



NEC3 Term Service Contract (TSC3)

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

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

for Provision of Plumbing Maintenance
Services on “as and when required” basis within
Gauteng Cluster

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CONTRACT No. [Insert at award stage]

PART C1: AGREEMENTS & CONTRACT DATA

Contents:

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[to be inserted from Returnable Documents at award stage]

C1.2a Contract Data provided by the *Employer*

C1.2b Contract Data provided by the *Contractor*

[to be inserted from Returnable Documents at award stage]

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:

Provision of Plumbing Maintenance period of 24 months on “as and when required” basis within Gauteng Cluster

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	
	Sub total	
	Value Added Tax @ 15% is	
	The offered total of the amount due inclusive of VAT is ¹	

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**

(Insert name and address of organisation)

Name &
signature of
witness

Date

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

Schedule of Deviations to be completed by the *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

(Insert name and address of organisation)

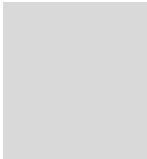
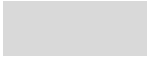
(Insert name and address of organisation)

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:	
		A: Priced contract with Price List
	dispute resolution Option and secondary Options	W1: Dispute resolution procedure
		X1: Price adjustment for inflation
		X2: Changes in Law
		X18: Limitation of liability
		X19: Task Order
		Z: Additional conditions of contract
	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.	
	Fax No.	
10.1	The <i>Service Manager</i> is (name):	TBA
	Address	
	Tel	
	e-mail	
11.2(2)	The Affected Property is	Gauteng Cluster Various Sites
11.2(13)	The <i>service</i> is	Provision of Plumbing Maintenance Services on “as and when required” basis within Gauteng Cluster

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

11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	5 days
2	The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the <i>Contractor</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The <i>Contractor</i> submits a first plan for acceptance within	5 days from notification of a request for quotation
3	Time	
30.1	The <i>starting date</i> is.	To be confirmed
30.1	The <i>service period</i> is	24 months, with an option of additional 12 months duration (36 months) depending on Employer's approval
4	Testing and defects	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
5	Payment	
50.1	The <i>assessment interval</i> is	5 days upon receipt of valid Proforma Invoice
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	Within 4 weeks.
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands.
6	Compensation events	As per the core clauses of the contract
7	Use of Equipment Plant and Materials	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
8	Risks and insurance	

80.1	These are additional <i>Employer's</i> risks	1. Inclement weather 2. Resident Complaints 3. Theft and vandalism 4. Riots
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	 General ACAR Confirmation of Insur.
83.1	The <i>Employer</i> provides these additional insurances	stated for “Format TSC3” available on as  General ACAR Confirmation of Insur.
83.1	The <i>Contractor</i> provides these additional insurances:	Sufficient all risk cover to cover their own vehicles, plant, equipment and employees.
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	 General ACAR Confirmation of Insur.
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	 General ACAR Confirmation of Insur.
83.1	The minimum amount of cover for insurance in respect of loss of or damage to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor's</i> Providing the Service for any one event is:	Whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i>.
83.1	The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract for any one event is:	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor's</i> common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rands).
9	Termination	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
10	Data for main Option clause	

A	Priced contract with Price List	As stated in C2.2		
20.5	The Contractor prepares forecasts of the final total of the Prices for the whole of the service at intervals no longer than	Total of Prices for the Service will be based on total of individual Task Order Issued		
11	Data for Option W1			
W1.1	The Adjudicator	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).		
	Address			
	Tel No.			
	Fax No.			
	e-mail			
W1.2(3)	The Adjudicator nominating body 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 tribunal is:	arbitration		
W1.4(5)	The arbitration procedure is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.		
	The place where to be held is	Johannesburg, South Africa		
	The person or organisation who will choose an arbitrator			
	- if the Parties cannot agree a choice or			
	- if the arbitration procedure does not state who selects an arbitrator, is	The Current Chairman or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.		
12	Data for secondary Option clauses			
X1	Price adjustment for inflation			
X1.1	The base date for indices is	One month before the tender closing date		
	The proportions used to calculate the Price Adjustment Factor are:	proportion	linked to index for	Index prepared by
		85%	Labour	Table C4

		<u>15%</u> 100 <u>85%</u> <u>15%</u> <u>100</u>	non-adjustable Transport	Table L-2(A)
X2	Changes in the law	There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.		
X18	Limitation of liability			
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	The sum of the loss as a result of any action arising by any negligent act by any person under the contractor's employ or any person performing work under the direct supervision of the contractor		
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to	the amount of the deductibles relevant to the event described in the “Format TSC3” insurance policy available on  General ACAR Confirmation of Insur.		
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	The greater of - the total of the Prices at the Contract Date and - the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles in the <i>Employer's</i> assets and works / maintenance policies available  General ACAR Confirmation of Insur.		
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	The total of the Prices other than for the additional excluded matters. The <i>Contractor's</i> total liability for the additional excluded matters is not limited. The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for		

		• Defects due to his design, plan and specification, • Defects due to manufacture and fabrication outside the Affected Property, • loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials), • death of or injury to a person and • Infringement of an intellectual property right.
X18.5	The <i>end of liability date</i> is	24 months after the end of the <i>service period</i>.
X19	Task Order	
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	3 days of receiving the Task Order
Z	The <i>additional conditions of contract</i> are	Z1 to Z11 always apply.

Z1 Cession delegation and assignment

- Z1.1 The *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.

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 alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Employer* having been given to the *Contractor* in writing.

Z3 Change of Broad Based Black Economic Empowerment (B-BBEE) status

- Z3.1 Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor's* B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change.
- Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*.
- Z3.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor's* obligation to Provide the Service.

- Z3.4 Failure by the *Contractor* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Confidentiality

- Z4.1 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.
- Z4.2 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*.
- Z4.3 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.
- Z4.4 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*.
- Z4.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z5 Waiver and estoppel: Add to core clause 12.3:

- Z5.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, the *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.

Z6 Health, safety and the environment: Add to core clause 27.4

- Z6.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:
- accepts that the *Employer* may appoint him as the “Principal Contractor” (as defined and provided for under the Construction Regulations 2014 (promulgated under the Occupational Health & Safety Act 85 of 1993) (“the Construction Regulations”) for the Affected Property;
 - warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations, all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the *service*; and
 - undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor’s* direction and control,

likewise observe and comply with the foregoing.

- Z6.2 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.

Z7 Provision of a Tax Invoice and interest. Add to core clause 51

- Z7.1 Within one week of receiving a payment certificate from the *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.
- Z7.2 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.
- Z7.3 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.

Z8 Notifying compensation events

- Z8.1 Delete the last paragraph of core clause 61.3 and replace with:

If the *Contractor* does not notify a compensation event within eight weeks of becoming aware of the event, he is not entitled to a change in the Prices.

Z9 Employer's limitation of liability

- Z9.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z9.2 The *Contractor's* entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the *Employer's* liability under the indemnity is limited to compensation as provided for in core clause 63 and X19.11 if Option X19 Task Order applies to this contract.

Z10 Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

- Z10.1 or had a business rescue order granted against it.

Z11 Ethics

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

Affected Party means, as the context requires, any party, irrespective of whether it is the *Contractor* or a third party, such party's employees, agents, or Subcontractors or Subcontractor's employees, or any one or more of all of these parties' relatives or friends,

Coercive Action	means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,
Collusive Action	means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,
Committing Party	means, as the context requires, the <i>Contractor</i> , or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,
Corrupt Action	means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,
Fraudulent Action	means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,
Obstructive Action	means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action and
Prohibited Action	means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

- Z 11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
- Z 11.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Service if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Contractor's* obligation to Provide the Service for this reason.
- Z 11.3 If the *Employer* terminates the *Contractor's* obligation to Provide the Service for this reason, the procedures and amounts due on termination are respectively P1, P2, P3 and P4, and A1 and A3.
- Z 11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Contractor* ensures that the Committing Party co-operates fully with an investigation.

Annexure A: Insurance provided by the Employer

These notes are provided as guidance to tendering contractors and the Contractor about the insurance provided by the Employer. The Contractor must obtain its own advice. Details of the insurance itself are available from the internet web link given below.

1. Services provided in a TSC3 contract could include some element of construction or refurbishment as well as a continuous maintenance or operational service activity. If an event occurs which causes loss or damage, a claim could be made either against the *Employer's* “works” type policy which may be in place for the *Employer's* portion of the Affected Property concerned or against the *Employer's* assets policy which may be in place for the *Employer's* portion of the Affected Property concerned, or both.
2. The cover provided and the deductibles under the works policy are different to those under the assets policy. Each policy has a range of applicable deductibles depending on the location of the Affected Property and the nature of the insurable event.
3. The *Contractor* is required in terms of Contract Data for clause 83 to provide cover for the deductibles in the insurance provided by the *Employer*. This can be provided from his own resources on a ‘self insured’ basis or obtained by him from his own insurers. In order to assess the extent of this cover, tendering contractors and their brokers should consult the internet web link given below and scroll to ‘**Format TSC3**’ to establish both the cover and the deductibles in relation to the *service* provided in terms of this contract.
4. Tendering contractors should note that cover provided by the *Employer* is only per the policies available on the internet web link listed below and may not be the cover required by the tendering contractor or as intended by each of the listed insurances in the left hand column of the Insurance Table in clause 83.2. In terms of clause 83.1 “the *Contractor* provides the insurances stated in the Insurance Table except any insurance which the *Employer* is to provide”. Hence the *Contractor* provides insurance which the *Employer* does not provide and in cases where the *Employer* does provide insurance the *Contractor* insures for the difference between what the Insurance Table requires and what the *Employer* provides.
5. If Marine Insurance is required the *Contractor* needs to obtain a copy of the latest edition of Eskom’s Marine Policies Procedures found at internet website given below.
6. Further information and full details of all Eskom provided policies and procedures may be obtained from:



General ACAR
Confirmation of Insur.

C1.2 Contract Data

Part two - Data provided by the Contractor

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is	%
	The <i>subcontracted fee percentage</i> is	%
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:	
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job: Responsibilities: Qualifications: Experience:	
CV's (and further key person's data including CVs) are in the company organogram)		
A	Priced contract with Bill of quantities	
11.2(12)	The price list is in	Pricing data
11.2(19)	The tendered total of the Prices is	Rates Only

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>	1

C2.1 Pricing assumptions: Option A

How work is priced and assessed for payment

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

Identified and defined terms	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
		(17) The Price for Services Provided to Date is the total of - the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and - where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> 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*

Please refer to the attached Price List in Appendix A

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

C3.1: EMPLOYER’S SERVICE INFORMATION

1. Description of the service

1.1 Executive overview Purpose

To provide Plumbing Maintenance services within Gauteng Cluster at various sites according to the below scope on an as and when required basis;

The High level scope of work includes:

- Execution of planned, unplanned and emergency maintenance to technical systems
- Provision of Service, Maintenance and Inspection Records for plant and equipment as and when required
- Execution of all legislated statutory maintenance on an as and when required basis
- Provision of compliance documents on all infrastructure as and when requested
- Provision of on-site supervision for emergency works as and when required
- Provision of all consumables and materials for maintenance

1.2 Employer’s requirements for the service

In order to meet user requirements the works include the following

- Repair and replacement of leaking taps and cisterns
- Repair and replacement of all plumbing pipes, supply and waste pipes
- Repairs and replacement of plumbing equipment, fitments and vanities
- Water connection to hydro boilers,
- Repairs, replacements and servicing of hydroboils
- Repair and maintain septic tanks, water tanks and sewer systems
- Unblocking of all drainage structures, pumps including manholes
- Cleaning and maintain of grease traps
- Replace or repair manhole covers
- Replacement and repair of all pressure valves and safety valves (shut-off valves)
- Installation of back-up water tanks and pumps
- Pressure jetting-ad hoc maintenance (high pressure drain/storm water cleaning equipment)
- Wash bay sumps maintenance and issue disposal certificate –this is for major offices only
- Attend to water leaks /blockages call outs
- Keep basic spares on site to address leaking taps and pipes (copper and PVC)
- Water tank repair and replacement
- Septic /conservancy tank repair and maintenance.
- Annual testing of boreholes
- Storage tanks
- Supply and installation of geysers and other hot water systems
- Repair, clean and maintain storm water catch pits and piping

All work to comply with SANS 10252-1, 10252-2, 10252-4, 10400, and 10106

Qualified plumber to inspect and supervise the works on site, licenced plumber to issue COC's

All works to comply with SHEQ specifications. All work to comply with Eskom Task Order Management procedure.

1.2.6. Definitions and abbreviations

1.2.7. Definitions

1.2.7.b. Abbreviations

Abbreviation	Description
ERE	Eskom Real Estate
Dx	Eskom Distribution
URS	User Requirements Specification

2 Management strategy and start up.

2.1 The Contractor's plan for the service

Contractor is required to develop a plan in accordance with the *Employer's* broad outline of the service

2.2 Management meetings

The Contractor will attend weekly or monthly progress meetings on Site, which will be arranged by the service manager, to exchange information and establish progress as per clause 16.2

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	As necessary	Site	Service Manager, Site Supervisor and Contractor
Overall contract progress and feedback	On a regular basis as agreed with the Cross functional Team and the Contractor		Service Manager, QS and stakeholders

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

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

2.3 Contractor's management, supervision and key people

As per the company organogram

2.4 Documentation control

All correspondence is to be addressed to the *Service Manager* with a chronological numbering system

2.5 Invoicing and payment

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

The *Contractor* shall address the tax invoice to

_financesharedseices@eskom.co.za

and include on each invoice the following information:

- Name and address of the *Contractor* and the *Service Manager*;
- 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;
- (add other as required)

Add procedures for invoice submission and payment (e. g. electronic payment instructions)

General Information	X
- No Pro-forma Invoice	
- Check Vendor number against the Address and name on Tax invoice	
- Insert the Vendor number on Tax invoice (Top right hand corner)	
- Bank details must be on the invoice or on a attach sheet, but it does not require a bank stamp just a letter)	
- Check banking details on invoice against SAP system. If more than one banking account check bank account against banking details on invoice. If banking details not on invoice, write the bank code next to the vendor account (bank code 0002)	
- Check Vendor VAT number against the vendor master. (FK03) If VAT number not on master records, prepare a list and forward to Vendor Management to check and update the vendor master records	
- No fax copies of Tax invoices allowed	
- No copies of Tax invoices allowed unless originally printed by the Vendor if a photocopy tax invoice, it must be an original "certified copy" (i.e. not a copy of a "certified copy" invoice) from the vendor and check in system if not previously be paid. Put stamp "not previously paid" on invoice and sign.	
- Ensure that date received stamp is clear on invoice	
- Stamp all Invoices with the Vat stamp, complete and sign (only when VAT is applicable)	
- The stamp should not be stamped over any written information	
- When scanning invoice, check the quality before linking in SAP (inboxes)	
With Reference Invoices	X
- Goods receipt must be done (payment with reference)	
- Ensure that the SAP purchase order number is clear and correct on the invoice	
- GR number to be written on the Invoices	
- If multiple lines on invoice write the line number of the order against the line to ensure that the processors match the correct lines (to ensure that 191100 is matched correctly)	

2.6 Contract change management

All changes during execution of contract shall adhere to Eskom Procurement Supply Management Policy and communicated as per the relevant contractual clause.

2.7 Training workshops and technology transfer

The Contractor must provide training on specialised equipment, as well as any obligation for technology transfer being included as part of the *service* or at the end of the *service period*.

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

2.8.1 Information and other things

Test and Inspection Certificates

3 Health and safety, the environment and quality assurance

<u>No</u>	<u>UNIQUE IDENTIFIER</u>	<u>REVISION</u>	<u>DOCUMENT TITLE</u>
1	32 - 727	0	SAFETY, HEALTH, ENVIRONMENT AND QUALITY (SHEQ) POLICY 32-727  32-727 Feb 2014.pdf
2	32 - 136	0	CONSTRUCTION SAFETY HEALTH AND ENVIRONMENTAL MANAGEMENT  2_Construction Safety Health and En
3	32-524	0	DEVELOPING A SAFETY, HEALTH AND ENVIRONMENTAL SPECIFICATION  3_Developing a Safety, Health and En
4	34 - 333	1	HEALTH AND SAFETY REQUIREMENTS TO BE MET BY PRINCIPAL CONTRACTORS EMPLOYED BY ESKOM DISTRIBUTION 34-333  4_Health and Safety Requirements to be n
5	32 - 421	1	ESKOM CARDINAL RULES 32-421  5_Eskom Cardinal Rules (32-421).pdf

6	CONSTRUCTION REG 3		NOTIFICATION OF CONSTRUCTION WORK TO DEPARTMENT OF LABOUR  6_Notification of Construction Work to
7	CONSTRUCTION REG 4 & 5		APPOINTMENT LETTERS FOR CLIENT REPRESENTATIVE, PRINCIPAL CONTRACTOR & CONTRACTOR  7_Appointment letters for Client repr
8 & 9	OHS ACT	1	WRITTEN AGREEMENT ON OHS ACT SECTION 37(2) & STANDARD CLAUSE  37 2 Jan 2014.doc
10, 11 & 12	34 - 1063	0	EXPANDED PUBLIC WORKS REPORT 34-1063.  10_34-1063 EPWP Works Instruction.pdf  11_EPWP Guidelines Second edition 2005.  Eskom EPWP report template rev 7.xlsx
13	<u>DST 34-961</u>	0	LEGAL APPOINTMENTS AND AUTHORIZATIONS  13_Legal Appointments and Au
14	TPC 41-55		TRANSPORTING PERSONS ON BACK OF VEHICLES  14_Transporting of Passengers on the ba
15	LTIR	MASTER	LOST TIME INJURY REPORT  LTIR Master.xls
16	3.1.1.1.1.1 Contractor Performance Evaluation	MASTER	 Single Evaluator Template for Contrac
17	3.1.1.1.1.2 Supplier Contract Quality Requirements	MASTER	 QM-58 Supplier Contract Quality Req

18	3.1.1.1.1.3	Hard Hat Specifications OHS 01/12/	MASTER	 OHS 01 12 Hard Hat Specifications.pdf
19	3.1.1.1.1.4	Identifying, Analysing, Documenting and Observing Tasks according to Criticality.	REV 1	 DPC_34-380.pdf
20	3.1.1.1.1.5	Health & Safety Representative inspection reports and guidelines	REV 1	 DPC_34-228Health_Safety_REp.pdf
21	3.1.1.1.1.6	Work at Heights Procedure	REV 1	 32-418 Work at Height Procedure.pdf
22	3.1.1.1.1.7	SHE Requirements for the Eskom Commercial Process	REV 1	 32-726 SHE Requirements for the
23	SHE Plumbing Specification	240-73198174		 SHE SPECIFICATION-Plun

Acknowledgement by Contractor

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

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

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

4. Procurement

4.1. Supplier Development and Localisation (SD&L)

4.1.1. Skills Development

Eskom intends to improve Skills Development by ensuring that technical support is directed towards enhancing supply capacity and capability within the industry or sector of operation. By doing this the capacity and competitiveness of the local supply base will be increased and the goals of shared growth, employment creation, poverty reduction and skills development will be achieved.

Tenderers are encouraged to propose Skills Development initiatives in terms of the Skills required for this project as indicated in the table (matrix) below. These will form part of the contractual obligation with the successful contractor.

4.1.2. Skills development matrix per contract

Skills Development

Tenderers are required to propose against the following training initiatives;

Skills Development

Eskom reserves the right to negotiate with the tenderer on Eskom's requirements. The outcome of the negotiations will be a contractual obligation. If negotiations are not required, the tenderer's SDL&I undertaking will become a contractual condition.

A target of one skill for every R 2 million spend by Eskom is proposed.

Skills development is designed to benefit the currently unemployed graduates from school; further education and training campuses; and universities. Task orders will vary and it is therefore deemed that each supplier will be required to train a minimum of One (1) skill per R 2 000 000 (accumulated value invoiced) during the term of the contract.

The composition of these candidates must be representative of the population demographics of South Africa. Note that these targets for skills development candidates categorically exclude Eskom employees and registered learners.

Skill Type (Occupation) Target Number of Persons to be Trained (Local to South Africa)

Tenderers are required to propose against the following experimental training initiatives for Geoscience graduates or undergraduates :

Eskom Target	Entry Requirement	Exit Requirement	Tenderer Proposal
TVET Plumbers X 3	Undergraduate/unemployed graduate	successful Completion Certificate	
Safety officers x 1			

1. Completion certificate to be issued at the end of the project
2. Compile a training program
3. Submit a signed contract with the selected candidates

NOTE 1: An estimated 0.25% of the tender value is expected to be committed on skills development

NOTE 2: For each of the above training we require:

- 1 candidate (for either of the training courses above) for every R2 Million worth of accumulated purchase orders that has been allocated to the contractor.

4.1.3. Requirements for the plan

Contractor to provide a plan in PDF Format, of how each discipline in terms of Healthcare and Hygiene services will be provided for the different Eskom Offices.

4.1.4. Services and other things provided by the Employer

Item	Date by which it will be provided
Access to the areas that will be serviced	Commencement of service
Supervisor will escort personnel around premises	Commencement of service
Water and electricity	Commencement of service

4.1.5. BBBEE and preferencing scheme

As per tender terms and conditions

4.2. Subcontracting

Subcontracting will not be permitted on this contract

4.3. Plant and Materials

4.3.1 Specifications

All Tests, Inspection and repairs are to comply with SANS 10252-1, 10252-2, 10252-4, 10400, and 10106

5. Working on the Affected Property

5.1. Employer's site entry and security control, permits, and site regulations

The Employer reserves the right for its Security personnel to search persons or vehicles entering or leaving the premises. This includes, but is not limited to briefcases and toolboxes.

5.2. People restrictions, hours of work, conduct and records

5.2.1. Constraints

5.2.1.a .Overtime work and normal work:

The tenderers are advised that the following works may be done during normal working hours as well as after normal working hours. Tenderers must make due allowance for these working hours in the pricing as no claims will be entertained in this regard.

5.2.1.b. Defined Cost:

Any prices that are not included in the scope of works must be calculated as per defined cost which is as per clause 11.2 (5)

Defined cost is subject to approval by the Service Manager.

5.2.1.c. HOURLY RATE: GAUTENG

The tenderer is advised that the following items are Labour Rates for items not covered in this Bills of Quantities.

Tenderers are advised that all labour charges and transport charges must be procured from the closest to the effected site.

Any call out work commenced during working hours and completed after normal working hours will be compensated by using normal working hour rates only.

Any call out work commenced after normal working hours will be compensated by using after normal working hour rates only.

Prior written approval must be received from the Eskom ERE (GAUTENG) Official prior to commencement of work.

5.4. Site services and facilities

5.4.1. Provided by the *Employer*

Contractor to provide all services and facilities in execution of the works of this contract

5.4.2. Provided by the *Contractor*

The Contractor should provide its own storage at their facilities