



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 sulphur (SO₃) spares at
Matimba Power Station as and when required basis**

Contents:	No of pages
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Part C2 Pricing Data	[•]
Part C3 Scope of Work	[•]

CONTRACT No. [Insert at award stage]

PART C1: AGREEMENTS & CONTRACT DATA

Contents:	No of pages
C1.1 Form of Offer and Acceptance	[•]
[to be inserted from Returnable Documents at award stage]	
C1.2a Contract Data provided by the <i>Purchaser</i>	[•]
C1.2b Contract Data provided by the <i>Supplier</i>	[•]
[to be inserted from Returnable Documents at award stage]	
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 Sulphur (SO₃) Spares at Matimba Power Station for as and when required

The tenderer, identified in the Offer signature block, has

<i>either</i>	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.
<i>or</i>	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)*
**Eskom Holdings SOC Ltd, Megawatt
Park, Maxwell Drive, Sandton,
Johannesburg, 2199**
Name &
signature
of witness

Date

C1.2 SC3 Contract Data

Part one - Data provided by the *Purchaser*

Claus e	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):	Kabe TK
	Address	Matimba Power station
	Tel	014 763 8231
	Fax	086 585 3334
	e-mail	Kabetk@eskom.co.za
11.2(13)	The <i>goods</i> are	Sulphur (SO3) Spares
11.2(13)	The <i>services</i> are	Supply and delivery of Sulphur (SO3) Spares at Matimba Power Station as and when required
11.2(14)	The following matters will be included in the Risk Register	Late delivery, Delivery of a wrong, Obsolete spares/ items
11.2(15)	The Goods Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.

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

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	Two (2) weeks	
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.	TBC	
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	As per purchase order
			As per purchase order
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.	As per agreed date on the purchase order	
31.1	The <i>Supplier</i> is to submit a first programme for acceptance within	One (1) week of the Contract Date.	
32.2	The <i>Supplier</i> submits revised programmes at intervals no longer than	Two (2) weeks.	
4	Testing and defects		
42	The <i>defects date</i> is	One (1) weeks after Delivery.	
43.2	The <i>defect correction period</i> is	To be agreed within 48 Hours, on the first working day from receipt of the Purchaser's written defects notification	
	except that the <i>defect correction period</i> for	N/A	
	and the <i>defect correction period</i> for	N/A	
42.2	The <i>defects access period</i> is	Five (5) days	
	except that the <i>defect access period</i> for	N/A	
	and the <i>defect access period</i> for	N/A	
5	Payment		
50.1	The <i>assessment interval</i> is	Assessment will be done after every 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	30 days after valid invoice is accepted.	

51.4 The *interest rate* is

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

(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 *mutatis mutandis* 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.

6	Compensation events	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.
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	Only the risks under sub-clause 80.1 of the NEC3 SC
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:	50%

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	50%
88.5	The <i>end of liability date</i> is	One (1) year 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 body.
94.4(5)	The place where arbitration is to be held is	South Africa
	The person or organisation who will choose an arbitrator	
	- if the Parties cannot agree a choice or	the Chairman for the time being or his nominee of
	- if the arbitration procedure does not state who selects an arbitrator, is	the Association of Arbitrators (Southern Africa) or its successor body.

10 Data for Option clauses

X1	Price adjustment for inflation													
X1.1	The <i>base date</i> for indices is	Rates are fixed and firm for first 12 months after first order placement date. There after CPA escalation will apply. Base date will be the month before the month which the enquiry closes.												
	The proportions used to calculate the Price Adjustment Factor are:	<table> <tr> <td>Proportion</td><td>linked to index for</td><td>Index prepared by</td></tr> <tr> <td>20%</td><td>Labour</td><td></td></tr> <tr> <td>55%.</td><td>Materials</td><td></td></tr> <tr> <td>15%.</td><td>Transportation</td><td></td></tr> </table>	Proportion	linked to index for	Index prepared by	20%	Labour		55%.	Materials		15%.	Transportation	
Proportion	linked to index for	Index prepared by												
20%	Labour													
55%.	Materials													
15%.	Transportation													

		10%	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
No.	KPA	Employer's Requirement	Damages payable by Contractor
1	On time delivery to Matimba Power Station	All deliveries to be delivered as per agreed lead time of the contract working from the time the supplier acknowledge receipt of an official Eskom Order Number that start with 45 number	5% of full purchase order cost for 10days of delay of purchase order up to maximum of 10% of total value.
2	On time delivery to Matimba Power Station	All deliveries to be delivered as per agreed lead time of the contract working from the time the supplier acknowledge receipt of an official Eskom Order Number that start with 45 number	Failure to deliver will lead to contract termination. And a contractor will not be considered to do business with Matimba Power Station for two (2) years after termination of a contract
X17	Low performance damages		
X17.1	The amounts for low performance damages are:	amount	performance level
		Contractor's full cost	for Premature failure and defects rectification
		5% of Purchase order value	for Defects between 32-45 days
		7.5% of Purchase order value	for Delays between 46-59 days
		10% of Purchase order value	for Delays between 60 days and more
Z	The additional conditions of contract are		
	Z1 to Z15 always apply for Eskom		

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 Action	means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,
Obstructive Action	means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action, and
Prohibited Action	means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

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 *Supplier* provides the insurances stated in the Insurance Table A for events which are at the *Supplier's* risk from the *starting date* until the last *defects date* 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 Terrorism	Per the insurance policy document
--------------------------------------	-----------------------------------

Z14 Nuclear Liability

- Z14.1 The *Purchaser* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.
- Z14.2 The *Purchaser* is solely responsible for and indemnifies the *Supplier* or any other person against any and all liabilities which the *Supplier* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Supplier* or any other person or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.
- Z14.3 Subject to clause Z14.4 below, the *Purchaser* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Supplier* or any other person, or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.
- Z14.4 The *Purchaser* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.
- Z14.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

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
E	Departure	EXW	
F	main carriage unpaid	FCA, FAS, FOB	
C	main carriage paid	CFR, CIF, CPT, CIP	
D	Arrival	DAT, DAP, DDP	

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

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

The Supply Requirements for this contract are as follows:

[Use these when INCOTERMS do not apply].

1. The requirements for the supply are	[State the constraints on how the <i>Supplier</i> manufactures, prototypes, tests and stores the <i>goods</i> including order and timing]	
2. The requirements for transport are	[State the extent to which the <i>Supplier</i> transports the <i>goods</i> and the mode of transport]	
3. The delivery place is	[State the location where the <i>goods</i> are to be placed by the <i>Supplier</i> , such as whether it is a dispatch department at the <i>Supplier's</i> premises, the <i>Purchaser</i> is to collect or other location the <i>Purchaser</i> may require. If the delivery place for the <i>services</i> is different to the <i>goods</i> state it here]	
4. Actions of the Parties during supply	Action	Party which does it
	Giving notice of Delivery	Supplier
	Checking packing and marking before dispatch	Supplier
	Contracting for transport	Supplier
	Pay costs of transport	Supplier
	Arrange access to delivery place	Purchaser
	Loading the <i>goods</i>	Supplier
	Unloading the <i>goods</i>	Purchaser
For international procurement	Undertake export requirements	
	Undertake import requirements	
5. Information to be provided by the <i>Supplier</i>	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) Rate Based				
11.2(12)	The <i>price schedule</i> is in:					
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 and services</i> is:	<table><tr><th><i>goods and services</i></th><th><i>delivery date</i></th></tr><tr><td>1 [•]</td><td>[•]</td></tr></table>	<i>goods and services</i>	<i>delivery date</i>	1 [•]	[•]
<i>goods and services</i>	<i>delivery date</i>					
1 [•]	[•]					
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	%				

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

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*

No	Material Number	Short Text	Required Quantity	Unit of measure	Rate
1	667442	TRANSMITTER FLW: THERMAL MASS FLOW METER	30	Each	
2	667408	TRANSMITTER FLW: THERMAL MASS FLOW METER	30	Each	
3	667449	TRANSMITTER FLW: PROCESS AIRFLOW;0-4500	30	Each	
4	250390	UNIT: MECHANICAL; LOBE BLOWER SO3	20	Each	
5	256470	VALVE, BUTTERFLY:4WWN6 PVB; BARE SHAFT	25	Each	
6	582534	CONTROLLER:3027;0-175 A;380V 175A	25	Each	
7	250401	COUPLING SHFT:SO00010;MS;FOR SO3 PLANT	30	Each	
8	500934	FILTER AIR:AIR BLOWER;PLASTIC;15 U	100	Each	
9	500933	FILTER AIR:AIR BLOWER;METAL;15 U	100	Each	
10	656314	FILTER AIR:SO3 PULSATION;FIBER;0.5 U	480	Each	
11	582533	ELEMENT HTR:EJ400/MPS/70;PROCESS AIR	25	Each	
12	250385	GASKET,PC:SO00081;LYTHERM;RD	100	Each	
13	250397	GASKET,PC:SO00082;STEAM/WATER;LYTHERM	100	Each	
14	250389	O RING:ID 12.42 MM;WD 3 MM;GREEN	250	Each	
15	250403	O RING:ID 37.82 MM;WD 3 MM;GREEN	250	Each	
16	250387	O RING:ID 58.42 MM;WD 3 MM;GREEN	250	Each	
17	250388	O RING:ID 70 MM;WD 3 MM;VITON;2-115	250	Each	
18	552798	VALVE RELF:700 KPA;290 DEG C;FLANGE;CS	800	Each	
19	500935	BLOWER:LOBE BLOWER;MIN 1980; MAX 3810 M3	20	Each	
20	256480	VALVE BTRFLY:5SSS6-SP-B(HT);BARE SHAFT	25	Each	
21	660333	COOLER:SO2;LG 6 M;70 KPA AT 704DEG C	25	Each	
22	256469	VALVE BTRFLY:5WW6PVB;BARE SHAFT;150 MM	25	Each	
23	250398	IMPELLER FAN	15	Each	
24	500931	COUPLING,SHAFT:DRIVE CLAW ;42 X 22 MM	30	Each	
25	250402	GASKET SPRL WND:SS GR 304;CER;RD	50	Each	
26	251009	GASKET JCKTD:ID 18 IN;CERAMIC;SS GR 304	50	Each	
27	250396	GASKET,SPL WND:SO00083;LYTHERM;RD	50	Each	
28	250384	GASKET SPRL WND:SS GR 304;CER;RD	50	Each	
29	250391	GASKET SPRL WND:SS GR 304;CER;RD	50	Each	
30	250394	GASKET SPRL WND:SS GR 304;CER;RD	50	Each	
31	250392	GASKET SPRL WND:SO00111;GRAPHITE;RD	50	Each	
32	250393	GASKET,SPL WND:SO00112;GRAPHITE;RD	50	Each	
33	250395	GASKET SPRL WND:SS GR 304;CER;RD	50	Each	
34	251008	TRAP STEAM:SO00310;THERMODYNAMIC;PN 40	500	Each	
35	583303	ELEMENT:DIA 31.9 X LG 34 MM;FORGE STEEL	20	Each	
36	552816	VALVE,GLOBE:SO00072;1/2 IN;700 KPA;SS	25	Each	
37	630032	TRANSMITTER FLW:9739MVD61MAEZZZ;O/P 0-20	25	Each	
38	250400	HOSE,MTLC:SO00050;75 MM;3.5 M;COUPLING	50	Each	
39	250399	PUMP:SO00030;GEAR;4 X 4 IN;113 GPM	6	Each	

40	607435	VALVE,GLOBE:15 MM;40 BAR;250 DEG C;BW	30	Each	
41	251007	GASKET PC:ID 16 X OD 25 X THK 4 MM	10	Each	
42	610966	ELBOW PIPE:6 IN;BUTT WELD;SS;90;10;90	50	Each	
43	610965	PIPE:ID 6 IN;LG 6 M;SS GR 316;10	50	Each	
44	670227	INJECTOR:LANCE;3.68 M;SS 316;SO ₃ PLANT	300	Each	
45	592473	PUMP:E2.73C600;VERTICAL SUMP/PROCESS	6	Each	
46	660994	PLUG VLV:NEEDLE;0.8 IN;SS 316L	50	Each	
47	663511	CATALYST:SOLID;RIBBED;DRUM 210 L	150	Each	
48	663510	CATALYST:SOLID;RIBBED;DRUM 210 L	150	Each	
49	707824	BALL:DENSTONE 57;25 MM;CERAMIC	30	Each	
50	660434	VALVE BTRFLY:4WW56PVB;SO ₃ PLANT;DN100;20	30	Each	
51	583304	KIT,VLV RPR:SO00078;FLOW SERVE;SO ₃	30	Each	

Note: The contract duration is five (5) years and the quantities are provisional

PART 3: SCOPE OF WORK

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

C3.1: *PURCHASER'S* GOODS INFORMATION

Contents

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1 Overview and purpose of the *goods and services*

Matimba Power Station management made a resolution to establish a long-term agreement for the supply of critical and operational plant spares. For the plant to operate effectively and efficiently, maintenance must be performed at intervals specified as per plant maintenance strategies. Correct plant spares must be always available. The identification of which specific components to be kept as spares as well as the quantities have been done according to the information available at the time of the compilation of this document.

2 Specification and description of the *goods*

The purpose of this document is to ensure that all documents that all maintenance sulphur (SO₃) spares are procured and are correctly specified.

2.1 *Purchaser's design*

Not Applicable

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

Not Applicable

2.3 *Other requirements of the Supplier's design*

Not Applicable

2.4 *Use of Supplier's design*

Not Applicable

2.5 *Manufacture & fabrication*

Unless an alternative spare is proposed the required spares shall be the same, in all aspects, as the original components mentioned in the scope of work. The spares shall also conform to the same specifications as the original components. This includes all aspects such as design, materials and material specifications, manufacturing and manufacturing processes, testing and operating and storage specifications.

2.6 *Factory acceptance testing (FAT)*

Both Parties shall arrange a factory visit as and when it is required

2.7 *Other tests and inspections and commissioning in place of use*

QC shall be conducted as per Employer's requirement.

2.8 *Operating manuals and maintenance schedules*

Consideration should be given to obtaining operating manuals and maintenance schedules before Delivery of the whole of the *goods* if any when there is still financial incentive for the *Supplier* to do so.

3 Supply Requirements

1. The description of the spares and the quantities that the employer envisages for the duration of

the contract is indicated in Table 1 and also on section C2.2 (Pricing Schedule). This value will be used with other estimates to determine the overall contract value. It should be noted that this is just an estimate and it does not mean that the Employer will definitely consume the spares in the duration of the contract. These quantities are therefore not fixed and the *Contractor* will only supply spares when instructed by a purchase order, from the *Employer*, to do so.

2. Spares that are for some reason not included in the list will be supplied on a 'cost-plus-profit- basis', as indicated in Table 2 below.
3. The spares and components will be supplied to the "goods received" section of the Matimba main store where it will be received by the material management section. The spares will be delivered with all of the required data books and certificates, where required.

Matimba Stores Working Times:

Monday – Thursdays: 07h00 – 16h15

Fridays: 07H00 – 12h00

4. Only once the spares have passed the Quality control checks and are booked into the system can payment be effected.
5. The Spares has to be the same in all respects when compared to the description under this Scope of Work. This includes all aspects such as design, materials and material specifications, manufacturing, including manufacturing processes, calibration certificates and acceptance testing. Where spares offered deviate from the original in any respect, it should be indicated to the *Employer*.
6. It is the *Contractor's* responsibility to ensure that correct spares are delivered. If the incorrect spares are delivered, the spares will have to be replaced with the correct spares at the *Contractor* cost. This includes transport and delivery.
7. The Delivery and Transport Costs must be included in the quotation.
8. The following packaging requirements should be adhered to:
 - The Goods are to be packaged in such a manner that it can be transported and stored for an extended period of time without resulting in damage to the goods.
 - This includes damage due to moisture ingress, corrosion, vibration from the power station etc.
 - Where lifting gear is utilised to move the goods, the packaging should allow the lifting operation and ensure that the goods are not damaged in any way during the process.
 - It will also not be necessary to open packaging for any lifting or transport operation.
 - Where eye bolts are fitted to move the goods, these eye bolts should be fitted such a way that they can be easily removed and replaced with the Purchaser's eye bolts, ensuring that the packaging stays intact.
 - The different spares types are to be packaged separately in such a way that each type can be stored separately.
 - Packaging and labelling of spares should ensure that the spare can be identified without opening the packaging.
 - Where possible the packaging should ensure that parts can be positively identified through the packaging. Where this is not possible the packaging should allow

opening and closing of the packaging and still maintain the packaging integrity afterwards.

- Delivery packaging to have the following detail on it as a minimum
 - Order number,
 - A short description of component
 - The stock number
 - Manufacturing date, where possible

The Supply Requirements for this contract are in an Annexure to the Contract Data provided by the *Purchaser*.

Specification of the services to be provided

Maintenance – Materials Management is responsible and accountable for ensuring that the Service is provided as per the SOW. Maintenance – Materials Management will also be managing the contract. Engineering will be involved in documentation review and will be part of the quality control. Commercial will be part of the contract placement process and communication with the contractor until contract award.

4 Constraints on how the *Supplier* Provides the Goods

4.1 Programming constraints

Every Purchase Order shall be accompanied by the Programme as per NEC3 SC Clause 30; 31 and 32

4.2 Work to be done by the Delivery Date

All items on the Pricing schedule C2.2 shall be delivered as per the Programme accepted by the *Supply Manager* on each Purchase Order.

4.3 Marking the goods

Packaging and labelling of spares should ensure that the spare can be identified without opening the packaging. Delivery packaging to have the following detail on it as a minimum (removable adhesive sticker if possible):

- Order number,
- A short description of component
- The stock number
- Manufacturing date, where possible

4.4 Constraints at the delivery place and place of use

- The spares and components will be supplied to the “goods received” section of the Matimba main store where it will be received by the material management section. The spares will be delivered with all of the required data books and certificates, where required.

Matimba Stores Working Times:	Monday – Thursdays:	07h00 – 16h00
	Fridays:	07H00 – 12h00

- The supplier must follow Eskom life savings rules when delivering to Matimba Power Station
 1. Be Sober – The supplier/ supplier’s staff should not be under any influence when making deliveries, to avoid accidents and damage to properties.
 2. Buckle up – Supplier/supplier’s employees to always fasten seatbelts when making deliveries to Matimba Power Station main stores.

4.5 Cooperating with Others

Supplier shall make the purchaser aware of any cooperation with other suppliers if it will impact the delivery of spares i.e transport arrangement.

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

All the requirements by the Supplier are stated in Annexure A

Management meetings section:

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	Weekly or as and when required	MS Teams	Both Parties
Overall contract progress and feedback	Monthly	MS Teams	Both Parties
Contractual meeting	Monthly	MS Teams	Both Parties

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.

4.7 Documentation control

All documents issued shall be numbered, dated and registered on the project document management system, maintained by the Contractor and conforming to the Contractor's Quality Management Plan. The documents shall be available at the recorded locations as noted in the document management system.

All documents supplied by the Contractor are subject to the Employer's acceptance. The Contractor includes the Employer's drawing number in the drawing title block. This requirement only applies to design drawings developed by the Contractor and his Sub-Contractors. Drawing numbers are assigned by the Employer as drawings are developed. The Contractor shall establish a document tracking system to record the dates for the supply and receipt of all design drawings, calculations and requests for information. The Contractor will be issued with a series of project drawing numbers which shall apply to all drawings including those from Subcontractors. These numbers will then be used for reference throughout the project.

4.8 Health and safety risk management

The *Contractor* shall comply with the Eskom's Minimum Requirements for Health and Safety. SHE Specification 240-146140396 and applicable procedures, policies, guidelines and standards provided in this Works Information. The *Contractor* shall comply with the Occupational Health and Safety Act (OHS Act No 85 of 1995) and Regulations and the *Contractor* shall comply with any additional current statutory requirements of any relevant Government Departments regarding health.

Only the latest version/ revision of the applicable legislation, acts and regulations shall be deemed to be accepted at Matimba Power Station. Not limited to the following below legislation, acts and regulations are complied with:

- Compensation for Occupational Injuries and Diseases Act 130 of 1993
- National Water Act 36 of 1998
- Occupational Health and Safety Act and Regulations (85 of 1993)
- National Environmental Management Act 107 of 1998
- Applicable South African National Standards (SANS)
- National Road Traffic Act 93 of 1996
- Basic Conditions of Employment Act 75 of 1997
- National Veld and Forest Fire Act and Regulations 101 of 1998
- Environmental Conservation Act and Regulations 73 of 1989
- SACPCMP Act no. 48 of 2000
- Radiation Protection Act
- COVID-19 Occupational Health And Safety Measures In Workplaces COVID-19 (C19 OHS), 2020

The *Contractor* shall establish and enforce rules to ensure the health and safety of his own employees and those of its Sub *Contractors* so that high standards of personnel health and safety are achieved and maintained. The *Contractor* shall exercise and enforce all necessary care and measures to preclude exposure of personnel, labour and nearby residents (if any) to potential health hazards and environmental pollutants.

The *Contractor* shall ensure that all persons which are employed and or deployed to work on site undergo police clearance, and are certified to have no criminal records. This shall be done prior to them being allowed or given access to start work on site.

The *Contractor* is required to compile a SHE file as per the scope of work to comply with the *Employer's* specification, which includes but not limited to the following;

- Safety, Health and Environmental Plan (SHE Plan)
- SHE organization within the Company-Responsibility & Accountability
- OHS Incident management Procedure (32-95)
- Planning of conduct of work activities including planning for changes and emergency work (Operational Plan)
- Management of PPE- Personal Protective Equipment (Procedure with the matrix)
- Emergency planning and fire risk management
- Vehicle and driver behaviour safety (Competency, Traffic Management, etc.)
- Sub-*Contractor* or supplier selection and management
- Design and specifications (Drawings)
- Key personnel competency, training, appointments
- Communication and awareness Plan
- Management commitment and visible felt leadership (32-407)
- *Employer's* Baseline SHE Risk Assessment (BRA)
- *Contractor's* Baseline Risk Assessment in line with the *Employer's* BRA (Identification, assessment and management of Safety, Health and Environmental risks related to the scope of work. The methodology used for the risk assessment must be provided together with the BRA.)
- Valid Letter of Good Standing (COIDA or equivalent)
- SHE policy signed by CEO/ MD- Comply to OHS Act Section 7 or OHSAS 18001
- Occupational hygiene and health risk assessment
- Medical surveillance

4.9 Environmental constraints and management

The mitigation requirements are recorded in the Environmental Management Plan (EMP). The *Contractor* shall acquaint himself fully with the contents of the EMP to ensure that the *Contractor* is fully aware of the requirements of the EMP and its implications on the works. The *Contractor's* rates tendered shall cover all

costs that will be incurred to comply with all requirements of the EMP. Special attention is drawn inter alia to the following aspects:

- Site demarcation: The *Contractor* shall demarcate his camp site, be restricted to that specific area and take full responsibility to restore the area to its original condition before the contract commenced
- Waste management: The *Contractor* shall dispose of all waste off-site at a licensed waste disposal facility and submit proof to Eskom
- Sanitation: The *Contractor* shall provide an appropriate enclosed temporary sanitation facility not a bucket system
- Dust control: The *Contractor* shall be responsible to apply effective dust control measures
- Re-vegetation: The *Contractor* shall be responsible to re-vegetate the locations of trial pits, boreholes, roads and tracts through the veld, the camp site and any area of activity related to the works, as may be required
- Fire prevention: It shall be the responsibility of the *Contractor* to prevent veld fires at all times during the contract

The *Contractor* shall take full responsibility for protecting the natural environment and eliminating or minimising the negative impacts of construction on the environment during construction. Nothing specified herein shall relieve the *Contractor* of any obligations or responsibilities in this regard.

The *Contractor* shall implement an Environmental Policy, in line with various statutory regulations. The *Contractor's* Environmental Management Plan shall be submitted to the *Project Manager* within 14 days for review and acceptance after the awarding of the contract. Upon the *Project Manager's* acceptance, the *Contractor* shall immediately implement the policy and any amendments, and keep it in operation for the duration of the contract.

The *Contractor* shall keep the Environmental Management Plan updated in accordance with his Quality Management Procedures and make amendments as required by the *Project Manager* and the circumstances prevailing at the time. The *Contractor* shall immediately supply the *Project Manager* with a copy of an updated Environmental Management Plan which shall clearly indicate the revisions undertaken. The following documents shall be submitted and accepted by the environmental department before commencement of work:

- Environmental Policy
- Objectives and Targets
- Aspects and Impacts Register (related to scope of work)
- Operational Work Instructions (related to scope of work)
- Competency, training and awareness (including Training matrix)
- Waste Management Plan

4.10 Quality

All Quality Management System requirements shall comply with QM-58 Category 2. The *Contractor* shall be responsible for the quality of and testing of materials, workmanship and production processes used in completing the works. Within fourteen (14) calendar days after Contract Date, the *Contractor* shall submit to the *Project Manager* the Quality Management Plan for quality control and quality assurance of the *works*.

4.11 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)

4.12 Insurance provided by the *Purchaser*

Clause 84.1 The *supplier* provides the insurances stated in the insurance table except any insurance which the *purchaser* is to provide as stated in the contract data. The *supplier* provides additional insurances as stated in the contract data.

4.13 Contract change management

In case of compensation event either party will notify the other. Then the NEC 3 SC clause 60 compensation event process will be followed. No work to be done until Purchaser provide permission.

4.14 Provision of bonds and guarantees

The form in which a bond or guarantee required by the *conditions of contract* (if any) is to be provided by the *Supplier* is given in Part 1 Agreements and Contract Data, document C1.3, Sureties.

The *Purchaser* may withhold payment of amounts due to the *Supplier* until the bond or guarantee required in terms of this contract has been received and accepted by the person notified to the *Supplier* by the *Supply Manager* to receive and accept such bond or guarantee. Such withholding of payment due to the *Supplier* does not affect the *Purchaser's* right to termination stated in this contract.

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

The *Contractor* is required to keep record and submit proof of all the actuals, to be verified at the completion of the Payment Certificate and assessment, should the *Service Manager* request to do so.

5 Procurement

5.1 Subcontracting

5.1.1 Preferred subcontractors

No Sub-Contractor shall be appointed without the written acceptance of the Supply Manager, refer to Clauses 11 and 26 of the NEC. The Supplier shall manage his Sub-Contractors to ensure that the works are carried out in accordance with:

- The Accepted Programme
- The conditions of contract
- The Service Information

5.1.2 Limitations on subcontracting

Not Applicable

5.1.3 Spares and consumables

Not Applicable

5.1.4 Other requirements related to procurement

Other requirements such as ASGISA or socio political enhancements the *Supplier* is to provide as part of Providing the Goods and Services (if any) could be included here.

5.1.5 Cataloguing requirements by the *Supplier*

- Catalogue the spares after completion of DCFs
- Confirm that the information supplied by the engineer is adequate for cataloguing
- Perform QC on all submitted DCFs

6 List of drawings

6.1 Drawings issued by the *Purchaser*

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

Drawing number	Revision	Title

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.
