contractor and the Supplier relating to the Works (as hereinafter defined) and subject matter hereunder and supersedes all prior negotiations, representations, arrangements, understandings, agreements and/or contracts relating thereto whether written or oral except to the extent that they are expressly incorporated in the Contract. The Parties shall not be entitled to rely upon nor claim at law whether in contract, delict, for breach of statutory duty or on any other legal basis in relation to any statements, representations or warranties made or given by either Party during the course of negotiations which are not contained in or referred to in this Contract. The Parties agree and confirm that they have placed no reliance upon each other and shall not claim against the other in respect of any statement, representation or warranty made or given by or on behalf of either Party (whether during the course of negotiations or otherwise) which is not included as a term in this Contract and/or the Contract Documents.
Z18	Solicitation
	A Party may not, without the prior agreement of the other Party, solicit for employment any employee of the other party who has been involved in this contract at any time while that employee is working for the other Party on this contract, or for a period which is the lesser of (i) 6 months following termination of such employee's employment with the other Party; and (ii) 6 months from expiry of the contract.
Z19	Retention
	The <i>retention</i> free amount is R NIL The <i>retention percentage</i> is: 10% (50% released on completion of the works and the submission of a Completion Certificate and the balance released at the end of the defects period and the submission of a Hand Over Certificate) 66269

Annexure A: The *Purchaser's* Panel of Adjudicators

The following persons listed in alphabetical order of their surname have indicated their willingness to be included in the *Purchaser's* 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 andrew@ecs.co.za
Christopher BINNINGTON	Gauteng	+27 11 888-6141 cdb@bca.co.za
Peter HIGGINS	UK	+44 1293 873 868 peterhiggins@pdconsult.co.uk
Adv. Bruce LEECH	Gauteng	+27 11 290 4000 leech@counsel.co.za
Nigel NILEN	Gauteng	+27 11 465 3601; nilences@global.co.za
Robert St. LEGER	Cape Town	+27 21 794 7488 bobst@iafrica.com
Peter THURLOW	Gauteng	+27 11 787 6226 info@thurlowassoc.com

Information about the Panel and appointment of the selected *Adjudicator* is available from the *Purchaser* at +27 11 800 4031 or Leighton.ltholeng@eskom.co.za

Annexure B: Insurance provided by the *Purchaser*

These notes are provided as guidance to tendering suppliers and the Supplier about the insurance provided by the Purchaser. These notes are not part of this contract.

Transit insurance of goods originating from outside the borders of the Republic of South Africa

For the purpose of supply contracts, the only insurance provided by Eskom (the *Purchaser*) is transit shipment cover, commonly known as Marine Insurance for air, sea, rail and road freight (including local land arrangements) for conveyance of *goods* originating outside RSA. Please consult the website stated below to ascertain whether Format A, Format B or Format Dx is applicable to this contract and then the

- Marine Insurance Policy wording;
- Eskom Shipment Policies and Procedures – note a pre-shipment survey form has to be completed under certain circumstances;
- Marine Claims Handling Procedures – for important shipment actions and claims forms in event of damages to cargo freight via sea, barge, air, road or rail.

For EXW (Ex Works collections) this is of no concern to the *Supplier* but for any other Supply Requirement (such as CIF, DDU, or DDP) the *Supplier* need not provide such insurance even if the INCOTERM requires it and tendering suppliers should 'discount' their prices when tendering to allow for this provision by the *Purchaser* (Eskom).

Supplier's liability for damage to the Purchaser's property

Whilst this is a liability the *Supplier* carries and should cover (if he is required to deliver the *goods* to the *Purchaser's* premises) his liability is limited to the amount of cover provided to the *Purchaser* within his assets policy. This amount varies depending on the Division within Eskom to which the *Supplier* is making the delivery. For any one occurrence or series of occurrences arising out of one event but unlimited during the period of insurance the *Supplier's* liability would be:

- R15million for Generation Division projects,
- R7.5million for Transmission Division projects or
- R1.0million for Distribution Division projects

All other insurance

As required by clause 84, the *Supplier* provides all other insurance for his risks. The *Supplier* should give further consideration to providing for these additional insurance concepts [for amounts and periods of insurance the *Supplier* deems fit and necessary].

Professional Indemnity: The insurance provided shall indemnify the *Supplier* (and/or his professional consultant) for those sums which the *Supplier* or his consultant shall become legally liable to pay as damages arising from any claim first made against the *Supplier* / consultant and reported to their insurers during the Period of Insurance, directly arising out of any negligent act, error or omission committed or alleged to have been committed by the *Supplier* / consultant in the conduct of **professional services** (for example, design) in connection with this contract.

Products Liability: A special General Liability extension for liability arising out of the *Supplier's* **defective**:

- production and manufacturing process (workmanship or material), or
- product design, or
- warnings, instructions, usage and maintenance manuals and specifications.

For any further explanation of insurance requirements tendering suppliers are advised to consult their brokers or insurers who may in turn contact Eskom Insurance Management Services per contact details provided on the following website:

<http://www.eskom.co.za/c/101/insurance-policies-procedures/>

Data provided by the *Supplier* (the *Supplier's Offer*)

The tendering Supplier is advised to read both the NEC3 Supply Short Contract (December 2009) and the relevant parts of its Guidance Notes (SSC3-GN)² in order to understand the implications of this Data which the tenderer is required to complete. An example of the completed Data is provided on page 26 of the SSC3 Guidance Notes and Flow Charts.

Completion of the data in full is essential to create a complete contract.

10.1	The <i>Supplier</i> is (Name): Address Tel No. Contact Person. E-mail address	
11.2(4)	The Price List is in	the document called 'Price List' in Part 2 of this contract.
11.2(4)	The offered total of the Price is	DDP Freight: ZAR excluding VAT. (DDP Freight will be charged in local ZAR currency.)
63.2	The percentage for overheads and profit added to the Defined Cost is	N/A

² Available from Engineering Contract Strategies on www.ecs.co.za Tel 011 803 3008, Fax 011 803 3009.

C2 Pricing Data

C2.1 Pricing assumptions

Entries in the first four columns of this Price Schedule are made either by the *Purchaser* or the tenderer. If the *Supplier* is to be paid an amount for the item which is not adjusted if the quantity of goods in the item changes, the tenderer 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 of goods which is the rate for the goods multiplied by the quantity supplied, the tenderer enters a rate for each item and multiplies it by the Quantity to produce the Price, to be entered in the final column.

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

Foreign Exchange:

Exchange rates are based on the South African Reserve Bank foreign exchange rate on ????? (ZAR 1 = , this value is subject to change and the rate applicable on the date of order placement will apply. (excluding VAT). VAT will be charged in local ZAR currency; South African Reserve Bank foreign exchange rate will be applied based on rate at time of final invoice.

C2.2 Price Schedule

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

Part 2: Price List

Item	Part Number	Description	Qty	Unit Price	Total Price
Material Total Excl. VAT					
15% Sales VAT of <u>will be charged in ZAR equivalent at time of final invoice.</u>					
Material Total Incl. VAT					

C3: Scope of Work

C3.1 Goods Information

1. Description of the *goods*

THE SUPPLY, DELIVERY, AND INSTALLATION OF A DUAL FACE PLATE SPIN-CASTING MACHINE

Scope of services

TYPE OF EQUIPMENT

Dual face plate spin casting machine and accessories

SPECIFICATIONS OF EQUIPMENT

Base Frame

This comprises of a fabricated, fully welded and machined heavy-duty section. The base unit fully supports the drive and traversing head.

Drive Head

The drive head is designed as a single heavy fabricated box frame fully machined to support the drive shaft and support bearings. The rigidity of the frame reduces vibration allowing for smooth operation. All bearings to be grease lubricated. A Disk brake is to be supplied on the drive shaft

Traversing Head

The traversing head is of a similar design to the drive head but without the rear shaft support bearings. The shaft is hollow to allow pouring of the Babbitt or whit metal material.

Traversing head Support

The traversing head is supported by a secondary frame which traverses along hardened chrome bars to clamp the production bearing shell.

The movement of the traversing head is controlled by two hydraulic cylinders giving precise control and smooth operation. The hydraulic cylinders are mounted as close to the centreline of the faceplate to facilitate even clamping and pressure.

Clamping system

The clamping system uses hydraulic cylinders with three safety systems to prevent ejection of the bearing during production.

1. P.O. check valves in case of hose failure
2. A pre-charged accumulator to maintain pressure in case of power failure.
3. Twin cylinders so if one fails pressure is maintained.

The hydraulic system is designed and constructed to the most up to date legislation and can be used with flame resistant fluid if requested.

Faceplates

Supplied with 2 face plates, which are attached to the drive head and traversing head shafts.

The precision machined heavy duty plates have sets of drilled and tapped holes on various P.C.D. This allows fixing of the bearing shell locators(dogs), which facilitates ease of centering of the bearing shell during production.

Main Drive

The main drive is a standard IEC general purpose motor with IE2 efficiency. It has been selected for use in an industrial environment and has been found to be highly reliable. The drive unit provides infinitely variable speed operating on the frequency operating and adjustment principle.

Machine Capacity

(a) The dimensional capacity of the machine is as follows:

- Maximum outside diameter of face plates 1700mm
- Maximum distance between face plates (pos. 1) 1150mm
- Minimum inside diameter after lining 150mm
- Maximum o/d of bearing 1600mm
- Maximum bearing length (pos. 1) 1070mm

(b) The typical maximum weights which can be loaded on the machine are:

- Steel shells in halves with tooling 2000kg
- Poured white metal 500kg
- Total maximum load (in balance) 2500kg
- The maximum load quoted refers to components in reasonable balance.
- Details on balancing must be provided in the instruction manual.
- The total maximum load can be exceeded for certain applications.

(c) The speed range of the machine is such that a constant 'g' factor can be obtained on the interior shell surface irrespective of the bearing size (within the capacity of the machine).

- A speed chart is to be provided with the machine to indicate optimum lining speeds.
- The standard speed range is infinitely variable up to a top speed of 550 rpm with the appropriate potentiometer control.
- The power is transferred to the drive shaft by a standard 'V' groove pulley and belt arrangement.

Human machine Interface (HMI)

- The HMI is supplied translated into **English** language.
- Utilizing the latest PLC and HMI program that offers flexibility and is used by leading bearing producers around the world.
- The recipe function allows operators to load approved recipes and supervisors to write and edit new and existing recipes.
- Alarm messaging warns of machine fault conditions and warns/ blocks operator control errors.
- HMI screens are translated into the local language

Centrifugal Metal Lining Machine built to be enclosed and supplied complete with:

- Heavy duty machine base
- Precision machined components
- Robust fully enclosed guarding
- Motorised Guard
- Dual cylinder hydraulic clamping
- Power/hose failure hydraulic safety system
- Modern control panel with PLC & Drive
- HMI with alarm messaging, pictorial display and recipe functionality
- Automated water cooling
- Pouring spout pre-heat burner

ACCESSORIES

- Tinning Bath (Electric) 1200mm x 1000mm x 800mm deep, complete with energy and temperature controls
- Melting-out Station with 2 gas burners and complete with gas control valves
- White Metal Melting/Holding Furnace, manual type, fixed body, capacity Ø400 x 400mm (Nominal 350kg)
- Ultrasonic Flaw Detector including soft faced transducer, twin compression transducer
- Water Re-Circulating System, comprising of pumps, filter, radiator type, heat exchanger with associated control gear.

INSTALLATION AND COMMISSION

- Installation supervision & Start-up Assistance
- Technical Assistance on site in South Africa Including: commissioning, operator training
- 5-year warranty on hardware
- 2-year warranty on software

3. Constraints on how the *Supplier* Provides the Goods**3.1 Subcontracting****3.2 BBBEE and Preferencing scheme****4. Requirements for the programme****5. Services and other things provided by the *Purchaser***

Item	Date by which it will be provided

6. Supply requirements

C: CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement ('Agreement') is entered into between the Employer and the Consultant.

WHEREAS, the Employer and the Consultant (the Parties) desire to exchange certain confidential information; and consider further business dealings with each other.

WHEREAS, the parties desire to evidence their agreements governing the exchange of certain confidential information as set forth below.

Now therefore, for good and valuable consideration, including the mutual agreements hereinafter recited, the parties hereby agree as follows:

1. The parties contemplate an exchange, either orally, in writing or by inspection, of certain confidential proprietary information possessed or owned separately by them and not readily available or otherwise known to the public and which may be helpful in evaluating further business dealings. Such confidential information (the 'Subject Information') may include but not be limited to the parties' inventions, trade secrets, know-how, technical information on products and manufacturing processes, and information concerning their business assets, financial condition, operations, plans and prospects.
2. The purpose of the exchange of Subject Information is to enable the parties to evaluate the Subject information for the purpose only of considering further business dealings with each other.
3. The parties each agree that they shall maintain in secrecy in accordance with the terms of this Agreement all of the Subject Information each party receives (the 'Receiving Party') from the other party (the 'Proprietor') and shall not disclose or use other than for the purpose specified herein the Subject Information without the written consent of the Proprietor of the Subject Information. All Subject Information communicated from one party to the other shall be deemed to be proprietary and confidential to the Proprietor whether marked or identified as such or not.
4. The duty of care to safeguard Subject Information shall be the same as that which the parties each use to safeguard their own respective proprietary and confidential information.
5. The Receiving Party of Subject Information shall not be obligated to maintain Subject Information received from its Proprietor in secrecy or refrain from using it to the extent that any such information is or rightfully becomes publicly available information other than through a breach of this Agreement, or which the Receiving Party later obtains lawfully from anyone else who is not known by the Receiving Party to be obligated under any secrecy agreement with Proprietor to maintain the information in secrecy. The Receiving Party also shall not be obligated to maintain in secrecy any information it receives from the Proprietor which it can demonstrate was already in its possession when the information was disclosed to the Receiving Party by the Proprietor.
6. The Receiving Party shall promptly return to its Proprietor any Subject Information in tangible form it has received from the Proprietor immediately upon the Proprietor's request, without retaining any copies, summaries, analyses or extracts thereof. All documents, memoranda, notes and other writings prepared by the parties, or their advisors, based on the Subject Information of each other, shall be destroyed, and such destruction shall be certified in writing by an authorised officer supervising such destruction.
7. If a party, with the written consent of the Proprietor of Subject Information, discloses any Subject Information received from its Proprietor to any third party, it shall do so only under a secrecy agreement having a scope similar to and which is consistent with this Agreement, and the disclosing party shall be primarily responsible for any compromise of the secrecy of Subject Information by such third party
8. Each party agrees that it shall not, while and for so long as it is obligated to maintain Subject Information in secrecy, use for its own benefit, or for the benefit of others or exploit commercialise, develop, test promote, sell, lease, market or otherwise dispose of any products or

services using, incorporating or relying on Subject Information received from its Proprietor without the written consent of the Proprietor.

9. The obligations of the party receiving Subject Information pursuant to this Agreement shall be effective with respect of each item of Subject Information for a term of five (5) years from the date of submission of the Subject Information to the Receiving Party by its Proprietor, unless the Proprietor agrees otherwise in writing.
9. For purposes of this Agreement, each party shall include (to the extent applicable) the officers, directors, employees, agents, representatives, attorneys, joint ventures, partnerships, affiliates, subsidiaries, and divisions of the party, and any other entity or entities which such party controls or which controls it, and, further, shall include any transferee, successor and assign of the assets of the party.
10. This Agreement shall be construed (both as to validity and performance) and enforced in accordance with, and governed by, the laws of Republic of South Africa.
11. Neither this Agreement nor the exchange of Subject Information between the parties shall create or be relied on by either party as a basis for creating any license between the parties under any patent, or other industrial or intellectual property rights of the Proprietor of the Subject Information, or any other license between the parties in the absence of any express written license agreement between them
12. The parties agree that no contract or agreement providing for a transaction shall be deemed to exist between them unless and until a definitive agreement has been executed and delivered, the parties hereby waive, in advance, any claim (including, without limitation, breach of contract) in connection with a possible transaction with each other unless and until they shall have entered into a definitive agreement. The parties also agree that unless and until a definitive agreement between them has been executed and delivered, neither party has any legal obligation of any kind whatsoever with respect to any such transaction by virtue of this Agreement or any other written or oral expression with respect to such transaction, except, in the case of this Agreement, for the matters specifically agreed to herein. For purposes of this paragraph, the term 'definitive agreement'; does not include an executed letter of intent, memorandum of understanding.

IN WITNESS WHEREOF, and intending to be legally bound, this Agreement has been executed by the parties as of and effective from the date first written above.