



NEC3 Supply Contract (SC3)

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

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

**for Supply and Delivery of Dust Handling Plant Chains,
Elastic Pins and Master Links on "an as and when
required" basis for a period of 5 years at Tutuka
Power Station - Main Stores**

Contents:

Part C1 Agreements & Contract Data

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Part C3 Scope of Work

CONTRACT No. [Insert at award stage]

PART C1: AGREEMENTS & CONTRACT DATA

Contents:

C1.1 Form of Offer and Acceptance

[to be inserted from Returnable Documents at award
stage]

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

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

C1.3 Proforma Guarantees

C1.1 Form of Offer & Acceptance

Offer

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

Supply and Delivery of Dust Handling Plant Chains, Elastic Pins and Master Links on "an as and when required" basis for a period of 5 years at Tutuka Power Station - Main Stores

The tenderer, identified in the Offer signature block, has: -

either	examined the documents listed in the Tender Data and addenda thereto as listed in the Returnable Schedules, and by submitting this Offer has accepted the Conditions of Tender.
or	examined the draft contract as listed in the Acceptance section and agreed to provide this Offer.

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

	The offered total of the Prices exclusive of VAT is	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 *Purchaser* 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 *Supplier* 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 *Purchaser* 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 *Purchaser* identified below accepts the tenderer's Offer. In consideration thereof, the *Purchaser* shall pay the *Supplier* the amount due in accordance with the *conditions of contract* identified in the Contract Data. Acceptance of the tenderer's Offer shall form an agreement between the *Purchaser* and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

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

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 *Purchaser* during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

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

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

Signature(s)

Name(s)

Capacity

for the
Purchaser

**Eskom Holdings SOC Ltd, Megawatt Park, Maxwell Drive, Sandton, Johannesburg,
2199**

(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 *Purchaser* 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 *Purchaser* prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

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

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

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

For the tenderer:**For the *Purchaser***

Signature

Name

Capacity

On behalf
of

(Insert name and address of organisation)

Name &
signature
of witness

Date

**Eskom Holdings SOC Ltd, Megawatt
Park, Maxwell Drive, Sandton,
Johannesburg, 2199**

C1.2 SC3 Contract Data

Part one - Data provided by the *Purchaser*

[Instructions to the contract compiler: (delete these two notes in the final draft of a contract)]

1. Please read the relevant clauses in the conditions of contract before you enter data. 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.
2. Some SC3 options are always selected by Eskom Holdings SOC Ltd. The remaining SC3 options are identified by shading in the left hand column. In the event that the option is not required select and delete the whole row. Where the following symbol is used "[●]" - data is required to be inserted relevant to the specific option selected.]

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 Options	
		X1: Price adjustment for inflation
		X2 Changes in the law
		X7: Delay damages
		X17: Low performance damages
		Z: Additional conditions of contract
	of the NEC3 Supply Contract (April 2013) 2	(If the December 2009 edition is to be used delete April 2013 and replace by December 2013)
10.1	The <i>Purchaser</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	
	Fax No.	
10.1	The <i>Supply Manager</i> is (name):	
	Address	
	Tel	

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

Fax

e-mail

11.2(13)	The <i>goods</i> are	DHP Chains, Elastic Pins and Mater Links	
11.2(13)	The <i>services</i> are	Supply and Delivery of Dust Handling Plant Chains, Elastic Pins and Master Links on "an as and when required" basis for a period of 5 years at Tutuka Power Station - Main Stores	
11.2(14)	The following matters will be included in the Risk Register	Annexure C on the 2nd page before the last page	
11.2(15)	The Goods Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.	
11.2(15)	The Supply Requirements as part of the Goods Information is in	Annexure A to this Contract Data	
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	1 week	
2	The <i>Supplier's</i> main responsibilities	Data required by this section of the core clauses is provided by the <i>Supplier</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data.	
3	Time		
30.1	The <i>starting date</i> is.		
30.1	The <i>delivery date</i> of the <i>goods</i> and <i>services</i> is:	<i>goods and services</i>	<i>delivery date</i>
		1	Dust handling plant chains, elastic pins, master links
			As per Batch Order as and when required
30.2	The <i>Supplier</i> does not bring the <i>goods</i> to the Delivery Place more than one week before the Delivery Date.		
31.1	The <i>Supplier</i> is to submit a first programme for acceptance within	1 week of the Contract Date.	
32.2	The <i>Supplier</i> submits revised programmes at intervals no longer than	2 days	
4	Testing and defects		
42	The <i>defects date</i> is	12 weeks after Delivery.	
43.2	The <i>defect correction period</i> is	1 week	
	except that the <i>defect correction period</i> for		

	and the <i>defect correction period</i> for	
42.2	The <i>defects access period</i> is	is 5 days
	except that the <i>defect access period</i> for	is 2 days
	and the <i>defect access period</i> for	
5	Payment	
50.1	The <i>assessment interval</i> is	As and when required after batch delivery
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	60 days
51.4	The <i>interest rate</i> is	<p>the publicly quoted prime rate of interest (calculated on a 365 day year) charged 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</p> <p>(ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> every 6 months thereafter and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.</p>
6	Compensation events	Works or services not included in the Scope of work, annexures and appendices
7	Title	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
8	Risks, liabilities, indemnities and insurance	
80.1	These are additional <i>Purchaser's</i> risks	<ol style="list-style-type: none"> 1. Delay damages 2. Spares not within the right specifications 3. Natural Disasters

88.1	The <i>Supplier's</i> liability to the <i>Purchaser</i> for indirect or consequential loss, including loss of profit, revenue and goodwill is limited to	R0.0 (zero Rand)
88.2	For any one event, the <i>Supplier's</i> liability to the <i>Purchaser</i> for loss of or damage to the <i>Purchaser's</i> property is limited to	(1) for the <i>Purchaser's</i> existing and surrounding property in the care, custody and control of the <i>Supplier</i> the amount of the deductible (first amount payable) relevant to the event and (2) for all other existing <i>Purchaser's</i> property the applicable deductible as at contract date
88.3	The <i>Supplier's</i> liability for Defects due to his design which are not notified before the last <i>defects date</i> is limited to:	R[•]
88.4	The <i>Supplier's</i> total liability to the <i>Purchaser</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	R[•]
88.5	The <i>end of liability date</i> is	52 weeks after Delivery of the whole of the goods and services.

9 Termination and dispute resolution

94.1	The <i>Adjudicator</i> is	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
	Address	
	Tel No.	
	Fax No.	
	e-mail	
94.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA, a Division of the South African Institution of Civil Engineering, or its successor body (See www.ice-sa.org.za)
94.4(2)	The <i>tribunal</i> is:	arbitration
94.4(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

94.4(5)	The place where arbitration is to be held is 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	body. South Africa the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.
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10 Data for Option clauses

X1	Price adjustment for inflation			
X1.1	The <i>base date</i> for indices is The proportions used to calculate the Price Adjustment Factor are:	The month prior to the enquiry closing date		
		proportion	linked to index for	Index prepared by
		0.	[•]	[•]
		0.	[•]	[•]
		0.	[•]	[•]
		0.	[•]	[•]
		0.	[•]	[•]
		15%	non-adjustable	
100%				
X2	Changes in the law			
X2.1	A change in the law of	Republic of South Africa is a compensation event if it occurs after the Contract Date		
X7	Delay damages			
X7.1	Delay damages for Delivery are	Delivery of	amount per day	
		Goods – late delivery: Delivery exceeding committed lead times and delivery schedules	0.5% (zero point five per centum) increments of the batch order value per calendar day late, until damages have accumulated to 10% of the batch order.	
X17	Low performance damages	: on the 2 nd last page of this document		
X17.1	The amounts for low performance damages are:	As per Annexure B		

Z	The <i>additional conditions of contract</i> are	Z1 to Z15 always apply for Eskom
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Z1 Cession delegation and assignment

- Z1.1 The *Supplier* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Purchaser*.
- Z1.2 Notwithstanding the above, the *Purchaser* may on written notice to the *Supplier* 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 *Supplier* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Purchaser* for the performance of this contract.
- Z2.2 Unless already notified to the *Purchaser*, the persons or organisations notify the *Supply Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Supplier* on their behalf.
- Z2.3 The *Supplier* does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Purchaser* having been given to the *Supplier* in writing.

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

- Z3.1 Where a change in the *Supplier's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Supplier's* B-BBEE status, the *Supplier* notifies the *Purchaser* within seven days of the change.
- Z3.2 The *Supplier* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Supply Manager* within thirty days of the notification or as otherwise instructed by the *Supply Manager*.
- Z3.3 Where, as a result, the *Supplier's* B-BBEE status has decreased since the Contract Date the *Purchaser* may either re-negotiate this contract or alternatively, terminate the *Supplier's* obligation to Provide the Goods and Services.
- Z3.4 Failure by the *Supplier* to notify the *Purchaser* of a change in its B-BBEE status may constitute a reason for termination. If the *Purchaser* terminates in terms of this clause, the procedures on termination are P1, P2 and P3 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Confidentiality

- Z4.1 The *Supplier* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Supplier*, enters the public domain or to information which was already in the possession of the *Supplier* at the time of disclosure (evidenced by written records in existence at that time). Should the *Supplier* disclose information to Others in terms of clause 23.1, the *Supplier* ensures that the provisions of this clause are complied with by the recipient.

- Z4.2 If the *Supplier* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Supply Manager*.
- Z4.3 In the event that the *Supplier* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Supplier*, to the extent permitted by law prior to disclosure, notifies the *Purchaser* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Supplier* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.
- Z4.4 The taking of images (whether photographs, video footage or otherwise) of the *goods* or any portion thereof, in the course of Providing the Goods and Services and after Delivery, requires the prior written consent of the *Supply Manager*. All rights in and to all such images vests exclusively in the *Purchaser*.
- Z4.5 The *Supplier* 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 *Supply Manager* or the *Adjudicator* does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.

Z6 Health, safety and the environment: Add to core clause 25.4

- Z6.1 The *Supplier* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the provision of the *goods* and execution of the *services*.

Without limitation the *Supplier*:

warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with 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 supply and

undertakes, in and about the execution of the supply, to comply 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 *Supplier's* direction and control, likewise observe and comply with the foregoing.

- Z6.2 The *Supplier*, in and about the execution of the supply, 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 *Supplier's* direction and control, likewise observe and comply with the foregoing.

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

- Z7.1 Within one week of receiving a payment certificate from the *Supply Manager* in terms of core clause 51.1, the *Supplier* provides the *Purchaser* with a tax invoice in accordance with the *Purchaser's* procedures stated in the Goods Information, showing the amount due for payment equal to that stated in the payment certificate.
- Z7.2 If the *Supplier* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Purchaser* is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the *Purchaser* in

terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.

- Z7.3 The *Supplier* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Purchaser's* VAT number 4740101508 on each invoice he submits for payment.

Z8 Notifying compensation events

- Z8.1 Delete from the last sentence in core clause 61.3 the words, "unless the event arises from the *Supply Manager* giving an instruction, changing an earlier decision or correcting an assumption".

Z9 Purchaser's limitation of liability

- Z9.1 The *Purchaser's* liability to the *Supplier* for the *Supplier's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z9.2 The *Supplier's* entitlement under the indemnity in 83.1 is provided for in 60.1(12) and the *Purchaser's* liability under the indemnity is limited.

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 Addition to secondary Option X7 Delay damages (if applicable in this contract)

- Z11.1 If the amount due for the *Supplier's* payment of delay damages reaches the limits stated in this Contract Data for Option X7, the *Purchaser* may terminate the *Supplier's* obligation to Provide the Goods and Services using the same procedures and payment on termination as those applied for reasons R1 to R15 or R18 stated in the Termination Table.

Z12 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>Supplier</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 an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,
Collusive Action	means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,
Committing Party	means, as the context requires, the <i>Supplier</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.

- Z12.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
- Z12.2 The *Purchaser* may terminate the *Supplier's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Supplier* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Purchaser* 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 *Purchaser* can terminate the *Supplier's* obligation to Provide the Services for this reason.
- Z12.3 If the *Purchaser* terminates the *Supplier's* obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.
- Z12.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Purchaser* does not have a contractual bond with the Committing Party, the *Supplier* ensures that the Committing Party co-operates fully with an investigation.

Z13Insurance

Z 13.1 Replace core clause 84 with the following:

- | | | |
|------------------------|-------------|---|
| Insurance cover | 84 | |
| | 84.1 | 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. |
| | 84.2 | The <i>Supplier</i> provides the insurances stated in the Insurance Table A for events which are at the <i>Supplier's</i> risk from the <i>starting date</i> until the last <i>defects date</i> or a termination certificate has been issued. |

INSURANCE TABLE A

Insurance against	Minimum amount of cover or minimum limit of indemnity
Loss of or damage to the <i>goods</i> , plant and materials	The replacement cost where not covered by the <i>Purchaser's</i> insurance. The <i>Purchaser's</i> policy deductible as at Contract Date, where covered by the <i>Purchaser's</i> insurance.
Liability for loss of or damage to property (except the <i>goods</i> , plant and materials and equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Supplier</i>) caused by activity in connection with this contract	<u>Loss of or damage to property</u> <u>Purchaser's property</u> The replacement cost where not covered by the <i>Purchaser's</i> insurance. The <i>Purchaser's</i> policy deductible as at Contract Date, where covered by the <i>Purchaser's</i> insurance. <u>Other property</u> The replacement cost <u>Death of or bodily injury</u> The amount required by the applicable law.
Liability for death of or bodily injury to employees of the <i>Supplier</i> arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law

Z 13.2 Replace core clause 87 with the following:**Insurance by
the *Purchaser***

87

87.1 The *Purchaser* provides the insurances stated in the Insurance Table B**INSURANCE TABLE B**

Insurance against or name of policy	Minimum amount of cover or minimum 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	Per the insurance policy document

Terrorism	
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Z14 Nuclear Liability – Not applicable

Z15 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>Purchaser'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.

Z15.1 The *Purchaser* ensures that the Ambient Air in the area where the *Supplier* 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.

Z15.2 Upon written request by the *Supplier*, the *Purchaser* 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 *Supplier* may perform Parallel Measurements and related control measures at the *Supplier's* expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z15.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.

- Z15.3 The *Purchaser* manages asbestos and ACM according to the Standard.
- Z15.4 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.
- Z15.5 The *Supplier's* 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.
- Z15.6 The *Supplier* 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.
- Z15.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Purchaser* at the *Purchaser's* expense, and conducted in line with South African legislation.

Annexure A: Supply Requirements

[Notes: The example given in the NEC3 Supply Contract Guidance Notes pages 15 to 20 inclusive is based on Incoterms 2000. However, users will probably wish to use Incoterms 2010 which the details below are based on. Users may need to adjust the information to comply with actual requirements. First decide whether Incoterms will be used or not, then delete the arrangement below which does not apply and delete these notes]

The Supply Requirements for this contract are based on the use of INCOTERMS:

The *Supplier* supplies the *goods* in accordance with INCOTERMS 2010³ as follows:

[Select the group and then term within the group which applies and state the applicable delivery place. Delete all the other groups and this note]

Group	Category	Term	Delivery Place
	Delivery Cost Included	DCI	Tutuka Power Station

The Parties obligations described in Incoterms for the category and term selected are now incorporated into this contract as part of the Supply Requirements and hence the Goods Information.

The obligations of seller and buyer for the selected Incoterm determine each Party's costs, risks and insurance requirements incidental to the supply and transport of the *goods* from *Supplier* to *Purchaser*.

For each of the thirteen terms, Incoterms set out obligations of the seller (the *Supplier*) in ten paragraphs identified as A1 to A10 and the corresponding obligations of the buyer (the *Purchaser*) in paragraphs B1 to B10. These obligations cover the following subjects:

A	The <i>Supplier's</i> obligations	B	The <i>Purchaser's</i> obligations
A1	Provision of goods in conformity with contract	B1	Payment of the price
A2	Licences, authorisations and formalities	B2	Licences, authorisations and formalities
A3	Contracts of carriage and insurance	B3	Contracts of carriage and insurance
A4	Delivery	B4	Taking delivery
A5	Transfer of risks	B5	Transfer of risks
A6	Division of costs	B6	Division of costs
A7	Notice to the buyer	B7	Notice to the seller
A8	Proof of delivery, transport document or equivalent electronic message	B8	Proof of delivery, transport document or equivalent electronic message
A9	Checking - packing - marking	B9	Inspection of goods
A10	Other obligations	B10	Other obligations

[Should there be a need to amplify any of the published obligations listed above for the chosen INCOTERM, add them here.]

All other information NOT pertinent to the above is given in the balance of the Goods Information

The Supply Requirements for this contract are as follows:

³ International Chamber of Commerce, Incoterms 2010, Paris, January 2011

[Use these when INCOTERMS do not apply].

1. The requirements for the supply are	Supply and Delivery of Dust Handling Plant Chains, Elastic Pins and Master Links	
2. The requirements for transport are	Safe and reliable transportation	
3. The delivery place is	Tutuka Power Station – Main Stores	
4. Actions of the Parties during supply	Action	Party which does it
	Giving notice of Delivery	<i>Supplier</i>
	Checking packing and marking before dispatch	<i>Supplier</i>
	Contracting for transport	<i>Supplier</i>
	Pay costs of transport	<i>Supplier</i>
	Arrange access to delivery place	<i>Purchaser</i>
	Loading the <i>goods</i>	<i>Supplier</i>
	Unloading the <i>goods</i>	<i>Purchaser</i>
For international procurement	Undertake export requirements	<i>Supplier</i>
	Undertake import requirements	<i>Supplier</i>
5. Information to be provided by the Supplier	Title of document	
	Packing lists for cases and their contents	
	Copy of invoice for the <i>goods</i>	
	Delivery Note	
	Test results and maintenance manuals	
For international procurement	Licences, authorisations and other formalities associated with export of the <i>goods</i>	
	Air Waybill or Bill of Lading with associated landing, delivery and forwarding order	
	The Bill of Entry endorsed by the importation authority	
	Customs work sheets, showing tax, duties and surcharges which the law of the country into which the <i>goods</i> are being imported requires the importer to pay	
	Invoice from the importation clearing agent showing airline fees, landing charges, wharfage and dock dues as applicable	
	Specify other import documents required by authorised officials.	

All other information NOT pertinent to the above is given in the balance of the Goods Information

C1.2 Contract Data

Part two - Data provided by the *Supplier*

[Instructions to the contract compiler: (delete this note 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 *Supplier*:

1. Please read both the NEC3 Supply Contract (SC3)4 and the relevant parts of its Guidance Notes (SC3-GN)5 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>Supplier</i> is (Name): Address Tel No. Fax No.													
11.2(8)	The Goods Information for the <i>Supplier's</i> design is in:													
11.2(11)	The tendered total of the Prices is	R , (in words)												
11.2(12)	The <i>price schedule</i> is in:	C2.2												
11.2(14)	The following matters will be included in the Risk Register													
25.2	The restrictions to access for the <i>Supply Manager</i> and Others to work being done for this contract are													
30.1	The <i>delivery date</i> of the <i>goods</i> and <i>services</i> is:	<table> <tr> <th></th><th><i>goods and services</i></th><th><i>delivery date</i></th></tr> <tr> <td>1</td><td>Dust Handling Plant Chains, Elastic Pins and Master Links</td><td>As per Batch Order delivery date</td></tr> <tr> <td>2</td><td>[•]</td><td>[•]</td></tr> <tr> <td>3</td><td>[•]</td><td>[•]</td></tr> </table>		<i>goods and services</i>	<i>delivery date</i>	1	Dust Handling Plant Chains, Elastic Pins and Master Links	As per Batch Order delivery date	2	[•]	[•]	3	[•]	[•]
	<i>goods and services</i>	<i>delivery date</i>												
1	Dust Handling Plant Chains, Elastic Pins and Master Links	As per Batch Order delivery date												
2	[•]	[•]												
3	[•]	[•]												

4 Either April 2013 or December 2009 Edition as stated by *Purchaser* in Contract Data part 1.

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

31.1	The programme identified in the Contract Data is contained in:	
63.2	The <i>percentage for overheads and profit</i> added to the Defined Cost is	%

PART 2: PRICING DATA

NEC3 Supply Contract

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

C2.1 Pricing assumptions

How goods and services are priced and assessed for payment

Clause 11 in NEC3 Supply Contract, (SC3) core clauses states:

Identified and defined terms	11	
	11.2	(11) The Prices are the amounts stated in the price column of the Price Schedule. Where a quantity is stated for an item in the Price Schedule, the Price is calculated by multiplying the quantity by the rate.
		(12) The Price Schedule is the <i>price schedule</i> unless later changed in accordance with this contract.
Assessing the amount due	50.2	The amount due is
		the Price for each lump sum item in the Price Schedule which the <i>Supplier</i> has completed,
		where a quantity is stated for an item in the Price Schedule, an amount calculated by multiplying the quantity which the <i>Supplier</i> has completed by the rate,
		plus other amounts to be paid to the <i>Supplier</i> ,
		less amounts to be paid by or retained from the <i>Supplier</i> .
		Any tax which the law requires the <i>Purchaser</i> to pay to the <i>Supplier</i> is included in the amount due.

This confirms that the Supply Contract is a priced contract where the Prices are derived from a list of items of *goods and services* which can be priced as lump sums or as expected quantities of *goods and services* multiplied by a rate, or a mix of both.

Function of the Price Schedule

Clause 53.1 states: "Information in the Price Schedule is not Goods Information". This confirms that instructions to do work or how it is to be done are not included in the Price Schedule but in the Goods Information. This is further confirmed by Clause 20.1 which states, "The *Supplier* Provides the Goods and Services in accordance with the Goods Information". Hence the *Supplier* does **not** Provide the Goods and Services in accordance with the Price Schedule. The Price Schedule is only a pricing document.

Preparing the *price schedule*

Items in the *price schedule* may have been inserted by the *Purchaser* and the tendering *Supplier* should insert any additional items which he considers necessary. Whichever party provides the items in the *price schedule* the total of the Prices is assumed to be fully inclusive of everything necessary to Provide the Goods and Services as described at the time of entering into this contract.

It will be assumed that the tendering *Supplier* has

- Read Pages 8, 11, 12 and Appendix 5 of the SC3 Guidance Notes before preparing the *price schedule*;
- Included in his Prices and rates for correction of Defects (core clause 43.1) as there is no compensation event for this unless the Defect is due to a *Supplier's* risk;
- Spread the cost of doing work he chooses not to list as separate items in the *price schedule* across other Prices and rates in order to fulfil the obligation to Provide the Goods and Services for the tendered total of the Prices;
- Understood that there is no adjustment to lump sum prices in the *price schedule* if the amount, or

quantity, of work within that lump sum item later turns out to be different to that which the *Supplier* estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event per clause 60.1;

- Understood that the *Supplier* does not have to allow in his Prices and rates for matters that may arise as a result of a compensation event.

Format of the *price schedule*

Entries in the first four columns in the *price schedule* in section C2.2 are made either by the *Purchaser* or the tendering *Supplier*.

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

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

If the *Supplier* is to be paid an amount for an item proportional to the length of time for which the *goods* and *services* are provided, a unit of time is stated in the Unit column and the length of time (as a quantity of the stated units of time) is stated in the Quantity column.

C2.2 the *price schedule*

Technical Specifications

Item No.	Stock Numbers	Description	Quantity	Lead Times	Unit Price	Total Amount
1.	37515	CHAIN, POWER TRANSMISSION; PITCH 152.4 MM, MATERIAL STL, LENGTH 85 M, APPLICATION ELEVATOR, DOUBLE BAR BUSH TYPE; WITH ATTACHMENT FOR BUCKET IN 85M LENGTHS, PART NUMBER: AKCG-82683-810. EVERY 15 TH LINK MUST BE A MASTER LINK.	2300 metres	10 weeks		
2.	39413	CHAIN, CONVEYOR; PITCH 145 MM, MATERIAL STL, LENGTH 39.5 M, POWER TRANSMISSION; TYPE 15 IN; FOR USE WITH PRECIPITATOR HOPPER, REFERENCE NO: 142V-BT-1-50/12, PART NUMBER: RAK83179-85	5500 metres	10 weeks		
3.	0730036	MASTER LINKS, DIMENSIONS: L168 X T82 X PIN 8 X 50 MM, MAGNANESSE; LENGTH: 168 MM; SPECICATION: PINS 2N19 X 60 HRC; BUSHES 2N3 TENSILE STRENGTH 650 KN SIDE BARS 5510/200 FOR THE BUCKET ELEVATOR DOUBLE BAR BUSH TYPE CHAIN	1500 ea	2 weeks		
4.	92861	PIN: TYPE CONVEYOR, 6 MM DIAMETER, 35 MM LENGTH, MATERIAL SS, FFT: ELASTIC PIN, BUHLER-MIAG, FOR USE WITH CONVEYOR CHAIN DUST HANDLING PLANT, PART NUMBER: UNN18012-097	2500 ea	2 weeks		
5.	217685	CHAIN, CONVEYOR; PITCH 140 MM, MATERIAL STL, LENGTH 2.84 M, POWER TRANSMISSION, PART NUMBER: AKWC-95188-850	4300 metres	10 weeks		

The total of the Prices

Note:

- Prices will be fixed and firm for the 1st year. CPA will be applicable on 2nd year onwards.
- CPA Proportions to be submitted with Tender returnables.

Security / Criminal Clearance Check

- Acceptance of this tender is subject to the condition that both the contracting company's management and its employees will provide Eskom with a clear criminal record not older than thirty (30) days from a reputable screening company. If the principal contractor appoints a subcontractor, the same provisions and measures will apply to the subcontractor.
- Acceptance of the tender is also subject to the condition that the contractor will implement all such security measures for the safe performance of the work as required in the scope of the contract.
- Contractors are to submit proof of verification record(s) (Security clearance) from SAPS or accredited supplier linked to SAPS AFIS system not older than thirty (30) days, as part of Risk Management process in order to curb any threats against the Installation. It is compulsory for these documents to be submitted to Security for verification before access to site is granted. Only individuals with clear criminal records will be considered.
- Contractors are required to submit the SAPS Clearance Certificate obtained by the employee along with a copy of his/her Identity Document or Passport to the site Security Manager. The Security Manager is required to verify the authenticity of the CRC Certificate with SAPS and to cross reference the employee seeking access against known HR databases and site databases to determine if the employee in question has in the past participated in disruptive labour actions and if the individual was dismissed from Eskom and the reason for such dismissal.

PART 3: SCOPE OF WORK

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

C3.1: *PURCHASER'S* GOODS INFORMATION

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C3.2	<i>Supplier's</i> Goods Information

1 Overview and purpose of the *goods and services*

- Supply and delivery of Dust Handling Plant Chains, Elastic Pins and Master Links Spares at Tutuka Power Station- Main Stores
- The Supplier is to manufacture all the dust handling chains and its components as per the original specifications and manufacturing drawings as per the Supplier's design.
- The Supplier is to monitor the chains and chain spares stock levels in the main stores. If the stock level of any chain or chain spares are below the minimum stock level, then the Supplier is to manufacture and supply relevant chains and spares to match the maximum stock level of each chain.
- The end user will submit picking tickets for the stores which chains and chain spares are required for upcoming Boiler Outages. Then the Supplier is to deliver these chains, elastic pins and master links within two to ten weeks for the relevant boiler outage.
- These chains and chain spares should be in the stores before the relevant boiler outage starts. The Supplier also needs to collect chains with bent flights and where the chain links are still in a good condition, repair it and deliver it back to the Main Stores.
- Important to note that the project scope entails, supply and delivery of chains and chain components. Implied, the contractor *shall* be responsible for providing the following returnable but not limited to:
 - BOQ and BOM: The Quantity Surveying (QS) Report from the contractor(s) *shall* be issued to Eskom, and Eskom reserves the right to share these with a Third-Party QS for negotiation for fair market rates (price comparison).
 - Procurement: The contractor(s) *shall* ensure that all the planning of the procurement of equipment, components, spares, and long lead items are secured and are in-line with the national treasury guidelines Error! Reference source not found.Error! Reference source not found.Error! Reference source not found.
 - FAT: The contractor(s) *shall* ensure that all critical key components/equipments are factory acceptance tested according to the applicable international/local codes and standards before they get to site and issue their certificates. An Eskom representative *shall* be present during the FATs. Where applicable for key equipment and components.

2 Specification and description of the *goods*

Technical Specifications

Item No.	Stock Numbers	Description	Quantity	Lead Times
1.	37515	CHAIN, POWER TRANSMISSION; PITCH 152.4 MM, MATERIAL STL, LENGTH 85 M, APPLICATION ELEVATOR, DOUBLE BAR BUSH TYPE; WITH ATTACHMENT FOR BUCKET IN 85M LENGTHS, PART NUMBER: AKCG-82683-810. EVERY 15 TH LINK MUST BE A MASTER LINK.	2300 metres	10 weeks
2.	39413	CHAIN, CONVEYOR; PITCH 145 MM, MATERIAL STL, LENGTH 39.5 M, POWER TRANSMISSION; TYPE 15 IN; FOR USE WITH PRECIPITATOR HOPPER, REFERENCE NO: 142V-BT-1-50/12, PART NUMBER: RAK83179-85	5500 metres	10 weeks
3.	0730036	MASTER LINKS, DIMENSIONS: L168 X T82 X PIN 8 X 50 MM, MAGNESSE; LENGTH: 168 MM; SPECIFICATION: PINS	1500 ea	2 weeks

		2N19 X 60 HRC; BUSHES 2N3 TENSILE STRENGTH 650 KN SIDE BARS 5510/200 FOR THE BUCKET ELEVATOR DOUBLE BAR BUSH TYPE CHAIN		
4.	92861	PIN: TYPE CONVEYOR, 6 MM DIAMETER, 35 MM LENGTH, MATERIAL SS, FFT: ELASTIC PIN, BUHLER-MIAG, FOR USE WITH CONVEYOR CHAIN DUST HANDLING PLANT, PART NUMBER: UNN18012-097	2500 ea	2 weeks
5.	217685	CHAIN, CONVEYOR; PITCH 140 MM, MATERIAL STL, LENGTH 2.84 M, POWER TRANSMISSION, PART NUMBER: AKWC-95188-850	4300 metres	10 weeks

- The scope requirements to be performed by the *Supplier* should be read in conjunction with the above specifications.

2.2 Purchaser's design

- As per OEM

2.3 Procedure for submission and acceptance of *Supplier's* design

- As per OEM

2.4 Other requirements of the *Supplier's* design

The *Supplier* implements a quality system and maintains the quality system until the delivery of all Dust handling plant chains and chain spares. The system will be to the *Purchaser's* satisfaction and will be accepted prior to the signing of the *contract*. The *Supplier* will be subject to periodic audits by the *Purchaser* in order to ensure compliance with the system. Any deviations will be corrected to the *Purchaser's* satisfaction. Pull out strength certificates must be supplied with every chain before delivery is made to site.

Lead times are critical and is as follows:

- Chains: 10 weeks
- Chain elastic pins: 2 weeks
- Bucket elevator chain master links: 2 weeks
- Replace bend flights on the hopper and transfer conveyor chains: 8 weeks.

2.5 Use of *Supplier's* design

- As per OEM. As per original *Supplier's* design and manufacturing drawings

2.6 Manufacture & fabrication

- As per original *Supplier's* design and manufacturing drawings.

2.7 Factory acceptance testing (FAT)

- Hold & witness points and QC to be done with the end user for the chains at the supplier before the delivery.
- The *Supplier* implements a quality system and maintains the quality system until the delivery of all Dust handling plant chains and chain spares. The system will be to the *Purchaser's* satisfaction and will be accepted prior to the signing of the *contract*.
- The *Supplier* will be subject to periodic audits by the *Purchaser* in order to ensure compliance with the system. Any deviations will be corrected to the *Purchaser's* satisfaction. Pull out strength certificates must be supplied with every chain before delivery is made to site.

2.8 Other tests and inspections and commissioning in place of use

- The supplier to submit material certificates for the chains.
- The *Supplier* submits complete material and warranty certificates to Eskom for review and approval. The *Supplier* may only use OEM spares components which must be approved by *Employer* before they are installed.
- *Purchaser* inspects parts of the Plant at its own discretion during manufacturing stages and before shipment as per the agreed QCP.

2.9 Operating manuals and maintenance schedules

- Instruction on how to handle equipment.

3. Supply Requirements

- The Supply Requirements for this contract are in an Annexure A on the Contract Data provided by the *Purchaser*.
- Batches to be clearly marked and packed according to the required specifications.
- If spares are delivered on site, to arrive with their relevant warrantee certificate.
- The *Supplier* may only use OEM spare components which must be approved by *Purchaser* before they are used.
- The *Supplier* to replace the component as per the warrantee policy.
- Lead times to be negotiated upfront to ensure that end user will receive materials, spares / equipment in time.

4. Specification of the services to be provided

- All equipment / spares must be on time of required order date.
- Transported by road on *Supplier's* costs.
- *Supply Manager/* Supervisor to be informed when delivery will be done at least 2 days upfront.
- No deliveries to be done on a Friday after 11H00, Weekend or public holiday except on emergency basis and *Supply Manager* to be informed on time 2 days before delivery.
- Pallets to convey the batch must be strong enough to carry and transport the load at anytime.
- All vehicles to be roadworthy.

5. Constraints on how the *Supplier* Provides the Goods

5.1 Programming constraints

- Refer to Annexure A "The Supply Requirements for this contract".

- Late deliveries due to transportation or labour strikes
- Goods not packed correctly.

5.2 Work to be done by the Delivery Date

- Ensure that the delivered goods are signed for.
- *Supply Manager* must send Visitor's notification to security a day before and the *Supplier* must sign in, the materials department to escort the *Supplier* from the gate.
- Acceptance, off-loading and QC
- If the spares delivered on site, to arrive with their relevant warrantee certificate from Siemens.

5.3 Marking the goods

- Batches to be clearly marked and packed according to the required specifications and stock numbers.
- The *Supplier* shall be responsible for the packaging of all Spares delivered to Tutuka Power Station – Main Stores.
- All spares supplied *shall* be individually wrapped as per the Commercial Stock Preservation and Management procedure.

5.4 Constraints at the delivery place and place of use

- No gate pass or access arranged - *Supply Manager*/ Supervisor to be informed when delivery will be done at least 48 hours upfront
- No driver available for off-loading - *Supply Manager*/ Supervisor to be informed when delivery will be done at least 2 days upfront
- Delivery after hours or weekends – Notify *Supply Manager* / Supervisor when delivery will be done at least 48 hours upfront

5.5 Cooperating with Others

- *Supplier* to co-operate with other *Suppliers* delivering goods, at *Purchaser's* delivery place.

5.6 Services & other things to be provided by the *Purchaser* or *Supplier*

- *Purchaser* to ensure access to site for deliveries during normal hours
- *Purchaser* to arrange induction
- *Supplier* to provide proper transportation for spares.
- Forklift/ overhead crane with driver will be supplied by *Purchaser* for offloading.

5.7 Management meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	As and when required	TBC	<i>Purchaser and Supplier</i>
Overall contract progress and feedback	TBA	TBC	<i>Purchaser, Supplier, and ____</i>

Performance progress	TBA	TBC	<i>Purchaser, Supplier,</i>
----------------------	-----	-----	-----------------------------

Meetings of a specialist nature may be convened as specified elsewhere in this Goods Information or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the manufacture of the *goods*. Records of these meetings shall be submitted to the *Supply 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.

5.8 Documentation control

- Each instruction, certificates, submission, proposal, record, acceptance, notification, reply and other communication which this contract requires is communicated in a form which can be read, copied and recorded.
- Writing is in the Language of this contract.
- Reports to be discussed compiled and handed to the *Purchaser* and *Supply Manager*.
- All communications must be printed and filed in the *Supply Manager's* file

5.9 Health and safety risk management

- When the *Supplier* is at the Power Station West Gate, The *Supplier* is to ask the Security Personnel at the Main Access Gate to contact the Operating Shift Manager, so that the Operating Shift Manager can call out the Standby Store Personnel.
- *Supply Manager* must send Visitor's notification to security and the *Supplier* must sign in, the materials department to escort the *Supplier* from the gate.
- Yearly Eskom OHS induction to be done by the *Supplier*.

The *Supplier* shall comply with the health and safety Act (OHSACT) 85 of 1993 and its Regulations

- All the *Employers* health and safety procedures and requirements to be adhered to by the *Supplier*
- The *Supplier* must ensure that all personnel attend the *Employers* health and safety yearly Induction Course prior entering site for the first time.
- The *Supply Manager* may instruct the *Supplier* to stop work, where the *Supplier's* personnel fail to conform to safety standards or contravene health and safety requirements.
- *Supply Manager* must send Visitor's notification to security and the *Supplier* must sign in, the materials department to escort the *Supplier* from the gate.
- *Supplier* to adhere to any speed limits on *Employer's* site
- *Supplier* to ensure that all personnel undergo an occupational medical fitness examination and provides proof of fitness to the Employer as and when required.

The *Employer* may, at any stage during the duration of this contract:

- refuse any employee, *SubContractor* or agent of the *Supplier* access to its premises if such person is found to commit any unsafe act or any unsafe working practice or is found not to be duly authorised nor qualified in terms of the Act;
- Issue the *Supplier* with an instruction to stop work should the *Employer* becomes aware of any unsafe working procedure or condition or any non - compliance with the Act, Regulations and Procedures referred to in the Occupational Health and Safety Act - 85 of 1993 and all Regulations made hereunder as well as all the *Employer's* Safety and Operating Procedures. Any such instruction is not a compensation event. Furthermore, no amendments to the act or the Regulations or reasonable amendment to the *Employer's* Safety and Operating Procedures will entitle the *Supplier* to claim any additional costs or time incurred in complying therewith, from the *Employer*

5.10 Environmental constraints and management

- The *Supplier* shall comply with the environmental criteria and constraints [stated here or contained in Annexure **C 5: Environmental Tender Evaluation and Scoring Card**
- The *Consultant* shall comply with the environmental criteria and constraints stated in the following:-
- All waste from the project must be disposed in a sound environmental manner in accordance with Tutuka Power Station Waste Management Procedure 14 Risk ENV-013. Oil spillages must be contained and cleaned as per Oil Spill Management procedure 15 ENPRENV-001. The project must conform to Eskom Environmental Legal and other Requirements procedure 14 Risk ENV-012 and the project must conform to Tutuka Power Station ISO14001 Standard with reference to Tutuka Power Station's Environmental Management System Manual 14 Risk ENV-010. All environmental incidents must be dealt with as per the Station's Incident Management, Corrective and Preventative Procedure 14 Risk PC-001 and all environmental incidents must be reported to the Environmental Department on site with Telephone Number 017-7495536.

5.11 Quality

- The *Supplier* must conform to Quality Management System-ISO 9001:2015 requirements
- The *Supplier* will fully conform to the requirement of the *Supplier* Quality Requirement Specification (QM-58), standards, procedures, Eskom policies and etc
- The *Supplier* might be subjected to audits and as part of monitoring
- All documents that will be arising from this project must remain with the client such as manuals
- Where applicable the service provider must conform to any statutory requirements
- All documented information as per category 3, to submitted prior work execution for purpose of evaluations.
- Where the principal *service* provider will be sub-contracting, the principal service provider must provide the documented information on how to control sub-contracted service provider
- The *Supplier* implements a quality system and maintains the quality system until the delivery of all Dust handling plant chains and chain spares.
- The system will be to the *Purchaser's* satisfaction and will be accepted prior to the signing of the *contract*.
- The *Supplier* will be subject to periodic audits by the *Purchaser* in order to ensure compliance with the system. Any deviations will be corrected to the *Purchaser's* satisfaction. Pull out strength certificates must be supplied with every chain before delivery is made to site.

5.12 Invoicing and payment

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

The *Supplier* shall address the tax invoice to *Purchaser* and include on each invoice the following information:

Name and address of the *Supplier* and the *Supply Manager*;

The contract number and title;

Supplier's VAT registration number;

The *Purchaser's* VAT registration number.

Description of *goods* and *services* provided for each item invoiced based on the Price Schedule;

Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT;

(add other as required)

5.13 Insurance provided by the *Purchaser*

- As per Z clause 13.2

5.14 Contract change management

- Where the *Supplier* does Name Changes, Mergers, Acquisitions and Cessions the *Purchaser's* procedures must be followed. (Eskom Procurement and Supply Management)
- In a case where one *Supplier* takes over from another *Supplier*, the Site *Supply Manager* must be notified in writing immediately.
- The *Supplier* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Purchaser*
- Changing the service information
- Access
- Provision by the *Purchaser*
- Stopping work
- Work of the *Purchaser* or others
- Reply to communication
- Changing a decision
- Withholding acceptance
- Delayed tests or inspections
- Change of affected property
- Materials, facilities etc. for tests
- *Purchaser's* risks
- Assumption about compensation events
- *Purchaser's* breach of contract

5.15 Provision of bonds and guarantees

- N/A

5.16 Records of Defined Cost, payments & assessments of compensation events to be kept by the *Supplier*

- N/A

6 Procurement

6.1 Subcontracting

6.1.1 Preferred *subcontractors*

- N/A

6.1.2 Limitations on subcontracting

- Sub-Contracting will only be allowed and approved with written permission from the *Supply Manager* if it is required to do subcontracting.
- Not more than 25% can be subcontracted for local supply spares or as per SDL&I.
- If there will be subcontracting, the *Supplier* will be liable for the SubContractor and proof to be handed in with assessment.

6.1.3 Spares and consumables

- All materials, spares / equipment will be done via the Eskom Procurement system.

6.1.4 Supplier Development, Localisation and Industrialisation (SDL&I)**6.1.4 Cataloguing requirements by the *Supplier***

- N/A

7 List of drawings**7.1 Drawings issued by the *Purchaser***

7.1.1 Hopper conveyor chain assembly, BT-1-50/12: Drawing number: 21,61/96570 Rev 0.

7.1.2 Transfer conveyor chain, 142V, BT2-625 x 50 x 16: Drawing number: 21,61/96571 Rev 0.

7.1.3 Bucket elevator chain, 152,5 x 82: Drawing number: 21,61/96569 Rev 0

Please note that these drawings are general arrangement drawings, and the chain *Supplier/Manufacturer* would have the manufacturing drawings.

8. Low Service damages, *Employer's* risks**8.1 Annexure B - Low Service Table**

X17 LOW SERVICE DAMAGE TABLE				
ITEM	DESCRIPTION OF TASK	QUALITY OF PERFORMANCE	REASON FOR DAMAGES	DAMAGES TO BE IMPLEMENTED
Penalty	Late delivery	Delivery exceeding committed lead time	Committed delivery date not met	Exceeding 5 calendar days – 3% of the batch order
Penalty	Defective component	Component not up to quality standard	Unacceptable component quality	5% of the defective component value

8.2 Annexure C - Risk register

Risk Register

Description of the risks		Action to avoid or reduce the risks
Risk event	Cause & possible outcome	Action to be taken and who in terms of the contract is responsible for taking it
Natural Disasters	Delay completion	<i>Supplier</i> assesses the risks that are likely and plan accordingly.

Incorrect or defective component supply	Component will be useable, creating installation delays which may affect plant reliability and availability	<i>Employer</i> to check the supplied component at receiving to ensure that it meets specification, and do QCP. The wrong component supplied to be collected by the <i>Supplier</i> and <i>Employer</i> to penalise for delays as per conditions stipulated under X17 low services damages .
Late deliveries	No spares to do the work, which could be the hazard to the plant	<i>Supplier</i> to check stock levels that is not below minimum stock and expedite. As per X7

C3.2 SUPPLIER'S GOODS INFORMATION

This section of the Goods Information will always be contract specific depending on the nature of the *goods* and *services*.

It is most likely to be required for supply contracts where the tendering *Supplier* will have proposed specifications and schedules for the *goods* and *services*, which once accepted by the *Purchaser* prior to award of contract now become obligations of the *Supplier* per core clause 20.1.

This section could also be compiled as a separate file.
