

NEC3 Term Service Contract (TSC3)

**Between ESKOM ROTEK INDUSTRIES SOC Ltd
(Reg No. 1990/006897/30)**

and

for THE SUPPLY OF A OIL PURIFICATION SERVICES

Contents:

Part C1	Agreements & Contract Data
Part C2	Pricing Data
Part C3	Scope of Work

CONTRACT No.	RRR00
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Documentation prepared by:

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PART C1: AGREEMENTS & CONTRACT DATA

Contents:

C1.1	Form of Offer and Acceptance
C1.2a	Contract Data provided by the <i>Employer</i>
C1.2b	Contract Data provided by the <i>Contractor</i>

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:

THE SUPPLY OF OIL PURIFICATION SERVICES

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	N/A - Enabling Contract
	Value Added Tax @ 15% is	N/A - Enabling Contract
	The offered total of the amount due inclusive of VAT is ¹	N/A - Enabling Contract
	including VAT. The Price will be based on the Rate Table in C2 of this Contract, the Price per SOW will be determined per Task Order issued on a as and when required basis.	

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

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**

Gersh Bonga
General Manager
Turbo Gen Services
Eskom Rotek Industries SOC Ltd.
Lower Germiston Road
Cleveland
Johannesburg
2022

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		Not applicable.
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

Name &
signature
of witness

Date

Gersh Bonga
General Manager
Turbo Gen Services

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

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

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

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	dispute resolution Option	A: Priced contract with price list W1: Dispute resolution procedure
	and secondary Options	X1: Price adjustment for inflation X2: Changes in the law X18: Limitations of liability X19: Task Order X20: Key Performance indicators Z: Additional conditions of contract
10.1	of the NEC3 Term Service Contract April 2013 ² (TSC3)	
	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 4295
10.1	The <i>Service Manager</i> is (name):	
	Address	ERI Rosherville Offices
	Tel	011 629 4011
	e-mail	@eskom.co.za
11.2(13)	The Affected Property is	Various Eskom Sites.

11.2(14)	The <i>service</i> is	The supply of oil purification services
11.2(15)	The following matters will be included in the Risk Register	<ul style="list-style-type: none"> • Outage movements • Breakdowns • Scope creep and emergent work • Pandemics • Identified outages may be after the end of the Service period so that it does not disrupt an outage.
12.2	The Service Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference
13.1	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.3	The <i>language of this contract</i> is	English
2	The <i>period for reply</i> is	12 hours for Outages / 2 days for Planning, Immediately for Health and Safety issues.
21.1	The Contractor's main responsibilities	As per the scope of work defined in Part 3 of this contract.
3	The <i>Contractor</i> submits a first plan for acceptance within	One week of the Contract Date and as stated in each Task Order, as applicable.
30.1	Time	
30.1	The <i>starting date</i> is.	<p>Date of Signature of contract and issue of the official order.</p> <p>The individual Task order dates will stipulate start and end dates, this will apply per SOW and must be mutually agreed between both parties</p>
4	The <i>service period</i> is	<p>5 Years from date of signature.</p> <p>This contract is an enabling contract the need will be dictated by business requirements.</p>
42	The defects date is	<p>52 weeks after the completion of each task order.</p> <p>The time to respond to a defect's notification will be 2 calendar days.</p>
42(cont.)	Notifying and correcting Defects	As per clause 42.1, 42.2 and 42.3 of the NEC contract
50.1	Payment	
51.1	The <i>assessment interval</i> is	<p>As stated on each individual Task Order.</p> <p>Should the SOW duration be longer than 30 days, a mutually agreed payment structure will be entered into the assessment schedule of the Task Order.</p> <p>It must be noted that payment will be made on actual progress completed. The assessment certificate must be signed by the relevant Project Manager and the Contractor's representative, upon agreement. This certificate</p>

	must accompany the tax invoice.																			
51.2	The <i>currency of this contract</i> is the	South African Rand.																		
51.4	The period within which payments are made is	Within 60 days of receipt of the Contractor's tax compliant invoice.																		
51.5	Retention for performance measurement	Not applicable																		
6	The <i>interest rate</i> is	Zero percent above 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 Rand.																		
7	Compensation events	Any additional scope that was not catered for in the tender.																		
8	Use of Equipment Plant and Materials																			
80	Risks and insurance																			
80.1	These are additional <i>Employer's</i> risks	None																		
83.1	The <i>Employer</i> provides the insurances stated in the Insurance Table below. INSURANCE TABLE <table><tr><th>Insurance against</th><th>Minimum amount of cover or minimum limit of indemnity as stated for "Format TSC3" available on</th></tr><tr><td>Assets All Risk</td><td>As per the insurance policy document.</td></tr><tr><td>Project insurance</td><td>As per the insurance policy document.</td></tr><tr><td>General and Public Liability</td><td>As per the insurance policy document.</td></tr><tr><td>Environmental Liability</td><td>As per the insurance policy document.</td></tr><tr><td>Transport (Marine)</td><td>As per the insurance policy document.</td></tr><tr><td>Motor Fleet and Mobile Plant</td><td>As per the insurance policy document.</td></tr><tr><td>Terrorism</td><td>As per the insurance policy document.</td></tr><tr><td>Cyber Liability</td><td>As per the insurance policy document.</td></tr></table>		Insurance against	Minimum amount of cover or minimum limit of indemnity as stated for "Format TSC3" available on	Assets All Risk	As per the insurance policy document.	Project insurance	As per the insurance policy document.	General and Public Liability	As per the insurance policy document.	Environmental Liability	As per the insurance policy document.	Transport (Marine)	As per the insurance policy document.	Motor Fleet and Mobile Plant	As per the insurance policy document.	Terrorism	As per the insurance policy document.	Cyber Liability	As per the insurance policy document.
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Terrorism	As per the insurance policy document.																			
Cyber Liability	As per the insurance policy document.																			
83.1	The <i>Contractor</i> provides the insurances stated in the Insurance Table The insurances provide cover for events which are at the <i>Contractor's</i> risk from the <i>starting date</i> until the end of the <i>service period</i> or a termination certificate has been issued INSURANCE TABLE <table><tr><th>Insurance against</th><th>Minimum amount of cover or minimum limit of indemnity</th></tr><tr><td>Loss of or damage caused by the <i>Contractor</i> to the <i>Employer's</i> property</td><td>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.</td></tr></table>		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.														
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	<p>Loss of or damage to Plant and Materials</p> <p>Loss of or damage to Equipment</p> <p>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</p> <p>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</p>	<p>The replacement cost where not covered by the <i>Employer's</i> insurance.</p> <p>The <i>Employer's</i> policy deductible as at contract date, where covered by the <i>Employer's</i> insurance.</p> <p>The replacement cost where not covered by the <i>Employer's</i> insurance.</p> <p>The <i>Employer's</i> policy deductible as at contract date, where covered by the <i>Employer's</i> insurance.</p> <p><u>Loss of or damage to property</u> The replacement cost</p> <p><u>Bodily injury to or death of a person</u> The amount required by the applicable law.</p> <p>The amount required by the applicable law</p>
9	Termination	
90.1		The Employer may terminate the Contract for any reason suffice that the reason given by the Employer complies with this contract and is in terms of clause 90.1."
90.2		In terms of clause 90.2 of the <i>conditions of contract</i> , the <i>Employer</i> may terminate for any reason other than R1-R21.
90.3		Will apply in respect of payment. All outstanding invoices and Delivery notes will be required by the Employer.
92	Procedure on Termination	
	The procedure will be as per 92.1	<ol style="list-style-type: none"> 1. The procedure will be as per 92.1 The Employer may use any plant and materials provided by the Contractor - (P1), 2. Employer's use of Plant and Materials 92.2 (P2) all plant and material paid for by Employer remains the property of the Employer. 3. 92.2 (P4) all SOW and services that is due as per Official Orders issued are to be delivered to the Employer.
	Data for main Option clause	Option A
20.5		Priced contract with price list

	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	Not applicable as the full supply of the <i>service</i> is unknown.
W1.1	Data for Option W1	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 <i>Adjudicator</i>	the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).the Chairman of the Joint Civils Division of the South African Institution of Civil Engineering. (See www.jointcivils.co.za
	Address	Johannesburg, South Africa
W1.2(3)	e-mail	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>Adjudicator nominating body</i> is:	the Chairman of the Joint Civils Division of the South African Institution of Civil Engineering. (See www.jointcivils.co.za)
W1.4(5)	The <i>tribunal</i> is:	arbitration
	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	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.
12	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	
X1	Data for secondary Option clauses	
X1.1	Price adjustment for inflation	
	The <i>base date</i> for indices is	This is a month-to-month Contract, for a maximum period of 5 years The prices are fixed for the first 12 month period. There will therefore be annual escalation based on section C3 of the SEIFSA labour Rates Table and will be applied when applicable.
X2	Changes in the law	This parties will abide to all South African Laws

		and regulations
X18	Limitation of liability	<p>Limitation of Liability</p> <p>The <i>Employer's</i> liability to the <i>Contractor</i> for the <i>Consultant's</i> indirect or consequential loss is limited to R0.00 (zero Rand)</p> <p>82.1: For any one event, the liability of the <i>Contractor</i> to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to the amount stated in the Contract Data. The <i>Contractor</i> is not liable to the <i>Employer</i> for loss or revenue or profit except as provided for in the conditions of Contract. Exclusions or limitation of liabilities applies in contract, delict and otherwise and to the maximum extent permitted in law.</p> <p>82.2: The <i>Contractor</i> is not liable for indirect, special, incidental or consequential damages or loss of profits or revenues, loss of data, loss of use of equipment, cost of capital, cost of substitute equipment, services of facilities.</p> <p>82.3: The <i>Contractor's</i> total liability to the <i>Employer</i> for all matters arising under or in connection with the Contract, other than the excluded matters, is limited to the Total of the Prices for the related Task Order. The excluded matters are amounts payable as stated in this Contract by the <i>Contractor</i> for loss and damage to third party property (other than the <i>Contractor's</i> Service, plant and materials) and death or injury to a person.</p>
X19	Providing the Service by Task Order	<p>Task Order</p> <p>X19.2 The amount for delay damages for late completion of the service to be calculated at 5% per week of the relevant Task Order value.</p> <p>All safety files (SHE) including Portfolio of Evidence (POE) must be finalised two days prior to the execution of a Task Order and or mobilization to site. Any delays beyond the starting date of the Services/Task Order due to non-compliant SHE files including POEs shall be treated in terms of a delay damages and imposed on the contract as follows:</p> <ul style="list-style-type: none"> • Incomplete SHE files – 1% per day • Incomplete POE's - 1% per day

	<p>X19.5 The <i>Contractor</i> submits a Task Order programme to the Service Manager within 5 days of receiving the Task Order.</p> <p>X19.6 The performance criteria will be jointly agreed between the Parties per Task Order, based on the scope in the respective Task Orders. The performance criteria are subject to the outage readiness which considers the following factors:</p> <ul style="list-style-type: none"> • Outage execution strategy • Firm definition of the scope of work • Assessment of the performance of the unit to be overhauled • Division of responsibilities • Availability of skilled resources as per the scope of work • Availability of technical documentation • A detailed outage execution plan which is mutually agreed • All spares and special tools being available • Identified emergent works and mitigations to address such emergent works <p>The Parties agree that they will collaboratively review the scope of the respective Task Orders and agree upfront on the correct resources for the execution strategy. Any delays caused by non-performing Contractor's resource may result the Employer rejecting and removing such a resource accordingly, at the Contractor's cost.</p> <p>List of outages are provided in Part 3 – Scope of Work. Task Orders will be issued for these outages but are subject to change dependent on the discretion of the <i>Employer</i> in the Main Contract with Eskom.</p> <p>Task Orders will be issued once the Scope of Work has been confirmed by Eskom. The Employer reserves the right to allocate and or re-allocate outages at the Employer's discretion dictated by business needs.</p>
	<p>The <i>additional conditions of contract</i> are</p> <p>Z1 to Z11 always apply.</p>
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	Not applicable
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 <i>Employer</i> terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.
Z4	Ethics
Z4.1	Any offer, payment, consideration, or benefit of any kind made by the <i>Contractor</i> , which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for terminating the <i>Contractor's</i> obligation to Provide the Service or taking any other action as appropriate against the <i>Contractor</i> (including civil or criminal action).
Z4.2	<p>The <i>Employer</i> may terminate the <i>Contractor's</i> obligation to Provide the Service if the <i>Contractor</i> (or any member of the <i>Contractor</i> where the <i>Contractor</i> constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations) is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices.</p> <p>Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the <i>Employer</i> or other people or organisations and including in circumstances where the <i>Contractor</i> or any such member is removed from the an approved vendor data base of the <i>Employer</i> as a consequence of such practice.</p>
Z4.3	Notwithstanding the provisions of core clause 90.2, the procedures on termination in terms of this clause are P1, P2 and P4 as stated in the core clause 92 and the amount due is A1 and A3 as stated in core clause 93.
Z5	Confidentiality
Z5.1	The <i>Contractor / Employer</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 / Employer</i> , enters the public domain or to information which was already in the possession of the <i>Contractor / Employer</i> at the time of disclosure (evidenced by written records in existence at that time). Should the <i>Contractor / Employer</i> disclose information to Others in terms of clause 25.1, the <i>Contractor / Employer</i> ensures that the provisions of this clause are complied with by the recipient.
Z5.2	If the <i>Contractor / Employer</i> is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the Employer's <i>Service Manager</i> or <i>Contractor's Project Manager</i> .
Z5.3	In the event that the <i>Contractor / Employer</i> is, at any time, required by law to disclose any such information which is required to be kept confidential, the <i>Contractor / Employer</i> , to the extent permitted by law prior to disclosure, notifies the <i>Contractor / 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 / Employer</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.
Z5.4	The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, in the course of Providing the Service and after the end of the <i>service period</i> , requires the prior written consent of the <i>Service Manager</i> . All rights in and to all such images, for the purpose of confidentiality, vests exclusively in the <i>Employer</i> . This will however not prevent the <i>Contractor</i> to use such images (whether photographs, video footage or otherwise) for the purpose of substantiation and reserve its rights under this contract accordingly.
Z5.5	The <i>Contractor / Employer</i> ensures that all his subcontractors abide by the undertakings in this clause.
Z6	Waiver and estoppel: Add to core clause 12.3:
Z6.1	Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, the <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.
Z7	Health, safety and the environment: Add to core clause 27.4
Z7.1	<p>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>:</p> <ul style="list-style-type: none"> • 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; • 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. <p>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.</p> <p>The Contractor limits its obligations to its scope of work as indicated in each individual Task Order Issued.</p>
Z8	Provision of a Tax Invoice and interest. Add to core clause 51
Z8.1	Within one week of receiving a payment certificate from the <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.
Z8.2	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.

Z8.3	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 4330196330 on each invoice he submits for payment.
Z9	Notifying compensation events
Z9.1	<p>Delete the last paragraph of core clause 61.3 and replace with:</p> <p>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.</p>
Z10	Suspension of Task Order
Z10.1	<p>Suspension of Task Order</p> <p>In addition to X19, the following shall apply:</p> <p>Only the <i>Employer</i> is allowed to suspend or cancel a Task Order and the <i>Contractor</i> will have the opportunity to claim for work completed to date, on any specific Task Order, at the date of termination.</p> <p>Payment will only be made on actual/proven costs.</p>
Z11	Termination
Z11.1	The <i>Contractor</i> must take cognisance that the awarding of this contract is based on a month-to-month basis.
Z11.2	The <i>Employer</i> reserves the right to terminate this contract subject to 30 calendar day's written notice.
Z11.3	The <i>Contractor</i> must ensure that it has taken all the necessary steps to give effect to the <i>Employers</i> notice period without any liability to the <i>Employer</i> .
Z11.4	Over and above clause Z4, The <i>Employer</i> reserves the right to terminate this contract without Any recourse should the Contract have any legal actions, investigations or involved in any illegal or corrupt practices that may bring Eskom's reputation into disrepute. Further the <i>Employer</i> may terminate the <i>Contractor's</i> obligation to Provide the Service 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 Service for this reason.
Z12	Contractor's Obligation
Z12.1	The <i>Contractor's</i> obligation is to use skill and care normally used by professionals providing the services as detailed in the Works Information.
Z13	Intellectual Property
Z13.1	<p>All Designs, drawings, specifications, instructions, manuals and other documents created, produced by or on behalf of the <i>Contractor</i> for the purposes of carrying out the Service (collectively, the "<i>Contractor's</i> Copyright Documents") and copyright therein and all intellectual property rights relating thereto, are, will be, and will remain the property of the <i>Contractor</i>. The <i>Contractor</i> hereby grants to the <i>Employer</i> an irrevocable, royalty-free, non-exclusive and perpetual licence to use those of the <i>Contractor's</i> Copyright Documents supplied to the <i>Employer</i> under the Contract for the purpose of operating, maintaining, adjusting and repairing the Service.</p> <p>The <i>Contractor</i> shall not under any circumstances be obliged to divulge or supply any proprietary manufacturing documents, and design drawings.</p> <p>Patents and Trademarks</p>

In the event of any claims being made or actions brought against the *Employer* on the ground that the Service, Plant and Materials or the design information provided by the *Contractor* to him hereunder or the use of same as specified hereunder constitutes an infringement of any patent, trademark or copyright of the Republic of South Africa, the *Contractor* shall be promptly notified thereof and shall at its own expense conduct all negotiations for the settlement of the claim and litigation that may arise from such alleged infringement. The *Employer* shall not, before the *Contractor* shall have failed to take over the conduct of the negotiation or litigation, make any admission which might be prejudicial thereto. The *Employer* shall at the request of the *Contractor* afford him all technical assistance that the *Employer* is able to provide for the purpose of contesting any such claim or action

Should it be held in any such action that any such protected rights has been infringed, the *Contractor*, has the choice to replace or continue with the affected design at its own expense and in consultation with the *Employer*, shall either: procure for *Employer* the right to continue to use the affected item or design, or replace the said affected item or design with a non-infringing item or design of equivalent quality, or modify such affected item or design so as to make it non-infringing without affecting the quality.

Notwithstanding anything contained in this Contract, the foregoing sets forth the entire responsibility of *Contractor* with respect to claims relating to infringement and shall not apply in the case where the infringement is attributable to *Contractor* for which *Employer* shall protect *Contractor* to the same extent *Contractor* has agreed to protect the *Employer* herein.

Z14 Asbestos

Prior to the commencement of the services on site, a free measurement routine in conformity with TRGS 519 (German Technical Rules for Hazardous Substances) must be carried out, with the maximum permissible limit value being 500 fibres per m³, with an upper confidence level of the poison distribution lower than 1000 F/m³. The measurement and evaluation must be conducted according to VDI 3492 or Acceptable SABS approved standards. Results of the measurement have to be presented to the *Contractor*. The costs of the action incurred for this purpose, including any requisite follow-up measurements required by the *Contractor*, shall be borne by the *Employer*.

It is agreed between Parties that in case the measurements performed by the *Employer* show unsafe levels with regard to the above, asbestos shall be removed and disposed of by the *Employer* involving a specialist company before the *Contractor* or its contracting party start the Services.

The services on site shall then only start when the asbestos measurements showing safe levels have been presented to the *Contractor*.

Should asbestos be detected during the execution of the services, the *Contractor's* personnel will stop the work and leave the contaminated area forthwith and the *Employer* arranges for the area to be cleaned and decontaminated as per the above standards. The *Contractor* will be compensated for the waiting period according to the valid hourly rates and for all further cost incurred as a result of service interruption due to asbestos.

The services on site shall be resumed, when the asbestos measurements showing safe levels as defined above have been presented to the *Contractor*.

The contractually agreed dates for services at the site including completion date shall be adjusted accordingly.

Z15 Accommodation

- Main contractors shall not utilize Guest house with a below 3-star grade recognised by the Tourism Grading Council of South Africa (TGCSA).
- It is the Main contractor's responsibility and obligation to inspect all Guest Houses before placing their employees in the respective accommodation. Regular visits (minimum once a week) must be made to Guest Houses to ascertain the living conditions, including health and safety of their employees. Proof

- of such visit must be retained by the Main contractor should the Employer wish to conduct an audit.
- As part of the Main contractor's Human Relations policies and induction, employees should be made fully aware of the company's communication protocols including having a single point of entry for emergencies and to either raise or report any health and safety contraventions etc.
- The *Contractor* will supply all required accommodation and allowances for the duration of the *service*, the price of which is included in the Price List.

Z16 Working time

Standard normal time work schedule will be 8 hours per day, 5 days per week for maintenance and as per outage requirements for projects.

The working hours related to Services (Maintenance) will be in accordance with the scheduled working hours, which are averaged at 40 hours per week. This could vary between 40 and 60 hours depending on site requirements.

Overtime in excess of 40 hours per week (normal time) may not exceed 20 hours per week subject to Department of Labour dispensation. The *Contractor* shall apply to the Department of Labour for a dispensation of 32 hours overtime per week.

Z17 Medical Insurance, Valid Work Permits, Driver's License and PPE

The *Contractor* will ensure that all deployed employees, on this Contract, have full Medical Insurance, Valid Work Permits, a valid Driver's License (where relevant) and full required Personal Protective Equipment as per site requirements.

Z18 Nuclear Liability

Employer shall obtain and maintain, without cost to *Contractor*, nuclear liability insurance in the amount and scope of coverage required by the South African National Nuclear Regulator Act (Act No. 47 of 1999), and the rules and regulations promulgated thereunder, or in the amount of US\$450 million (or South African rand equivalent amount), whichever amount is more. Such insurance shall be in effect prior to the performance of the services and shall remain in effect for the duration of the Contract and until the Plant has been removed from supervision under laws on atomic energy by the competent South African regulatory authority. Neither the insured nor the insurers shall have any right of subrogation, recourse or otherwise against *Contractor* or its suppliers. In addition, *Employer* shall obtain and maintain, without cost to *Contractor*, insurance covering all damages due to acts of terrorism in an amount not less than US\$47.3 million. Upon issuance of a task order to *Contractor*, *Employer* shall provide proof of such insurance as required in this Paragraph A, and *Contractor* has the right to reject *Employer's* task order without liability of any kind, if the insurance does not meet the conditions set forth herein.

B. LIABILITY PROTECTION

1. This sale of products and/or services and any delivery or performance obligations pursuant to this sale are conditional upon there being in full force and effect in the Republic of South Africa a system of protection for nuclear liability to third parties under the South African National Nuclear Regulatory Act (Act No. 47 of 1999), and that such system of protection for nuclear liability will continue in effect at all times until decommissioning of the Plant and until the Plant has been removed from supervision under laws on atomic energy by the competent South African regulatory authority.

2. In the event that the system of protection for nuclear liability referred to in Paragraph B.1 above is repealed, expires or changed in a manner that reduces the level of protection afforded *Contractor* or its suppliers, *Employer* will establish, without cost to *Contractor*, until the decommissioning of the Plant and until the Plant has been removed from supervision under laws on atomic energy by the competent South African regulatory authority, a substitute system of protection against such liability which will, in its overall effect, provide protection equivalent to the protection afforded *Contractor* and its suppliers under the original system and this Appendix A. *Employer* shall promptly advise *Contractor* in writing of any changes to or amendment of the system of protection referred to in Paragraph B.1 prior to their entry into effect.

3. *Employer* shall, without cost to *Contractor*, fully comply with the domestic law referred to in Paragraph B.1 above to the effect that *Employer* shall at all times be the responsible Operator of the Plant and to the effect that *Employer* shall be solely and directly liable in accordance therewith for

any and all nuclear liability.

4. *Employer* hereby waives all rights of recourse against *Contractor* and its suppliers with respect to Liability for Nuclear Damage arising out of or resulting from the equipment or services and nothing contained herein shall be construed as creating any rights of recourse, action or otherwise against *Contractor* or its suppliers with respect to Liability for Nuclear Damage unless proven to be a direct case of gross negligence by the *Contractor* or its suppliers.

5. *Employer* hereby indemnifies and holds *Contractor* and its suppliers harmless against any Liability for Nuclear Damage arising out of or resulting from the equipment or services not covered under the arrangements provided under other provisions of this Contract.

6. Neither *Contractor* nor its suppliers shall have any Liability for Nuclear Damage to *Employer* or its insurers. *Employer* shall cause its insurers to effect a waiver of all recourse or subrogation rights against *Contractor* in any insurance policies maintained by *Employer* covering nuclear damage to property.

7. In the event the protection to be provided by *Employer* in this Appendix A is not in place at the time of the scheduled performance of services or scheduled delivery of equipment, *Contractor* shall not be required to perform services or deliver equipment but may withhold services and place the equipment in storage. Title to the equipment shall not pass to *Employer* and/or Operator, and the equipment shall not be removed from storage until such protection is afforded. However, for purposes of payment, delivery will be deemed to have been made upon placement of equipment into storage, and *Employer* will continue to make payments to *Contractor* in accordance with the payment provisions of the contract.

8. *Employer* shall not remove the equipment or the product which incorporates the equipment or upon which the services were performed or to which the services relate from the Plant site or sell or otherwise transfer any interest therein without first providing written assurances of limitations of and protection against Liability for Nuclear Damage following that proposed removal or transfer at least equivalent to that afforded *Contractor* and its suppliers as provided in this Appendix A, including the domestic law referenced in Paragraph B.1 above, and the provision General Limitations of Liability and other provisions of the contract. *Employer* shall provide to *Contractor* written confirmation that, in the event of a transfer, such assurances shall be obtained by *Employer* from the transferee. Removal or transfer contrary to this Paragraph B.8 shall, in addition to any other legal or equitable rights of *Contractor*, make *Employer* the indemnitor of *Contractor* and its suppliers to the same extent that Consultant and its suppliers would have been protected had no such removal or transfer taken place.

9. The entity executing this contract warrants that it has authority to execute this agreement on behalf of itself as the Operator and any and all other entities having an ownership interest in the Plant or property used or intended for use at the Plant, that *Employer* has legal capacity and financial power to fulfil the obligations of this Appendix A, and that nothing in this agreement is inconsistent with any provision of South African law.

C. SURVIVAL

The provisions of this Appendix A, the provision General Limitations of Liability, and other provisions of the contract providing for limitation of and protection against Liability for Nuclear Damage of Seller and its suppliers shall survive any termination, expiration or cancellation of the contract, as well as the completion of work, and shall apply notwithstanding any other provision of this or any other contract between the parties.

D. DEFINITIONS AND OTHER PROVISIONS

As used in this Appendix A, the following terms (whether or not capitalized) shall have the meanings set forth below:

1. "Liability for Nuclear Damage" means any liability for damage of any kind, whether based on contract, warranty, indemnity, tort (including negligence of whatever degree), strict liability or

otherwise, which in whole or in part is caused by, arises out of, results from or is in any way related, directly or indirectly, to either the radioactive, toxic, explosive or other hazardous properties of any nuclear or radioactive material, including amounts paid in settlements of claims or litigation, amounts paid to satisfy judgments or awards, interest, legal costs (including costs in initiating, prosecuting, investigating, settling or defending claims or suits), and fees of counsel The foregoing includes, but is not limited to liability for, loss of, or damage to, or loss of use of, any real, personal or mixed property, fixtures or equipment located at the *Employer's Plant* and whether owned by the *Employer* or any third party) or elsewhere or in the course of transportation to or from the Plant including handling or storage incidental thereto (including any equipment supplied by the Seller, any nuclear material, and any means of transport), injury, sickness, disease, disability or death, loss of actual or anticipated profits, loss by reason of Plant shutdown, nonoperation or increased expense of manufacturing or operation, service interruptions, claims of the *Employer's* customers, subcontractors or suppliers, governmental fines or penalties against the *Employer*, loss of use of capital or revenue, cost of money, radioactive contamination, measures of reinstatement of impaired environment, worker claims, preventive measures, replacement power costs, acts of terrorism, rumour damage, interest, legal costs (including costs in initiating, prosecuting, investigating, settling or defending claims or suits), and fees of counsel.

2. "Consultant" means any person, firm, corporation, vendor, subcontractor or, and/or supplier, regardless of tier, and the parent company or companies, affiliates, subsidiaries and/or related companies/entities, and the directors, officers, employees and agents of each such entity, which has furnished or is furnishing to the Agreement Company or Owner, as per the signatories, directly, any material, equipment, services, information, or any other thing in connection with the products and services.

3. "Plant" means the Koeberg Nuclear Power Station near Cape Town, Republic of South Africa, and includes all of the nuclear reactors and ancillary installations, as well as all real, personal and mixed property, fixtures, equipment, activities and operations at such location.

4. "Operator" means the organization designated by the competent South African Government regulatory authority as the operator of the Plant, which cannot be the Seller.

5. "*Employer*" means Rotek Industries, acting on behalf of the designated Operator and owner of the Plant.

6. Each Party hereby acknowledges and agrees that the provisions of this sui generis Appendix A are fair and reasonable having regard to the circumstances as the date hereof.

7. This Appendix A is intended to provide the Company and its Suppliers with protection in addition to liability protection provided by the South African National Nuclear Regulatory Act (Act No. 47 of 1999).

8. The provisions of this Appendix A shall be severable. Should any part of this Appendix A be rendered or declared invalid by a court of competent jurisdiction, such invalidation of such part or portion of this Appendix A should not invalidate the remaining portions thereof, and they shall remain in full force and effect. The provisions of this Appendix A shall be liberally constructed to effectuate its purposes..

Z19 Transport Arrangements

The *Contractor* shall ensure that resources are transported to site as per working times stipulated in clause Z16, and make provision for standby requirements after hours

Z20 Documentation required

Proof of experience and qualifications, as per the prequalification requirements work instruction 240-99475034, of the proposed *Contractor's* staff together with certificates of medical fitness to be furnished to the *Employer* before task order signature.

Z21 Estimated Price

The estimated price must be based on the scope of work as defined in Part 3 of this contract.

Z21 Localisation and Absorption of Labour

Z21.1 The *Contractor* will have to absorb the *Employer's* current staff compliment and these must form part of the Local Stake Holder Forum on all maintenance sites.

Z21.2 The *Contractor* shall ensure recruitment of employees local to the station or as per agreement with the *Employer* for outages.

C1.2 Contract Data

Part two - Data provided by the *Contractor*

Clause	Statement	Data
10.1	The <i>Contractor</i> is Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is The <i>subcontracted fee percentage</i> is	Not applicable. Not applicable.
11.2(14)	The following matters will be included in the Risk Register	Not applicable.
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	Refer to each individual Task Order.
21.1	The plan identified in the Contract Data is contained in:	Refer to each individual Task Order.
24.1	The key people are: 1 Name: Job: Responsibilities:	
	2 Name: Job: Responsibilities:	
A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	The <i>price list</i>
11.2(19)	The tendered total of the Prices is	as per Task Order

Part 2: Pricing Data**TSC3 Option A**

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

C2.1 Pricing assumptions: Option A

How work is priced and assessed for payment

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

Identified and defined terms	11	
	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 <ul style="list-style-type: none"> 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*

To be added once negotiations are concluded

C2.3 the SOW

Scope of Work

The scope of responsibility includes the delivery, transport, maintenance and operation of the various Oil Purification; Pumping; Storage; Cleaning; Flushing; Oil Condition Monitoring Services and Supply to and from listed ERI work stations and Eskom Power Stations. The services will be utilised for specified periods at the listed ERI work stations and Eskom Power Stations, as agreed upon upfront. The supplier will provide the necessary trained and licensed personnel to operate and maintain the equipment as well as to interface with the Eskom Plant. All services will be rendered as wet services.

The scope of services will be rendered to ERI, as and when required, over a period of 5 years.

General Requirements

Compliance

- It is the responsibility of the supplier to ensure that the Oil Purification services; machinery and vehicles comply to all aspects of the relevant South African Acts and Regulations, i.e. Occupational Health and Safety Act No. 85 of 1993, Road Safety Act, Driven Machinery Regulations and Traffic Safety Act.
- Further all personnel supplied to operate and maintain the machinery and vehicles must be competent and qualified to do so, with compliance to the aforementioned Acts and Regulations and procedures. Personnel must comply to the Eskom and ERI SHEQ requirements for site access and site safety, including the vehicle and machinery inspection requirements, where applicable.
- The Solvents and chemicals that will be used for tank cleaning, must be supplied with Material Safety Data Sheets (MSDS) and safely and securely stored on site. The solvents and chemicals must not cause any damage or degradation to the oil tanks, piping or valves and seals to be cleaned and must be removed from the system with no residues remaining; to not contaminate the oil when oil is returned to the systems.

Operation, Maintenance and Downtime/Breakdowns

- It is the responsibility of the supplier to ensure the services and equipment are insured and maintained, without impacting on ERI Maintenance, Project and/or Works Services project schedules.
- It is the responsibility of the supplier to ensure that the equipment operator is available on site 24/7 for the duration of the services required. The operator will be responsible to continuous operation, maintenance, sampling, testing and reporting, as required.

- It is the responsibility of the supplier to interface with the plant, having the correct Permit to Work to execute the tasks.
- It is the responsibility of the supplier to connect and disconnect to the plant and maintain the equipment. ERI will assist the supplier in identifying points of connection, be it connection flanges; hoses unions; electrical supplies, etc.
- Downtime and breakdowns must be minimal, with turnaround time to resolve downtime/breakdowns of maximum 4hours.
- All newly supplied and/or refurbished equipment used for these services must be fit for use, with no defects or anomalies.

Types of Purification Equipment

- The mobile purification equipment must be of reputable brand with local supply, maintenance, spares, consumable and operation support.
- The preferred purification technology will be vacuum dehydration units with inline filtration and heating capability. Units with vacuum pumps that require water for sealing purposes will not be considered.

Minimum Criteria

- Purifiers and oil sampling and testing must comply with Eskom's specified Fluid Cleanliness standards for Turbine and Feed Pump hydraulic and gear systems (As per Eskom Guideline GGL 36-53 - IN-SERVICE MONITORING OF LUBRICATING OILS AND HYDRAULIC FLUIDS).
- Maintain average moisture content below 100 ppm.
- Maintain an ISO 4406 particle count of 16/13 or lower
- Filter inserts should be rated at 3µm absolute or less and should have a Beta Ratio greater or equal to 1000.
- Purifiers should be able to handle a particle count of 28/27 and a moisture content of 45000 ppm
- The supplier must provide references and sources of evidence that the quoted purifier is able to reduce the moisture content in a 50 000 L oil tank from 10 000 ppm to <300 ppm within 66 hours and in a 10 000 L tank from 10 000 ppm to <300 ppm within 42 hours.
- Purifiers must be equipped with auto shut-off valves on the inlet and outlet of the purifier. Auto shut-off valves should trip closed in the event of a hose failure to eliminate the risk of an oil spillage (Alternative methods of oil spillage prevention in the event of hose failure can be suggested by the Supplier, and may include oil bunding with local audible alarms).
- Purifiers should be equipped with sample valves on the inlet and outlet of the purifier for performance verification via sampling.
- Purifiers should be equipped with a heater capable of heating the oil to 60°C. Heater should be able to control the oil temperature at a set temperature value (i.e. 60°C).
- Purifiers should be equipped with filter differential pressure indicators.

- Purifiers to be operated using 3-phase, 380 V power and should be supplied with a minimum 50m extension cable and a 5 pin plug.
- Purifiers should be supplied with flexible oil supply and return hoses. The oil supply and return hoses should each be minimum 20 meter in length and be compatible with the oil.
- The purifier/pumping should be able to be primed and commissioned and operated with a negative suction head, whilst maintaining the required recirculation flow rates. This applies to stations where it is required to fit the purifier/pumping on top of tanks due to limited access. A 3 to 6 meter negative suction head may be required. The affected stations include but are not limited to: Kendal Power Station; Arnot Power Station; Tutuka Power Station.
- Where purifiers/pumping are fitted on zero meter, ensure that there is sufficient discharge pressure to reach the Turbine oil tanks. The vertical head to reach the Turbine oil tanks is typically 16 to 20meters.
- The supplier must supply their own mating flanges and/or couplers if required on systems where flanges and/or couplers are provided for suction and return lines. This applies to mobile purifiers; mobile pumping stations and storage tanks. Note that adequate FME must be applied to restrict any foreign material from entering the oil systems.
- Not all sites are modified to utilise mobile purification/pumping connections, which may require suction and return hoses to be routed to inside the oil tanks. In this instance the hoses must be properly secured to ensure they do not move or fall out of the tanks to not cause an oil spillage. Adequate FME must be applied to restrict any foreign material from entering the tanks, while performing purification/pumping. Note though that every effort must be made to find means of connecting the mobile purifier/pumping stations to existing oil system pipework.
- Purifiers and pumping stations must be mobile to be moved and rigged between tanks and Units.
- Purifiers; pumping stations and storage tanks must be able to contain oil leaks and spillages in a drip tray or tank or bund, to be supplied.
- The Services should be delivered to site within 4 hours of placing the order.
- The Purifier should be operated/supervised 24 hours a day for the duration of the order by a trained operator who will report on the amount of water removed per shift and oil cleanliness improvement daily. Daily oil sampling, testing and reporting must be done as minimum. The frequency of sampling; testing and reporting will increase as required during recommissioning phases of the Turbine oil systems or when purification effectiveness needs to be verified.
- The Contractor should supply and replace the filter and/or cartridge elements as required to ensure the required particle count is achieved within the required timeframe. A minimum of three spare sets of new replacement filter and/or cartridge elements should be available on site at all time.
- The purifiers; pumping stations; storage; hoses and connections provided must be compatible with Turbine Grade Lubrication oil as well as FRF oil. Oils typically used on the Eskom Stations include:
 - Castrol Perfecto THZ 46
 - Castrol Perfecto THZ 32

- Castrol Energol HLP 32
 - Regal R&O 46
 - Castrol Anvol PE 46XC
 - Engen Superturb 46
 - Gencirc 46
 - ISO VG 46
 - Shell Turbo 46
- Where oil condition monitoring services is provided by the supplier, as minimum the water content must be reported in PPM and the cleanliness reported as per ISO4406 particle count. The equipment used for sampling and testing must be certified calibrated and defect free for the duration of the services.
- The capacity of the mobile purifiers must be such that the full volume of the oil tanks are circulated minimum of 5 times in a 24hour period or unit recirculation rate must be 20% of oil tank capacity per hour. For example for a 50000L oil tank, a minimum purifier throughput of standard 10000L/hr is acceptable.

Where Services will be rendered

- It is the responsibility of the supplier to transport, operate and maintain the machinery and vehicles to and from where the services will be required.
- It is the responsibility of the supplier to assess the specific site oil systems set up and to provide a proposal and/or method statement for acceptance; for effective oil purification; mobile oil pumping and storage; oil systems cleaning and flushing as may be required for specific sites.
- The ERI work stations/premises for the services include:
 - ERI Rosherville, Germiston
 - ERI Homebase, Witbank
- The Eskom Power Station for the Services include:
 - Arnot Power Station
 - Camden Power Station
 - Duvha Power Station
 - Grootvlei Power Station
 - Hendrina Power Station
 - Kendal Power Station
 - Koeberg Power Station
 - Komati Power Station
 - Kriel Power Station

- Kusile Power Station
- Lethabo Power Station
- Majuba Power Station
- Matimba Power Station
- Matla Power Station
- Medupi Power Station
- Tutuka Power Station
- Eskom Peaking Power Stations

Scope of Work (SOW)

- The services to be provided, include:
 - Supply of Mobile Oil Purifiers. These may be once off to be supplied as New, as and when required and will be agreed upon up front.
 - Supply of Mobile Purification services, inclusive of oil condition monitoring, sampling, testing and reporting.
 - Supply of Mobile/Modular Oil Storage Tanks and Pump Station Services. These services will typically be utilised to drain; store; purify and transfer the Turbine and Generator and Bulk storage oil systems oil and include:
 - Supply Portable temporary storage tanks and bund area as required.
 - Supply the required purification equipment and staff to operate, maintain and test the oil being purified.
 - Supply the required pipe work, pumps and electrical cabling/plugs and/or power supply as necessary to facilitate the draining of the Turbine and Generator oil systems to the portable temporary storage tanks.
 - Do sampling and testing of all oils prior to purification to determine the cleanliness and record.
 - Purify the oil to the required standard or better.
 - Compile the required reports and quality documents prior to returning the oil to the relevant tank.
 - Pump the oil back into the Turbine and Generator oil system tanks as required.
 - Sample the oil and test to confirm the cleanliness in the tank.
 - Remove all the equipment used and clean the area that was utilized for this activity
 - Specific to the Bulk Storage tanks, the following additional will apply:
 - Pre-assessment of the tanks and pipework.

- Draining of the tanks and transfer line pipework for the bulk storage tanks.
 - Cleaning of the Bulk storage tanks and transfer line pipework.
 - Inspect and close all the bulk storage tanks and transfer line pipework prior to putting the purified oil back in the tanks.
- Supply of Oil Condition monitoring, sampling, testing, reporting and tracking, as and when required.
- Turbine and Generator and Bulk Oil pipework cleaning and flushing
- Turbine and Generator and Bulk Oil Storage tank inspection and cleaning
- Supply of Spares and Consumables for the services, to operate and maintain the supplied equipment and services
- Performing Maintenance and Overhaul of ERI and Eskom owned Mobile and installed oil purifiers, as and when required, including provision of new spares and consumables.
- The services will be required on the Eskom Turbine and Generator Oil Systems, i.e:
 - Turbine Main Lubrication Oil System and Tanks, including associate auxiliaries and piping. Tank volumes range from 25000L to 80000L for the various sites.
 - Generator Seal oil system and Tanks and associate auxiliaries and piping. Tank volumes may range from 1000L to 20000L for the various sites.
 - Control Oil System and Tanks and associate auxiliaries and piping. Tank volumes may range from 5000L to 20000L for the various sites.
 - Turbine Bypass System and tanks and associate auxiliaries and piping. Tank volumes may range from 250L to 1000L for the various sites.
 - Turbine Bulk Oil Storage Tanks (New and Used Tanks, Clean and Dirty tanks) and associate auxiliaries and system piping. Tank volumes may range from 50000L to 250000L for the various sites.
 - Electric Feed Pump (EFP) Lube oil system and tanks and associate auxiliaries and piping. Tank volumes may range from 5000L to 20000L for the various sites.
 - Boiler Feed Pump Turbine (BFPT) Lube oil and Control oil system tanks and associate auxiliaries and piping. Tank volumes may range from 10000L to 25000L for the various sites.
- The duration and type of services will be agreed upon upfront, as and when required. Typical duration of the services will be for the duration of the outage, for example 40 to 60 days.

SHEQ REQUIREMENTS

All service providers are expected to comply with, but not limited to the following:

- Compliance with the Occupational Health and Safety Act 85 of 1993 is compulsory.

- Adherence to Quality Management System Policies, Procedures and related requirements of ISO 9001.
- Adherence to Occupational Health and Safety Policies, Procedures and related requirements of the OHSAS 18001.
- Adherence to environmental aspects, related impacts and legal requirements associated with work activities in accordance with ISO 14001.
- Adherence to Life Saving Rules.
- Compliance with the Eskom Plant Safety Regulations.
- Only authorised documents and processes are to be used in the execution of duties.
- Continuously seek methods for improvements from a process, quality and safety perspective.
- Obey all instructions.
- Familiarize with:
 - The applicable work instructions and procedures in place.
 - Safe working conditions and procedures.
 - All legal and contractual requirements.
 - Discipline and integrity.
- Compliance to all ERI Work Instructions, processes, procedures, and standards
- Adherence to ERI's disciplinary code or practice.
- Set example to co-workers and others.
- Participate in Risk Assessments.
- Responsible for own safety.
- Responsible for Personal Protective Equipment issued.
- Execute duties promptly and safely.
- Safeguard tools and safety equipment issued.
- Keep good relationship with all personnel.
- Compile a HIRA for each and every activity that needs to be performed.
- Ensure the activities are carried out following a Works Instructions and Procedure.
- Adhere to clean condition policy where required.
- All activities to be carried out as per the documented processes and comply with the requirements of ISO and OHSAS certification
- Service provider to comply to Eskom PPE (Personal Protective Equipment) Policy with regards to issuing of PPE to resources
- Proper use of PPE to be followed
- Ensure that tools and equipment are stored correctly in a safe place.

KEY DELIVERABLES

The following deliverables are to be met by the service provider:

- No customer complaints
- Compliance to all ERI Work Instructions, processes, procedures, and standards
- No SHEQ incidents
- Project Milestones are to be achieved on time, or earlier

Key Performance Indicators

The performance of the contractor will be evaluated on the KPIs in the table below:

Objective	Key Performance Indicator	Measure	Unit of Measure	Source of Evidence
Zero Defects	Zero Defects	Equipment delivered and operated defect free	Nr	To be provided by Employer
Zero Safety Incidents	Zero Safety Incidents	No safety related incidents for the duration of the services	Nr	To be provided by Employer
Due Date Performance – turnaround time	Due Date Performance	Actual delivery date versus supplier committed delivery date / Turnaround time to repair max 4hours	Hours	To be provided by supplier
Oil purification to specification criteria met	Purifier is able to reduce the moisture content in a 50 000 L oil tank from 10 000 ppm to <300 ppm within 66 hours and in a 10 000 L tank from 10 000 ppm to <300 ppm within 42 hours.	Time to purify	Hours	To be provided by supplier

Zero Oil Spillages	Zero Oil Spillages	No oil spillages for the duration of the services	Nr	To be provided by Employer
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Evaluation Returnables to Include

- Clearly state the type of purifiers; mobile storage and pumping stations to be used.
- Provide 4 verifiable references and sources of evidence that the quoted purifier has been successfully utilised at an Eskom site within last 5 years. The listing shall include contact details for the listed reference projects.
- The minimum acceptable purifier throughput is 10 000 L/hr, for 50000L tanks.
- Proof that has inlet and outlet sample points. The proof can be in the form of a drawing or photo.
- Proof that the heater can heat the oil to a temperature of 60 degrees Celsius. Proof can be in the form of heater data sheet, nameplate or photo.
- Purifiers/tanks/pumping station should be able to contain oil leaks and spillages in a drip tray or tank or bund. Drawing or photo as proof will be acceptable.
- The Contractor will provide verifiable references and sources of evidence that the quoted purifier is able to reduce the moisture content in a 50 000 L oil tank from 10 000 ppm to <300 ppm within 66 hours and in a 10 000 L tank from 10 000 ppm to 300 ppm within 42 hours.
- Commitment letter stating that the Purifier/Pumping station/Mobile storage and associate services will be supervised and operated 24 hours a day.
- Proof that the purifier is equipped with auto shut-off valves on the inlet and outlet. Proof can be in the form of a photo or data sheet.

In the event of exclusions or deviations from the scope of work, the exclusions or deviations should be stipulated and explained in detail

C3.1: EMPLOYER'S SERVICE INFORMATION

Management meetings

The *conditions of contract* (e.g. Clause 16.2) and other sections of the Service Information (e.g. safety risk management) may require that a meeting shall be held. However the intention of all NEC contracts is that the Parties and their agents use the techniques of partnering to manage the contract by holding meetings designed to proactively and jointly manage the administration of the contract with the objective of minimising the adverse effects of risks and surprises for both Parties.

Depending on the size and complexity of the *service*, it is probably beneficial for the *Service Manager* to hold a weekly risk register meeting (Clause 16.2). This could be used to discuss safety, compensation events, subcontracting, overall co-ordination and other matters of a general nature. Separate meetings for specialist activities such as planning and activities of a technical nature may also be warranted.

Describe here the general meetings and their purpose. Provide particulars of approximate times, days, location, and attendance requirements, stipulating that attendees shall have the necessary delegated authority to make decisions in respect of matters discussed at such meetings.

The following text could be used as a model for this section:

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	Weekly on _____ at _____		
Overall contract progress and feedback	Monthly on _____ at _____		<i>Employer, Contractor and _____</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.

Invoicing and payment

The Z clauses make reference to invoicing procedures stated here in this Service Information. Also include a list of information which is to be shown on an invoice.

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
 Eskom Rotek Industries
 Accounts Payable Department
 Lower Germiston Road
 Rosherville

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)

Insurance provided by the *Employer*

First read TSC3 Core Clause 86.1 and then add anything necessary for the management of insurance related issues such as a cross reference to where procedures for making claims can be found. Also provide contact

details for persons capable of being able to answer any insurance related queries the *Contractor* may have, as well as to whom the information required by Marine Insurance (if any) may be addressed.

Health and safety, the environment and quality assurance

Health and safety risk management

In addition to the requirements of the laws governing health and safety, Eskom may have some additional requirements particular to the *service* and the Affected Property for this contract. The text below provides for these being attached as an Annexure to this Service Information. PLEASE ALSO READ CORE CLAUSE 27.4 TOGETHER WITH Z7 IN THE ADDITIONAL CONDITIONS OF CONTRACT TO MAKE SURE THAT WHATEVER IS INCLUDED IN THE ANNEXURE FOLLOWS ON FROM THOSE CLAUSES.

The Divisional/Regional Safety Risk Manager or his representative having jurisdiction over the *service* must provide the relevant safety, health and environmental (SHE) criteria for incorporation into this Service Information. The SHE specification / scope must be signed off by the Divisional/Regional Safety Risk Manager or his representative confirming that the applicable safety criteria have been taken into account.

The Divisional Safety Risk Managers who will be responsible for the allocation of resources to assist P&SCM with the above processes are as follows:

- Generation: Roley McIntyre
- Transmission: Tony Patterson
- Distribution: Alex Stramrood
- Enterprises: Jace Naidoo
- Corporate: Kersemi Pather

The *Contractor* shall comply with the health and safety requirements contained in Service Information.

Procurement

There is a cross reference from the core clause 11.2(6) definition of Disallowed Cost to the Service Information regarding procurement procedures. This part of the Service Information MUST include any such procedures to be able to administer Disallowed Cost.

Equipment provided by the *Employer*

Some Employer's obligations are stated in the Scope of Work above and these will be detailed in the Plan.

Hook ups to existing works

Not Applicable


Tests and inspections

Description of tests and inspections

Not Applicable

Materials facilities and samples for tests and inspections

Refer to Scope of Work

		Task Order for use with NEC3 Term Service Contract	
		Department:	
Contract No: 46 _____		Task Order No: 45 _____	
Part One: Data provided by the <i>Employer</i>			
	<i>Employer's postal address:</i>	<i>Employer's representative :</i>	
	Eskom Rotek Industries SOC Ltd.	Name	
	Turbo Gen Services	Tel	
	P. O. Box 40099	Fax	
	Cleveland	Cell	
	2022	E-mail	
Detailed description of the work in the Task			
Services and other things provided by the <i>Employer</i>			
Starting date: Delay damages: The period of reply to a communication for this Task Order is:	2 working days	Task Completion Date: The <i>Contractor</i> submits a revised programme for this Task Order every	
<i>Contractor's representative :</i> Signature: _____ _____		<i>Employer's representative :</i> Signature: _____	

Part Two: Data provided by the Contractor			
	<i>Contractor's postal address:</i>	<i>Contractor's representative :</i>	
		Name	
		Tel	
		Fax	
		Cell	
		E-mail	
Additional compensation events			
Any other activities not covered by this Task Order Any extension to the planned completion Date. Any delays to the program caused by other contractors.			
Additional data			
Assessment schedule (Part 1. 50.1)			
The full value of this task order will be invoiced upon completion.			
Contractor's representative :		Employer's representative :	
Signature:_____		Signature:_____	

Price List						
Item nr.	Description	Unit	Qty	Unit price	Subtotal	Total Price
Total of the Prices for this Task Order						
Total of the Prices for this Task Order (in words):						
All Prices in this Task Order exclude VAT						
The above prices are valid for 30 days from the date of the <i>Contractors</i> signature below						
Contractor's Delegated Authority: Signature: _____ Name: (Print) _____ Date: _____				Employer's Delegated Authority: Signature: _____ Name: (Print) _____ Date: _____		