



NEC3 Term Service Contract (TSC3)

Between ESKOM ROTEK INDUSTRIES SOC Ltd
(Reg No. 1990/0066897/30)

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

for TRANSFORMER FULL REWIND SERVICES FOR A
PERIOD OF SIX (6) MONTHS

Contents:	No of pages
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CONTRACT No. [Insert at award stage]

PART C1: AGREEMENTS & CONTRACT DATA

Contents:	No of pages
C1.1 Form of Offer and Acceptance	[•]
[to be inserted from Returnable Documents at award stage]	
C1.2a Contract Data provided by the <i>Employer</i>	[•]
C1.2b Contract Data provided by the <i>Contractor</i>	[•]
[to be inserted from Returnable Documents at award stage]	
C1.3 Proforma Guarantees	[•]

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:

TRANSFORMER FULL REWIND SERVICES FOR A PERIOD OF SIX (6) MONTHS

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

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

Options A	The offered total of the Prices exclusive of VAT is	R
	Sub total	R
	Value Added Tax @ 15% is	R
	The offered total of the amount due inclusive of VAT is ¹	R
	(in words)	

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

Signature(s)

Name(s)

Capacity

**For the
tenderer:**

(Insert name and address of organisation)

Name &
signature of
witness

Date

Tenderer's CIDB registration number:

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

Acceptance

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

The terms of the contract, are contained in:

Part C1	Agreements and Contract Data, (which includes this Form of Offer and Acceptance)
Part C2	Pricing Data
Part C3	Scope of Work: Service Information

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

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

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

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

Signature(s)

Name(s)

Capacity

**for the
Employer**

(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	W1: Dispute resolution procedure
	and secondary Options	
		X2 Changes in the law
		X17: Low service damages
		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 RoteK Industries SOC Ltd (Reg no: 1990/006897/30), a state-owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Roshland Office Park Lower Germiston Road Rosherville
	Tel No.	011 629 4045
	Fax No.	Not applicable
10.1	The <i>Service Manager</i> is (name):	
	Address	Roshland Office Park Lower Germiston Road Rosherville
	Tel	011 629 4045
	Fax	
	e-mail	

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

11.2(2)	The Affected Property is	ERI (including any other Eskom facilities).
11.2(13)	The service is	Transformer Rewind
11.2(14)	The following matters will be included in the Risk Register	1.Programme delays 2.Submission of documents 3.Quality controls 4.Safety 5.Technical functionality 6.Response time of NCRs
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	2 working days unless otherwise indicated in the Task Order
2	The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the Contractor in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The Contractor submits a first plan for acceptance within	Within 5 days from the contract date.
3	Time	
30.1	The <i>starting date</i> is.	TBC
30.1	The <i>service period</i> is	Six (6) months
4	Testing and defects	Testing will be performed by the Employer during the handover of project or tasks. The Defect correction period for a particular defect will be agreed upon by the parties at the first meeting when the defect is formally discussed
5	Payment	
50.1	The <i>assessment interval</i> is	To be specified by Task Order.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	30 days from receipt of a valid Contractor's invoice to the Employer.
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365-day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and
6	Compensation events	To be approved by the Employer within 48 hours of receipt from the contractor, should the employer not agree with the terms of

		the compensation events a dispute shall be declared within 24 hours
7	Use of Equipment Plant and Materials	There <i>Contractor</i> shall provide their own equipment, plant and materials, any further requirements shall be agreed upon between parties
8	Risks and insurance	
80.1	These are additional <i>Employer's</i> risks	Not applicable
9	Termination	Termination will be dealt with as per NEC3 TSC termination clauses.
10	Data for main Option clause	
A	Priced contract with price list	Refer to the pricing schedule part 2 pricing data
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than	7 days
11	Data for Option W1	
W1.1	The <i>Adjudicator</i>	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by Adjudicator nominating body
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.
W1.4(2)	The <i>tribunal</i> is:	Arbitration
W1.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.
	The place where arbitration is to be held is	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 Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.

12	Data for secondary Option clauses		
X2	Changes in the law	There is no reference to Contract Data in this Option and terms in <i>italics</i> are identified elsewhere in this Contract Data.	
X17	Low service damages		
X17.1	The <i>service level table</i> is in:		
	Low Service Damage Description	Value of Low Service Damages	
	Failure to submit documents as agreed in this Service Agreement	2% of the Task Order value per day	Limited to 15% of the Task Order value
	Rework due to poor workmanship	5% of the Task Order value per day	Limited to 15% of the Task Order value
	Failure to respond to an NCR within 3 days	1.5% of the Task Order value per day	Limited to 15% of the Task Order value
X18	Limitation of liability		
X18.1	The <i>Contractor's</i> liability to the Employer for indirect or consequential loss is limited to	R0.0 (zero Rand)	
X18.2	For any one event, the <i>Contractor's</i> liability to the Employer for loss of or damage to the <i>Employer's</i> property is limited to	the amount of the deductibles relevant to the event	
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	
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 1. Defects due to his design, plan and specification, 2. Defects due to manufacture and fabrication outside the Affected Property, 3. loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials), 4. death of or injury to a person and infringement of an	

	intellectual property right.	
X18.5	The <i>end of liability date</i> is	12 months after the end of the service period.
X19	Task Order	
X19.3	Delay Damages	2.5% per day up to a cap of 10% value of all Task Orders combined.
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	5 days after receiving the Task order
Z	The <i>additional conditions of contract</i> are	Z1 to Z14 always apply.
Z1	Cession delegation and assignment	
Z1.1	The <i>Contractor</i> does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the <i>Employer</i> .	
Z1.2	Notwithstanding the above, the <i>Employer</i> may on written notice to the <i>Contractor</i> cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry.	
Z2	Joint ventures	
Z2.1	If the <i>Contractor</i> constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the <i>Employer</i> for the performance of this contract.	
Z2.2	Unless already notified to the <i>Employer</i> , the persons or organisations notify the <i>Service Manager</i> within two weeks of the Contract Date of the key person who has the authority to bind the <i>Contractor</i> on their behalf.	
Z2.3	The <i>Contractor</i> does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the <i>Employer</i> having been given to the <i>Contractor</i> in writing.	
Z3	Change of Broad Based Black Economic Empowerment (B-BBEE) status	
Z3.1	Where a change in the <i>Contractor's</i> legal status, ownership or any other change to his business composition or business dealings results in a change to the <i>Contractor's</i> B-BBEE status, the <i>Contractor</i> notifies the <i>Employer</i> within seven days of the change.	
Z3.2	The <i>Contractor</i> is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the <i>Service Manager</i> within thirty days of the notification or as otherwise instructed by the <i>Service Manager</i> .	
Z3.3	Where, as a result, the <i>Contractor's</i> B-BBEE status has decreased since the Contract Date the <i>Employer</i> may either re-negotiate this contract or alternatively, terminate the <i>Contractor's</i> obligation to Provide the Service.	
Z3.4	Failure by the <i>Contractor</i> to notify the <i>Employer</i> 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 <i>Contractor</i> 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 <i>Contractor</i> , enters the public domain or to information which was already in the possession of the <i>Contractor</i> at the time of disclosure (evidenced by written records in existence at that time). Should the <i>Contractor</i> disclose information to Others in terms of clause 25.1, the <i>Contractor</i> ensures that the provisions of this clause are complied with by the recipient.
Z4.2	If the <i>Contractor</i> is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the <i>Service Manager</i> .
Z4.3	In the event that the <i>Contractor</i> is, at any time, required by law to disclose any such information which is required to be kept confidential, the <i>Contractor</i> , to the extent permitted by law prior to disclosure, notifies the <i>Employer</i> 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 <i>Contractor</i> 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 <i>service period</i> , requires the prior written consent of the <i>Service Manager</i> . All rights in and to all such images vests exclusively in the <i>Employer</i> .
Z4.5	The <i>Contractor</i> 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 <i>Service Manager</i> or the <i>Adjudicator</i> 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 <i>Contractor</i> undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the <i>service</i>. Without limitation the <i>Contractor</i>: 5. accepts that the <i>Employer</i> 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; 6. 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 <i>service</i>; and undertakes, in and about the execution of the <i>service</i>, 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 <i>Contractor's</i> direction and control, likewise observe and comply with the foregoing.
Z6.2	The <i>Contractor</i> , in and about the execution of the <i>service</i> , 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 <i>Contractor's</i> 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 <i>Service Manager</i> in terms of core clause 51.1, the <i>Contractor</i> provides the <i>Employer</i> with a tax invoice in accordance with the <i>Employer's</i> procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.
Z7.2	If the <i>Contractor</i> does not provide a tax invoice in the form and by the time required by this contract, the time by when the <i>Employer</i> 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 <i>Employer</i> in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.
Z7.3	The <i>Contractor</i> (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 <i>Employer's</i> 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 <i>Contractor</i> 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	<i>Employer's</i> limitation of liability
Z9.1	The <i>Employer's</i> liability to the <i>Contractor</i> for the <i>Contractor's</i> indirect or consequential loss is limited to R0.00 (zero Rand)
Z9.2	The <i>Contractor's</i> entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the <i>Employer's</i> 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 <i>Contractor</i> 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 and Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally, 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	means any unlawfully or illegally intentional act or omission that misleads, or attempts

Action	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.
Z11.1	A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
Z11.2	The <i>Employer</i> may terminate the <i>Contractor's</i> obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the <i>Contractor</i> did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the <i>Employer</i> 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 <i>Employer</i> can terminate the <i>Contractor's</i> obligation to Provide the Services for this reason.
Z11.3	If the <i>Employer</i> terminates the <i>Contractor's</i> obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.
Z11.4	A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the <i>Employer</i> does not have a contractual bond with the Committing Party, the <i>Contractor</i> ensures that the Committing Party co-operates fully with an investigation.

Z12 Insurance

Z 12 .1 Replace core clause 83 with the following:

Insurance cover	83
	83.1 When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.
	83.2 The <i>Contractor</i> provides the insurances stated in the Insurance Table A from the <i>starting date</i> until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

Insurance against	Minimum amount of cover or minimum limit of indemnity
Loss of or damage caused by the <i>Contractor</i> to the <i>Employer's</i> property	The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
Loss of or damage to Plant and Materials	The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.

Loss of or damage to Equipment	The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
The <i>Contractor's</i> liability for 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	<u>Loss of or damage to property</u> The replacement cost <u>Bodily injury to or death of a person</u> The amount required by the applicable law.
Liability for 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	The amount required by the applicable law

Z 12.2 Replace core clause 86 with the following:

**Insurance
by the
Employer**

86

86.1 The *Employer* provides the insurances stated in the Insurance Table B

INSURANCE TABLE B

Insurance against or name of policy	Minimum amount of cover or minimum limit of indemnity
Assets All Risk	Per the insurance policy document
Contract Works insurance	Per the insurance policy document
Environmental Liability	Per the insurance policy document
General and Public Liability	Per the insurance policy document
Transportation (Marine)	Per the insurance policy document
Motor Fleet and Mobile Plant	Per the insurance policy document
Terrorism	Per the insurance policy document
Cyber Liability	Per the insurance policy document
Nuclear Material Damage and Business Interruption	Per the insurance policy document
Nuclear Material Damage Terrorism	Per the insurance policy document

Z13 Nuclear Liability

Z13.1 The *Employer* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.

Z13.2	The <i>Employer</i> is solely responsible for and indemnifies the <i>Contractor</i> or any other person against any and all liabilities which the <i>Contractor</i> or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the <i>Contractor</i> or any other person or the presence of the <i>Contractor</i> or that person or any property of the <i>Contractor</i> or such person at or in the KNPS or on the KNPS site, without the permission of the <i>Employer</i> or of a person acting on behalf of the <i>Employer</i> .
Z13.3	Subject to clause Z13.4 below, the <i>Employer</i> waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the <i>Contractor</i> or any other person, or the presence of the <i>Contractor</i> or that person or any property of the <i>Contractor</i> or such person at or in the KNPS or on the KNPS site, without the permission of the <i>Employer</i> or of a person acting on behalf of the <i>Employer</i> .
Z13.4	The <i>Employer</i> does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.
Z13.5	The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 Asbestos

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

AAIA	means approved asbestos inspection authority.
ACM	means asbestos containing materials.
AL	means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.
Ambient Air	means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
Compliance Monitoring	means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
OEL	means occupational exposure limit.
Parallel Measurements	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
Safe Levels	means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
Standard	means the <i>Employer's</i> Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
SANAS	means the South African National Accreditation System.
TWA	means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

Z14.1	The <i>Employer</i> ensures that the Ambient Air in the area where the <i>Contractor</i> will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated
-------	--

asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.

Z14.2	Upon written request by the <i>Contractor</i> , the <i>Employer</i> certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The <i>Contractor</i> may perform Parallel Measurements and related control measures at the <i>Contractor's</i> expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
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Z14.3	The <i>Employer</i> manages asbestos and ACM according to the Standard.
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Z14.4	In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.
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Z14.5	The <i>Contractor's</i> personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.
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Z14.6	The <i>Contractor</i> continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.
-------	--

Z14.7	Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the <i>Employer</i> at the <i>Employer's</i> expense, and conducted in line with South African legislation.
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C1.2 Contract Data

Part two - Data provided by the *Contractor*

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

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

Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract April 2013 and the relevant parts of its Guidance Notes (TSC3-GN)³ in order to understand the implications of this Data which the tenderer is required to complete.
2. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data.
3. Where a form field like this [] appears, data is required to be inserted relevant to the option selected. Click on the form field **once** and type in the data. Otherwise complete by hand and in ink.

Completion of the data in full, according to Options chosen, is essential to create a complete contract.

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name):	
	Address	
	Tel No.	
	Fax No.	
11.2(8)	The <i>direct fee percentage</i> is	%
	The <i>subcontracted fee percentage</i> is	%
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are:	
	1 Name:	
	Job:	
	Responsibilities:	
	Qualifications:	
	Experience:	
	2 Name:	
	Job	

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

Responsibilities:

Qualifications:

Experience:

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

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

PART 2: PRICING DATA
TSC3 Option A

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

C2.1 Pricing assumptions: Option A

1. 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.

2. 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.

3. 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).

4. 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.

4.1 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*

ITEM NO.	DESCRIPTION	UNIT	QUANTITY	RATE	AMOUNT
1	Sere Substation 2.6 MVA 33/0.69KV	ea	1		
2	Uitkyk Transformer 1 20 MVA 132/22KV	ea	1		
3	Matla Overland 1.6 MVA 11/3.3KV	ea	1		
4	Kriel PS 5 MVA 11/0.4KV	ea	1		

The total of the Prices

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

C3.1: EMPLOYER'S SERVICE INFORMATION

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- 1.3 Interpretation and terminology **Error! Bookmark not defined.**

2 Management strategy and start up. v

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- 2.2 Management meetings vi
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1. Description of the service

1.1 Executive overview

The *Employer* requires the *Contractor* to execute full rewind and associated refurbishment services for various medium and power transformers under individual Task Orders. The initial identified units include Sere Substation 2.6 MVA, Uitkyk Transformer 1 20 MVA, Matla Overland 5 MVA and Kriel Power Station 5 MVA.

Detailed scopes are incorporated in Annexures. The *Employer* to issue a Task Order for each unit, identifying the applicable scope, access point, completion date, Price List items and *Employer*-furnished information.

The services are performed principally at the *Contractor's* premises or another facility accepted by the *Service Manager*. The *Contractor* collects each transformer and its loose parts from the *Employer's* premises, assumes care, custody and control at handover, transports the unit safely, performs engineering, rewind, repair, refurbishment and testing, and delivers it back to the nominated *Employer* premises. Dispatch from the *Contractor's* facility occurs only after the *Employer* has accepted the FAT results and the fully completed and signed PQP/QCP dossier.

1.2 Employer's requirements for the service

- Plan, engineer, manage and execute the complete service for each Task Order within the accepted programme and required completion date.
- Conduct a joint collection inspection; record nameplate data, condition, loose parts, oil status, photographs, seals and shortages; issue a signed custody handover record.
- Provide all suitable transport, permits, route surveys, loading/off-loading, lifting, jacking, securing, weather protection, impact recording and insurance required for both journeys.
- At the *Contractor's* facility, receive, preserve, store, dismantle, inspect, investigate, redesign where specified, manufacture windings and insulation, repair the active part, tank and accessories, dry, assemble, oil fill, paint and test the transformer.
- Submit the project-specific PQP and QCP/Inspection and Test Plan for acceptance by the *Employer's* Engineering and Quality teams before physical work starts. No work past a hold point may proceed without written release.
- Notify the *Service Manager* of defects, discrepancies or additional work immediately. No change to the accepted scope, design, materials or process is implemented without an instruction under the contract.
- Provide competent supervision, engineering, quality, safety, logistics, artisans, calibrated equipment, test facilities, consumables, replacement Plant and Materials and complete records.
- Conduct FAT at the *Contractor's* facility with the *Employer's* nominated representatives present where required. Correct defects and repeat affected tests at the *Contractor's* cost where the defect results from its work.
- Compile the manufacturing and data record book. Obtain signatures at each QCP point and submit the complete signed dossier for acceptance before dispatch.
- Return the transformer and all listed parts to the *Employer's* nominated premises, off-load where included in the Task Order, conduct a joint receipt inspection and close all transport exceptions.

1.3 Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
Affected Property	Each transformer, its oil, loose parts, accessories, records and any <i>Employer</i> premises used for collection or return.
FAT	Factory Acceptance Test performed at the <i>Contractor's</i> accepted facility.
ITP/QCP	Inspection and Test Plan / Quality Control Plan defining activities, criteria, records and intervention points.

Abbreviation	Meaning given to the abbreviation
PQP	Project Quality Plan specific to the contract and each transformer.
MDR	Manufacturing Data Record / quality dossier.
Hold point H	Work may not proceed without written release by the identified accepting authority.
Witness point W	Advance notice is given; work may proceed after the notified time if the witness does not attend unless instructed otherwise.
Review point R	Document submitted for review/acceptance before use.
Task Order	Instruction under Option X19 describing a unit-specific task.
NCR	Non-conformance report.

2. Management strategy and start up.

2.1 The Contractor's plan for the service

Within the period stated in the Contract Data, and before collection of the first unit, the *Contractor* submits a detailed programme for acceptance. A separate Task Order programme is submitted for every transformer and is updated at least weekly. The programme shows interfaces, logic, float, resources, procurement, design reviews, quality intervention points and completion forecasts.

In addition, the programme shows:

- All activities defined in the activity schedule.
- The program indicates the start date, Completion Date and duration of each activity.
- The programme's revision number
- All activities defined in the activity schedule.

The programme identifies critical path, planned completion, float, hold/witness points, shutdowns, long-lead items, *Employer* inputs and recovery actions. Progress is measured against the accepted baseline using objective quantities and signed QCP records.

2.2 Management meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Kick-off meeting	Interval: Once-off	MS Teams	<i>Employer, Service Manager, Contractor, and Others as required</i>
Overall contract progress and feedback	Interval: Weekly	MS Teams	<i>Employer, Service Manager, Contractor, and Others as required</i>
Risk Reduction meeting	Adhoc	MS Teams	<i>Employer, Service Manager, Contractor, and Others as required</i>
At the risk reduction meetings items as prescribed in TSC Clause 16.2 and 16.3 are discussed. The Risk Register is updated by <i>Service Manager</i> and distributed within five days of the meeting.			
Meetings of a specialist nature	Adhoc	MS Teams	<i>Employer, Service Manager, Contractor, and Others as required</i>
Meetings of a specialist nature may be convened by persons and at times and locations to suit the Parties, the nature and the progress of the <i>service</i> .			

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

The *Contractor* provides a single accountable Contract Manager and suitably qualified Transformer Design Engineer, Production Manager, Quality Manager/representative, SHE representative, Logistics/Heavy Transport Coordinator, winding supervisor, active-part/tanking supervisor, test engineer and document controller.

Key people remain available for the service and are replaced only with persons of equivalent or better competence following the required acceptance. The *Contractor* maintains direct supervision of all work, including work by *Subcontractors*.

2.4 Provision of bonds and guarantees

Not applicable

2.5 Documentation control

All the drawings if any issued by the *Employer* for this contract is copyright protected and are not to be copied by the *Contractor*. It is the responsibility of the contractor to update any drawings that may have changed due to modifications on the transformers. These drawings should be submitted and registered correctly by the *Contractor* to the *Service manager*.

All formal communications use the contract number, Task Order number, transformer project number and serial number, document type, sequential number, revision and status. The *Contractor* maintains current registers for correspondence, drawings, technical queries, concessions, NCRs, early warnings, compensation events, QCP points, calibration, materials, test records and the MDR.

Contractual instructions and acceptances are issued separately from meeting minutes and email narrative. Electronic documents are searchable PDF plus native format where applicable. Superseded copies are withdrawn and retained as controlled records.

The *Contractor* submits all documentation on a formal transmittal form to the *Service Manager*. All manuals, documents, drawings and engineering documentation shall be presented in Brith English. All communication will be filed and kept on site at all times as it is crucial to have the correct communication structures.

Contractor Document Submission Schedule (CDSS)

Document	Submission requirement
Task Order programme	Submitted in Primavera P6 native format and PDF within seven days after receipt of the Task Order. Updates are submitted at the intervals stated in the Scope.
Project Quality Plan and QCP/ITP	Submitted for acceptance not less than one month before starting the related work. The <i>Contractor</i> does not commence the affected activities until the documents have been accepted.
Weekly progress report	Submitted weekly on the day and in the format agreed with the <i>Service Manager</i> .
Technical report and data pack	A draft data pack is submitted before FAT. The final report and fully signed data pack are submitted within seven days after FAT and accepted before Completion, handover or dispatch of the transformer.

2.6 Invoicing and payment

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

The *Contractor* shall address the tax invoice to _____ 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)

2.7 Contract change management

The *Contractor* is responsible to document changes to the service and resolve any required changes on his design/equipment.

The *Contractor* gives early warning and notifies events strictly in accordance with the terms of this contract. Quotations identify schedule effect, assumptions, quantities, labour, Equipment, materials and Subcontractor costs. No additional work is performed without a *Service Manager* instruction except immediate action necessary to protect people or the Affected Property, which is notified promptly.

The *Contractor* retains auditable records relevant to compensation events and makes them available electronically.

2.8 Records of Defined Cost to be kept by the Contractor

The *Contractor* keeps records of defined costs and submits them to the *Service Manager* for Compensation Event when required for the purpose of assessing Compensation Events. The submission of such records does not automatically entitle the *Contractor* to Compensation Events.

2.9 Insurance provided by the Employer

The *Employer* will provide the insurances as stated in Part one - Data provided by the *Employer*, INSURANCE TABLE B

2.10 Training workshops and technology transfer

At each FAT or as instructed, the *Contractor* provides a technical close-out briefing covering design changes, repair findings, operating limitations, recommended maintenance, test trends and preservation/transport requirements. All supporting editable drawings, calculations, specifications and manuals become part of the MDR.

2.11 Design and supply of Equipment

The *Contractor* provides all Equipment necessary to Provide the Service, including transport, lifting, handling, winding, drying, oil-processing, painting and testing Equipment.

All Equipment is suitable for its intended purpose, properly maintained, certified and operated by competent persons. Measuring and test Equipment is calibrated and traceable to recognised standards.

The *Contractor* submits designs, calculations, certificates, lifting plans, risk assessments and method statements for safety-critical or specially designed Equipment to the *Service Manager* for acceptance before use.

The *Contractor* maintains an Equipment register and makes inspection, certification and calibration records available to the *Employer*. Defective or uncertified Equipment is immediately removed from service.

Acceptance by the *Service Manager* does not relieve the *Contractor* of responsibility for the design, adequacy, safety, operation or performance of the Equipment.

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

2.12.1 Equipment

None, unless stated in a Task Order.

2.12.2 Information and other things

Complete accepted MDRs; winding and insulation specifications; calculations; material and oil certificates; drying charts; calibrated test results; FAT report; NCR and concession close-out; warranties; photographs; transport/impact records; preservation instructions; signed PQP/QCP; delivery notes; and a final contract close-out report.

2.13 Management of work done by Task Order

The *Services Manager* issues the task order to the contract in a timely manner that allows the *Contractor* to properly plan the service within the period(s) stated on the task order.

The *Contractor* performs the service in accordance with the task order issued and completes it within the period specified in the task order.

Each Task Order states the transformer identity, collection and delivery locations, required scope and annexure, access dates, completion date, Price List items, *Employer* furnished items, Others, constraints and required programme.

The *Contractor* confirms readiness and submits its Task Order programme before collection. A Task Order does not amend the contract. Work outside a Task Order requires a separate instruction under the contract.

3. Health and safety, the environment and quality assurance

3.1 Health and safety risk management

The *Contractor* complies with the Occupational Health and Safety Act 85 of 1993 and applicable regulations, the *Employer's* enquiry-specific SHE requirements, its accepted SHE plan and the rules of each affected premises. It prepares task-specific risk assessments, safe work procedures and lifting plans for transport, rigging, jacking, tank entry, electrical testing, work at height, pressure/vacuum work, hot work, blasting, painting, oil handling and use of hazardous chemicals. Personnel are trained, medically fit and authorised. Incidents, near misses and unsafe conditions are reported immediately and investigated. The *Contractor* may stop unsafe work and protects the public, *Employer* personnel and property.

3.2 Environmental constraints and management

The *Contractor* prevents soil, stormwater and groundwater contamination; uses bunded oil storage and spill controls; manages PCB risk and laboratory verification where required; controls blasting media, paint, solvents, dust, noise and emissions; and disposes of waste only through authorised routes with waste manifests.

Transformer oil, scrap copper, core steel and removed components remain *Employer* property unless a Task Order states otherwise and are separately identified, secured and returned or disposed of only on written instruction.

3.3 Quality assurance requirements

The *Contractor* operates a quality management system compliant with ISO 9001 and the tender/contract quality requirements 240-105658000, 240-68099512, 240-12248652 and method statement template referenced in the procurement strategy. The *Contractor* submits a contract PQP and a transformer-specific QCP/ITP for acceptance by the *Employer* Engineering and Quality team. Acceptance is a condition precedent to starting the affected work and does not relieve the *Contractor* of responsibility.

- The PQP identifies scope, organisation, interfaces, document control, design control, competence, procurement controls, identification and traceability, preservation, calibration, inspection/testing, NCR and concession control, corrective action, audits, records and dossier compilation.
- The QCP lists every activity in sequence, applicable procedure/drawing/specification, acceptance criterion, record, responsible person and *Contractor/Employer* intervention point. It includes the points in Annexure C as a minimum.
- QCP entries are completed contemporaneously in permanent form. The responsible *Contractor* representative and *Employer* witness/releaser sign the applicable points. Backdating or reconstruction of records is prohibited.
- The *Contractor* provides at least five working days' notice for local hold/witness points and ten working days for FAT unless otherwise agreed.
- Any departure is recorded on an NCR. Repair, rework, use-as-is or concession dispositions require the stated technical acceptance before implementation. All NCRs are closed before FAT acceptance and dispatch unless specifically accepted otherwise.
- The *Employer* may audit the *Contractor* and its *Subcontractors* at any reasonable time and may access work, records, laboratories and stores.

4. Procurement

4.1 People

The *Contractor* uses only traceable, specification-compliant materials and competent suppliers. Purchase documents flow down technical, quality, certification, inspection, preservation, warranty and record requirements. Long-lead items are identified in the programme and expedited. Substitution of approved materials, designs or suppliers requires prior written acceptance by the *Service Manager*.

4.1.1 Minimum requirements of people employed

Engineering and testing are controlled by appropriately registered or demonstrably competent transformer specialists. Artisans are trade-tested or otherwise qualified for their tasks. NDT, oil laboratory, HV testing, rigging, crane and hazardous-work personnel hold current relevant certification. The *Contractor* keeps competence and authorisation records available for audit.

4.1.2 BBBEE and preferencing scheme

Not applicable

4.1.3 Accelerated Shared Growth Initiative – South Africa (ASGI-SA)

Not applicable

4.2 Subcontracting

4.2.1 Preferred subcontractors

Not applicable

4.2.2 Subcontract documentation, and assessment of subcontract tenders

Not applicable

4.2.3 Limitations on subcontracting

Not applicable

4.2.4 Attendance on subcontractors

Not applicable

4.2 Plant and Materials

Copper recovered from the dismantled transformer windings remains the property of the *Employer* until its quantity and value have been verified and accepted by the *Service Manager*. The *Contractor* weighs, records and retains the recovered copper in accordance with the agreed valuation mechanism stated in the Contract Data.

The accepted value of the recovered copper is credited to the *Employer* as a deduction from the amount due for the new copper supplied under the relevant Task Order. Ownership of the recovered copper passes to the *Contractor* only after the credit has been reflected in an accepted assessment and the corresponding invoice.

4.3.1 Specifications

Plant and Materials incorporated in a transformer are new unless the Task Order expressly permits refurbishment or reuse, are fully traceable and conform to the accepted design, drawings, applicable Eskom specifications and IEC 60076 series. They are compatible with existing materials, oil and service conditions and are fit for the transformer's intended duty. Certificates of conformity and test certificates are included in the MDR.

4.3.2 Correction of defects

Defective or nonconforming items are segregated, identified and controlled through NCR. The *Contractor* does not repair or use a nonconforming item without an accepted disposition. Where quality or remaining life cannot be demonstrated, the item is replaced. Correction and repeat inspection/testing are at the *Contractor's* cost where attributable to its work.

4.3.3 Contractor's procurement of Plant and Materials

Defective or nonconforming items are segregated, identified and controlled through NCR. The *Contractor* does not repair or use a nonconforming item without acceptance by the *Service Manager*. Where quality or remaining life cannot be demonstrated, the item is replaced. Correction and repeat inspection/testing are at the *Contractor's* cost where attributable to its work.

4.3.4 Tests and inspections before delivery

Tests are performed to accepted procedures by competent persons using calibrated equipment traceable to recognised standards. Results include transformer identity, environmental conditions, instrument identification and calibration status, connections, test values, acceptance criteria, deviations and signatures. The *Contractor* provides safe test facilities, power, test leads, barriers, instruments, oil

and paper samples and all consumables. The *Employer* provides witnesses but no test Equipment unless stated in a Task Order.

Minimum inspection and test stages

Stage	Minimum inspection or test
Receipt and dismantling	Identity, condition, photographs, oil/loose-parts inventory, as-found tests, dimensional and design data; defect report.
Windings and insulation	Design/winding specification acceptance; material certificates; conductor/insulation dimensional checks; continuity and parallel paths; resistance; press records; moisture below 0.8%; DP testing where specified.
Core and active part	Cleanliness and damage inspection; core insulation resistance; blocking/clamping dimensions; torque; ratio, polarity, magnetisation, impedance and resistance at specified assembly stages.
Drying	Accepted cycle/procedure; calibrated temperature/vacuum records; active-part moisture below 0.5%; oil-laboratory or accepted verification certificate.
Tank accessories and paint	Tank, radiators, conservator, pipework and valve inspection/leak tests; accessory function; surface preparation; coating system, colour and dry-film-thickness records.
Final tanking and oil	Final inspection; core-to-earth and insulation checks; ratio, polarity, magnetisation, impedance and resistance; certified virgin uninhibited oil; vacuum filling; 12-hour circulation and 12-hour standing; DGA, dielectric strength and moisture.
FAT	Applicable routine/special tests in Annexure D and Task Order; signed test sheets; punch-list and NCR closure.
Dispatch and delivery	Final inspection; preservation; impact recorder; IR before/after loading where specified; packing/load security; joint return condition and inventory inspection.

FAT notice acceptance and dispatch release

The *Contractor* submits a FAT readiness notification and written notice at least 5 working days before FAT. FAT does not begin until the *Service Manager* confirms readiness. The *Employer* may witness, waive attendance without waiving the test, or instruct repeat testing where records or conditions are inadequate. FAT acceptance requires compliant results, closure of FAT punch items and acceptance of the FAT report. Dispatch additionally requires acceptance of the fully signed PQP/QCP and complete MDR. The *Contractor* issues a written release request and does not load or dispatch until written release is received.

4.3.5 Plant & Materials provided “free issue” by the *Employer*

Not applicable

4.3.6 Cataloguing requirements by the *Contractor*

Not applicable

5. Working on the Affected Property

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

The *Contractor* complies with the *Employer's* security, access-control, induction, permit-to-work, traffic, safety, environmental and site regulations while collecting or returning transformers and associated components.

The *Contractor* submits the details of its personnel, vehicles, drivers, lifting equipment and *Subcontractors* within the required notice period to obtain site access. All personnel carry valid identification, complete the required induction and hold the necessary licences, medical certificates, competency certificates and work permits.

Vehicles and Equipment entering or leaving the *Employer's* premises are subject to security searches, inspection and verification. No *Employer* property, transformer component, oil, material or document may be removed without an authorised gate release, delivery note or property-removal permit.

The *Contractor* restricts its activities to the approved collection, loading, off-loading and delivery areas and follows instructions issued by the *Service Manager* or authorised *Employer* representative. Photography, recording and the use of restricted electronic devices require prior approval.

The *Contractor* remains responsible for the conduct and supervision of its employees and *Subcontractors* while on the *Employer's* premises. Any breach of security or site regulations may result in the removal of the affected person from the site without relieving the *Contractor* of its obligations under the contract.

5.2 People restrictions, hours of work, conduct and records

The *Contractor* ensures that only suitably qualified, competent, medically fit, inducted and authorised personnel enter the *Employer's* premises or perform the service. Personnel requiring statutory licences, trade qualifications, competency certificates or permits provide valid evidence before commencing work.

Work at the *Employer's* premises is performed during the normal working hours stated in the Task Order or site regulations. Work outside these hours, including weekends and public holidays, requires prior acceptance by the *Service Manager* and compliance with the *Employer's* access and supervision arrangements.

5.3 Health and safety facilities on the Affected Property

The *Employer* identifies the available emergency assembly points, first-aid facilities, emergency communication systems, firefighting equipment and ablution facilities during site induction.

The *Contractor* provides all task-specific safety facilities required for collecting, loading, delivering and off-loading transformers, including PPE, first-aid kits, barricades, warning signs, fire extinguishers, spill-control equipment, lighting and fall-protection arrangements.

5.4 Environmental controls, fauna & flora

Not applicable

5.5 Cooperating with and obtaining acceptance of Others

The *Contractor* co-operates with and does not delay, impede, or otherwise impair the work of Others.

5.6 Records of Contractor's Equipment

The *Contractor* maintains an up-to-date register of all Equipment used to Provide the Service, including vehicles, cranes, lifting tackle, test instruments and specialised transformer-handling equipment.

The register records ownership, identification number, capacity, inspection status, calibration status and certification expiry dates. The *Contractor* makes these records available to the *Service Manager* upon request and immediately removes any defective, uncertified or overdue Equipment from service.

5.7 Equipment provided by the Employer

None

5.8 Site services and facilities

5.8.1 Provided by the Employer

None

5.8.2 Provided by the Contractor

The *Contractor* provides all facilities, services, Equipment and resources necessary to Provide the Service at its premises and during collection and delivery. These include suitable workshop and storage

areas, cranes and lifting equipment, transport, tools, test facilities, power, water, lighting, communication, security, fire protection, spill-control equipment, waste disposal and welfare facilities.

The *Contractor* maintains these facilities in a safe and serviceable condition and removes all temporary facilities, Equipment and waste upon completion of the service.

5.9 Control of noise, dust, water and waste

The *Contractor* controls noise, dust, wastewater, oil, chemicals and waste generated while Providing the Service and complies with applicable legislation and the *Employer's* environmental requirements.

The *Contractor* prevents contamination of soil, stormwater and groundwater; provides suitable extraction, bunding and spill-control measures; and stores, transports and disposes of waste through authorised service providers. Waste disposal certificates and environmental records are retained and made available to the *Service Manager* upon request.

5.10 Hook ups to existing works

Not applicable

5.11 Tests and inspections

The *Contractor* notifies the *Service Manager* at least 5 working days before the planned final inspection and handover of each transformer. The *Contractor* does not proceed with handover until the final inspection has been completed and any identified Defects affecting handover have been corrected or otherwise dealt with in accordance with the contract.

5.11.1 Description of tests and inspections

The *Contractor* performs all inspections and tests specified in the accepted Scope of Work, PQP/QCP, applicable Eskom specifications and IEC 60076 standards. These include but not limited to:

- Incoming and dismantling inspections;
- Winding continuity and resistance tests;
- Core and insulation-resistance tests;
- Ratio, polarity, magnetisation and impedance tests;
- Drying-process and moisture verification;
- Tank, radiator and pipework leak tests;
- Tap changer, bushings, CTs, protection devices and auxiliary equipment checks;
- Oil dielectric-strength, moisture and dissolved-gas analysis;
- Paint surface-preparation and dry-film-thickness inspections;
- Separate-source and induced-overvoltage tests;
- No-load and load-loss tests;
- Tan-delta, partial-discharge, SFRA and temperature-rise tests where specified; and
- Final FAT, completeness and dispatch inspections.

Tests are conducted by competent personnel using calibrated equipment. The *Contractor* gives the *Employer* the required notice of hold and witness points and submits signed results for acceptance. The transformer is not dispatched until the FAT results and fully signed PQP/QCP have been accepted by the Employer.

5.11.2 Materials facilities and samples for tests and inspections

The *Contractor* provides all materials, calibrated test equipment, instruments, laboratories, competent personnel, power supplies and facilities required to conduct the specified inspections and tests.

The *Contractor* obtains and preserves representative transformer oil, insulation paper, paint and other required samples and submits them to suitably accredited or accepted laboratories. Samples are clearly identified and traceable to the relevant transformer, component, test stage and Task Order.

The *Contractor* provides the *Employer* with safe access to witness tests and makes all procedures, calibration certificates, laboratory certificates and test results available for review. The *Employer* provides its own representatives for witnessing unless otherwise stated in the Task Order.

6. List of drawings

6.1 Drawings issued by the *Employer*

This is the list of drawings issued by the *Employer* at or before the Contract Date and which apply to this contract.

Drawing number	Revision	Title