



NEC3 Supply

Short Contract (SSC3)

A contract between Eskom Holdings SOC Ltd (Reg No. 2002/015527/30)

and [•]

for Supply and delivery of Hydraulic Oil Pump Unit
(Once-off supply)

| | | |
|------------------|---|-----------------|
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Documentation prepared by: Thabani Mbuyazi

C1 Agreements & Contract Data

C1.1 Form of Offer and Acceptance

Offer

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

Supply and delivery of Hydraulic Oil Pump Unit (Once-off supply)

The tenderer, identified in the signature block below, 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 Prices inclusive of VAT is | R [•] |
| (In words) | |

This Offer may be accepted by the Purchaser by signing the form of Acceptance overleaf 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

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 1 Agreements and Contract Data, (which includes this Form of Offer and Acceptance)

Part 2 Pricing Data

Part 3 Scope of Work: Goods Information

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

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Tender 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, which must be signed by the duly authorised representative(s) for both parties.

The tenderer shall within one week 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 copy of this document, including the Schedule of Deviations (if any) together with all the terms of the contract as listed above.

Unless the tenderer (now *Supplier*) within five working days of the date of such receipt notifies the Purchaser in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the Parties.

Signature(s)

Name(s) Christopher Nani

Capacity General Manager Kusile P. S

**for the
Purchaser**
Eskom Holdings SOC Limited
Kusile Power Station
R545 Kendal/Balmoral Rd
Haartebeesfontein Farm
Witbank

(Insert name and address of organisation)

Name &
signature of
witness

Date

Note: If a tenderer wishes to submit alternative tender offers, further copies of this document may be used for that purpose, duly endorsed, 'Alternative Tender No. _____'

Schedule of Deviations

Note:

1. To be completed by the Purchaser prior to award of contract. 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 _____

Christopher Nani

General Manager Kusile P. S

Eskom Holdings SOC Limited
Kusile Power Station
R545 Kendal/Balmoral Rd
Haartebeesfontein Farm
Witbank

C1.2 Contract Data

Data provided by the *Purchaser*.

| Clause | Statement | Data |
|----------------|---|---|
| General | | |
| 10.1 | The <i>Purchaser</i> is (Name): | Eskom Holdings SOC Limited (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. | N/A |
| | E-mail address | |
| 11.2(4) | The <i>delivery date</i> is. [If the <i>goods</i> are instructed by Batch Order enter the data, "The delivery date is identified in the Batch Order"] | Per the Batch Order |
| 11.2(5) | The Goods Information is in | the document called 'Goods Information' in Part 3 of this contract. |
| 11.2(8) | The <i>goods</i> are | Hydraulic Oil Pump Unit (once-off supply) |
| 12.2 | The <i>law of the contract</i> is | The law of the Republic of South Africa |
| 13.2 | The <i>period for reply</i> is | Three working days |
| 15.1 | The <i>premises</i> are | Kusile Power Station |
| 23.1 | The <i>Purchaser</i> requires the <i>Supplier</i> to Provide the Goods when instructed by Batch Order. | Any early delivery must be communicated to the Supply Manager in advance to arrange logistics. |
| 23.1 | If the <i>goods</i> are instructed by Batch Order, | |
| | the batch order interval is | N/A |
| | the end date is | N/A |
| | the quantity range of <i>goods</i> in a batch is | N/A |
| 30.1 | The <i>starting date</i> is. | TBC |
| 41.1 | The <i>defects date</i> is | 52 weeks after Delivery. |
| 42.2 | The period for the correction of Defects after Delivery is | Three (3) Days |
| 50.1 | The <i>assessment day</i> is the | 25th of each month. |
| 50.5 | The <i>delay damages</i> are. [If the <i>goods</i> are instructed by Batch Order enter a <i>delay damage</i> amount appropriate to the quantity or use of the <i>goods</i> in the Batch] | 1 % per day to the maximum of 10% of the batch order value |

| | | |
|---------|--|---|
| 51.2 | The interest rate on late payment is | <p>(i) the publicly quoted prime rate of interest (calculated on a 365-day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and</p> <p>(ii) the LIBOR rate applicable at the time for amounts due in other currencies. <u>LIBOR</u> 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> |
| 86.1 | 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 | Zero |
| 86.2 | The <i>Supplier</i> is not liable to the <i>Purchaser</i> for loss of or damage to the <i>Purchaser's</i> property in excess of | Purchase Order value for any one event. |
| 93.1 | 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). |
| 93.2(2) | The <i>Adjudicator nominating body</i> is: | the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (UK) or its successor body (See www.ice-sa.org.za). |
| 93.4 | <p>The <i>tribunal</i> is:</p> <p>If the <i>tribunal</i> is arbitration, the arbitration procedure is</p> | <p>arbitration.</p> <p>the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.</p> |

11.1 **The *conditions of contract* are the NEC3 Supply Short Contract (April 2013)^{1 2} and the following additional conditions.**
[Only enter details here if additional conditions are required, otherwise state 'none']

¹ Can be obtained from Engineering Contract Strategies on www.ecs.co.za, Tel 011 803 3008, Fax 086 539 1902

² If the December 2009 edition is being used, replace April 2013 with December 2009

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 and the Electricity Distribution Industry.

Z2 Change of Broad Based Black Economic Empowerment (B-BBEE) status

- Z2.1 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.
- Z2.2 The *Supplier* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Purchaser* within thirty days of the notification or as otherwise instructed by the *Purchaser*.
- Z2.3 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.
- Z2.4 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 the same as for Reason 3 identified in clause 90.3.

Z3 Waiver and estoppel: Add to clause 12.3:

- Z3.1 Any extension, concession, waiver, or relaxation of any action stated in this contract by the Parties, 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.

Z4 Provision of a Tax Invoice and interest. Add to clause 51

- Z4.1 The *Supplier* provides the *Purchaser* with a tax invoice in accordance with the *Purchaser's* procedures stated in the Goods Information, showing the correctly assessed amount due.
- Z4.2 If the *Supplier* does not provide a tax invoice by the time required in this contract for his assessment of each amount due, 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.
- Z4.3 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.

Z5 Purchaser's limitation of liability

- Z5.1 The *Purchaser's* liability to the *Supplier* for the *Supplier's* indirect or consequential loss is limited to R0.00 (zero Rand)

Z5.2 The *Supplier's* entitlement under the indemnity in 83.1 is provided for in 60.1(8) and the *Purchaser's* liability under the indemnity is limited.

Z6 Termination: Add to clause 90.2 before (Reason 1)

Z6.1 or had a judicial management order granted against it.

Z7 Addition to clause 50.5

Z7.1 If the amount due for the *Supplier's* payment of *delay damages* reaches the limits stated in this Contract Data (if any), the *Purchaser* may terminate the *Supplier's* obligation to Provide the Goods using the same procedures and payment on termination as those applied for Reason 3. Identified in clause 90.3.

Z8 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. |

Z8.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z8.2 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.

Z8.3 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.

- Z8.4 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.

Z9 Insurance

Replace condition of contract 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 in this Insurance Table A from the *starting date* until Delivery and against any risks he carries under this contract between Delivery and the *defects date*.

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 | <p>The replacement cost where not covered by the <i>Purchaser's</i> insurance.</p> <p>The <i>Purchaser's</i> policy deductible as at contract date where covered by the <i>Purchaser's</i> insurance.</p> |
| 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 | <p><u>Loss of or</u></p> <p><u>damageDamage to property</u></p> <p><u><i>Purchaser's</i> property</u></p> <p>The replacement cost where not covered by the <i>Purchaser's</i> insurance.</p> <p>The <i>Purchaser's</i> policy deductible as at contract date, where covered by the <i>Purchaser's</i> insurance.</p> |

| | |
|---|--|
| | <u>Other property</u> The replacement cost. Death of or bodily injury 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 |

84.2 The Purchaser provides the insurances in this Insurance Table B

INSURANCE TABLE B

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

Z10 Nuclear Liability

- Z10.1 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.

- Z10.2 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*.
- Z10.3 Subject to clause Z10.4 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*.
- Z10.4 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.
- Z10.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z11 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 *Purchaser's* 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, normalized to the baseline of a 4-hour continuous period, also applicable to short term exposures, i.e., 10-minute TWA.
- Z11.1 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.
- Z11.2 Upon written request by the *Supplier*, the *Purchaser* certifies that these conditions prevail. All measurements and reporting are affected 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 Z11.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
- Z11.3 The *Purchaser* manages asbestos and ACM according to the Standard.
- Z11.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to 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.
- Z11.5 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.
- Z11.6 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.
- Z11.7 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.

C1.3 Data provided by the *Supplier* (the *Supplier's Offer*)

The tendering Supplier is advised to read both the NEC3 Supply Short Contract (April 2013) and the relevant parts of its Guidance Notes (SSC3-GN)³ in order to understand the implications of this Data which the tenderer is required to complete. An example of the completed Data is provided on page 28 of the SSC3 Guidance Notes and Flow Charts.

Completion of the data in full is essential to create a complete contract.

| | | |
|---------|--|---|
| 10.1 | The <i>Supplier</i> is (Name): | [•] |
| | Address | [•] |
| | Tel No. | [•] |
| | Fax No. | [•] |
| | E-mail address | [•] |
| 11.2(7) | The Price Schedule is in | the document called 'Price Schedule' in Part 2 of this contract. |
| 11.2(7) | The offered total of the Prices | See C1.1 Form of Offer and Acceptance |
| 63.2 | The percentage for overheads and profit added to the Defined Cost is | [•]% |

³ Available from Engineering Contract Strategies on www.ecs.co.za Tel 011 803 3008, Fax 086 539 1902.

C2 Pricing Data

C2.1 Pricing assumptions

Entries in the first four columns of this Price Schedule are made either by the *Purchaser* or the tenderer. If the *Supplier* is to be paid an amount for the item which is not adjusted if the quantity of goods in the item changes, the tenderer 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 of goods which is the rate for the goods multiplied by the quantity supplied, the tenderer enters a rate for each item and multiplies it by the Quantity to produce the Price, to be entered in the final column.

The rates and Prices entered for each item includes for all work and other things necessary to supply the item.

C2.2 Price Schedule

The rates and Prices entered for each item includes for all work and other things necessary to supply the item.

| ITEM NO. | DESCRIPTION | OEM NUMBER | MATERIAL NO. | UNIT | QUANTITY | UNIT PRICE | TOTAL |
|------------------|---|-----------------|--------------|----------|----------|------------|-------|
| 1 | PUMP, ROTARY: TYPE: HYDRAULIC, SCREW; PORT SIZE: DN80; CAPACITY: 92 DM3/S; SPEED: 2900 RPM; RATING: 40 BARS; SPECIFICATION: L3MF60/120; OEM P/N: HTGD485981P0012, OEM: GE STEAM POWER SERVICE | HTGD485981P0012 | 0645239 | Each | 12 | | |
| 2 | 14-Ton Crane Drop side Truck (@200 Km Delivery Radius) | | | Once Off | 1 | | |
| TOTAL (Excl.Vat) | | | | | | | |

Total of the Prices

Note: The above price list is only indicative, and Eskom will invite all qualifying suppliers (pass functionality) to participate in an e-auction for the items listed above.

Note: The prices offered are in Rand and are fixed and firm for the duration of the contract.

Note: Eskom reserves the right to split the award into a maximum of three contracts to the highest-ranking suppliers (based on 80/20 or 90/10), where each supplier will be awarded those items for which they tendered the lowest rates. This will be subject to a minimum of three (3) bidders passing functionality.

C3: Scope of Work

C3.1 Goods Information

The need originates from Kusile Power Station (Gx) Division for stock replenishment purposes. The need is as the highest risk in the plant emanating from the shortage of spares, unavailability of spares. Spares are required for Plant Maintenance.

The procurement of this item will ensure:

- Continuity and security of supply.
- Improvement of Plant availability
- Plant reliability

1. Description of the goods

The description of the goods the Supplier is required to supply are the Hydraulic Oil Pump Unit as per the price list above.

2. Specifications

2.1 Purchaser anticipates Quantity of:

The estimated quantities the Employer anticipates will be required for the duration of this contract is stated on the price list. 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 an order, from the Employer, to do so.

2.2 The spares and components will be supplied to the “goods received” section of the Kusile 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. Kusile Power Station Stores Working Times: Monday –Thursdays: 07h00 – 16h00 and Fridays: 07H00 – 12h00

2.3 Only once the spares have passed the Quality control checks and are booked into the system can payment be affected.

2.4 The Spares has to be the same in all respects when compared to the original equipment, supplied to Eskom by OEM under contract. This includes all aspects such as design, materials and material specifications, manufacturing, including manufacturing processes and acceptance testing. Where spares offered deviate from the original in any respect, it should be indicated to the *Purchaser*.

2.5 It is the *Supplier'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 Supplier's cost. This includes transport and delivery.

2.6 The Delivery and Transport Costs (including off-loading items) must be included in the quotation.

2.7 The following packaging requirements should be adhered to:

- a) 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.
- b) This includes damage due to moisture ingress, corrosion, vibration from the power station etc.
- c) 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.
- d) It will also not be necessary to open packaging for any lifting or transport operation.

- e) Where eyebolts are fitted to move the goods, these eyebolts should be fitted such a way that they can be easily removed and replaced with the Purchaser's eyebolts, ensuring that the packaging stays intact.
- f) The different spare types are to be packaged separately in such a way that each type can be stored separately.
- g) Packaging and labelling of spares should ensure that the spare can be identified without opening the packaging.
- h) 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.
- i) 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 numbers.
 - Manufacturing date, where possible

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

3.1 Subcontracting

The Supplier has full responsibility of providing the goods whether subcontracting or not.

3.2 Use of standard forms

The supplier can use any format which is in line with the requirements of the NECC 3 Supply Short Contract. for early warning and compensation event notifications.

3.3 Invoicing and payment

In terms of core clause 50 the *Supplier* assesses the amount due and applies to the *Purchaser* for payment. The *Supplier* applies for payment with a tax invoice addressed to the *Purchaser* as follows:

invoiceseskomlocal@eskom.co.za

The *Supplier* includes the following information on each tax invoice:

- Name and address of the *Supplier*
- The contract number and title.
- *Supplier's* VAT registration number.
- The *Purchaser's* VAT registration number which is 4740101508.
- The total of
 - The Price for each lump sum item in the Price Schedule or Batch Order which the *Supplier* has completed.
 - Where a quantity is stated for an item in the Price Schedule or Batch Order, an amount calculated by multiplying the quantity which the *Supplier* has completed by the rate,
- Other amounts to be paid to the *Supplier*.
- Less amounts to be paid by or retained from the *Supplier*.
- The invoiced amount - excluding VAT, the VAT and including VAT.

Procedure for invoice submission and payment

- All Electronic invoices must be sent in PDF format only.
- An Invoice that was printed and then scanned to PDF by the Vendor is not acceptable as this is not an original tax invoice by SARS definition but a copy.
- The following wording needs to appear on the invoice: "Your invoice is encrypted in order to comply with SARS requirements that invoices, and statements sent electronically are tamperproof."

- All queries and follow up on invoice payments should be made by contacting the FSS Contact Centre: Tel: 011 800 5060 or email: fss@eskom.co.za

3.4 Records of Defined Cost

In order to substantiate the Defined Cost of compensation events, the *Purchaser* may require the *Supplier* to keep records of amounts paid by him for people employed by the *Supplier*, plant and materials, work subcontracted by the *Supplier* and equipment.

3.5 BBBEE and preferencing scheme

The *Supplier* must provide an original/certified copy of a valid BBBEE status level verification certificate issued by a verification agency accredited by SANAS, or A sworn affidavit from an EME and to the extent that a QSE qualifies for enhanced BBBEE recognition, signed by the EME / QSE representative, and attested by a Commissioner of Oaths.

The *Supplier* must also provide Tax clearance certificate from SARS before awarding the contract.

3.6 Cataloguing requirements by the *Supplier*

N/A

4. Requirements for the programme

The *Supplier* must submit a plan after receiving Purchase Order. The plan must include the following:

- The manufacturing start date
- The manufacturing plan, with key dates
- The delivery dates.
- The *Supplier's* plan for Delivery
- How the *Supplier* plans to deal with any delays

5. Services and other things provided by the *Purchaser*

| Item | Date by which it will be provided |
|--|---|
| Arranging access to the delivery place | Prior goods delivery to the <i>Purchaser</i> |
| Forklift | During goods delivery to the <i>Purchaser</i> |
| Overhead crane in the storage area | During goods delivery to the <i>Purchaser</i> |

6. Supply requirements

The goods must be delivered at Kusile Power Station stores. The delivery must be made during working hours unless arrangement has been made with the *Purchaser* for different times.

The goods must be accompanied by supporting documents which are test certificate, delivery note, compliance certificate, warranties etc. The *Supplier* must ensure that the delivery note is stamped by Eskom stamp before leaving site.

Batch Order

Batch Order form for use when the Contract Data states that, in terms of clause 23, the *Purchaser* requires the *Supplier* to supply the goods in batches.

Contract number

Batch Order No.

Date

To:
..... (*Supplier*)

I instruct you to supply the following *goods* selected from the Price Schedule:

| Item no. | Description | Unit | Quantity | Rate | Price |
|----------|--|----------|----------|------|-------|
| 645239 | PUMP, ROTARY: TYPE: HYDRAULIC, SCREW; PORT SIZE: DN80; CAPACITY: 92 DM3/S; SPEED: 2900 RPM; RATING: 40 BAR; SPECIFICATION: L3MF60/120; OEM P/N: HTGD485981P0012, OEM: GE STEAM POWER SERVICE | EA | 12 | | |
| | 14-Ton Crane Drop side Truck (@200 Km Delivery Radius) | Once off | 1 | | |
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Total of the Prices for the Batch Order

The start date is TBC

The *delivery date* is TBC

Signed.....

Name (in print)

(For *Purchaser*)