



NEC3 Term Service Contract (TSC3)

Between	ESKOM HOLDINGS SOC Ltd (Reg No. 2002/015527/30)	
and		
for	THE MAINTENANCE OF SECONDARY AIR DAMPERS, CORE AIRS DAMPERS AND BURNER TILTS ACTUATORS AT ARNOT POWER STATION FOR A PERIOD OF 5 YEARS	
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CONTRACT No.	46000	

PART C1: AGREEMENTS & CONTRACT DATA

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C1.1 Form of Offer & Acceptance

Offer

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

THE MAINTENANCE OF SECONDARY AIR DAMPERS, CORE AIRS DAMPERS AND BURNER TILTS ACTUATORS AT ARNOT POWER STATION FOR A PERIOD OF 5 YEARS

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

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

Options A	The offered total of the Prices exclusive of VAT is	R
	Value Added Tax @ 15% is	R
	The offered total of the amount due inclusive of VAT is ¹	R
	(in words) Forty four million one hundred and fifty seven thousand three hundred and twelve rand and four cents (including VAT but excluding Contract Price Adjustment and Rate of Exchange movements)	

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

Signature(s)			
Name(s)			
Capacity			
For the tenderer:			
Name & signature of witness		Date	
Tenderer's CIDB registration number:			

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

Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)			
Name(s)	Marcus Nemadodzi		
Capacity	General Manager Power Station		
for the Employer	Eskom Holdings SOC Ltd Arnot Power Station Private Bag X2 RIETKUIL 1097		
Name & signature of witness	Ramabusa Mokhele		Date

Schedule of Deviations to be completed by the *Employer* prior to contract award

No.	Subject	Details
1	The approved contract terms and conditions deviations have been incorporated on this contract.	

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

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

	For the tenderer:	For the Employer
Signature		
Name		Marcus Nemadodzi
Capacity		General Manager Power Station
On behalf of		Eskom Holdings SOC Ltd Arnot Power Station Private Bag X2 RIETKUIL 1097
Name & signature of witness		
Date		

C1.2 TSC3 Contract Data

Part one - Data provided by the Employer

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	and secondary Options	
		A: Priced contract with price list
		X1: Price adjustment for inflation
		X2: Changes in the law
		X17: Low service damages
		X18: Limitation of liability
		X19: Task Order
		Z: Additional conditions of contract
	of the NEC3 Term Service Contract April 2013 ² (TSC3)	
10.1	The <i>Employer</i> is (name):	Eskom 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.	013 297 9722
	Fax No.	013 297 9889
10.1	The <i>Service Manager</i> is (name):	Makini Evidence
	Address	Eskom Holdings SOC Limited Arnot Power Station Private Bag X2 Rietkuil 1097
	Tel	+27 13 297 9708

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

Fax + 27 86 000 0000

e-mail MakiniME@eskom.co.za

11.2(2)	The Affected Property is	Arnot Power Station
11.2(13)	The <i>service</i> is	The provision of Technical and Non-technical labour on to C&I Maintenance Department for carrying out maintenance activities on secondary air dampers, core air dampers and burner tilts from unit 1 to unit 6 boilers at Arnot power station
11.2(14)	The following matters will be included in the Risk Register	Will be updated as the programme progresses and Risks arises
11.2(15)	The Service Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	1 weeks
2	The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the Contractor in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The <i>Contractor</i> submits a first plan for acceptance within	1 weeks of the Contract Date
3	Time	
30.1	The <i>starting date</i> is.	TBC
30.1	The <i>service period</i> is	5 Years/ 60 Months
4	Testing and defects	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
5	Payment	
50.1	The <i>assessment interval</i> is	Between the 25th day of each successive month.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	4 weeks.
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and

(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	Use of Equipment Plant and Materials	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 and insurance	
80.1	These are additional <i>Employer's</i> risks	<p>1. Not Applicable</p> <p>2. Not Applicable</p> <p>3. Not Applicable</p>
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	<p>as stated for “Format TSC3” available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance).</p>
83.1	The <i>Employer</i> provides these additional insurances	<p>as stated for “Format TSC3” available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance)</p>
83.1	The <i>Contractor</i> provides these additional insurances:	
83.1	The minimum amount of cover for insurance against loss and damage caused by the <i>Contractor</i> to the <i>Employer's</i> property is	<p>the amount of the deductibles relevant to the event described in the “Format TSC3” insurance policy available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies</p>

From_1_April_2014_To_31_March_2015.aspx

83.1	The insurance against loss of or damage to the <i>works</i> , Plant and Materials is to include cover for Plant and Materials provided by the <i>Employer</i> for an amount of	
83.1	The minimum amount of cover for insurance in respect of loss of or damage to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor's</i> Providing the Service for any one event is:	whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i>.
83.1	The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract for any one event is:	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor's</i> common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rands)..
9	Termination	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.
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than	4 weeks.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i>	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
	Address	[●]
	Tel No.	[●]
	Fax No.	[●]
	e-mail	[●]
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and

		the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.
W1.4(2)	The <i>tribunal</i> is:	arbitration
W1.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.
	The place where arbitration is to be held is	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.

12 Data for secondary Option clauses

X1	Price adjustment for inflation																
X1.1	The <i>base date</i> for indices is	TBC															
	The proportions used to calculate the Price Adjustment Factor are:	<table border="1"> <thead> <tr> <th>proportion</th> <th>linked to index for</th> <th>Index prepared by</th> </tr> </thead> <tbody> <tr> <td>60%</td> <td>C3(a) Labour</td> <td>SEIFSA</td> </tr> <tr> <td>20%</td> <td>L2(B)Transport</td> <td>SEIFSA</td> </tr> <tr> <td>5%</td> <td>D4 (CPI)</td> <td>SEIFSA</td> </tr> <tr> <td>15%</td> <td>non-adjustable</td> <td>SEIFSA</td> </tr> </tbody> </table>	proportion	linked to index for	Index prepared by	60%	C3(a) Labour	SEIFSA	20%	L2(B)Transport	SEIFSA	5%	D4 (CPI)	SEIFSA	15%	non-adjustable	SEIFSA
proportion	linked to index for	Index prepared by															
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20%	L2(B)Transport	SEIFSA															
5%	D4 (CPI)	SEIFSA															
15%	non-adjustable	SEIFSA															
		 2026/03/05															
X2	Changes in the law	No data is required for this Option															
X17	Low service damages																
X17.1	The <i>service level table</i> is in	Refer to of the Service Information															
X18	Limitation of liability																
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	R0.0 (zero Rand)															
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx															
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	The greater of <ul style="list-style-type: none"> • the total of the Prices at the Contract Date and • the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> 															

<p>X18.4</p>	<p>The <i>Contractor's</i> total liability to the <i>Employer</i>, for all matters arising under or in connection with this contract, other than the excluded matters, is limited to</p>	<p>property which is not excluded) plus the applicable deductibles in the <i>Employer's</i> assets and works / maintenance policies available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx</p> <p>the total of the Prices other than for the additional excluded matters.</p> <p>The <i>Contractor's</i> total liability for the additional excluded matters is not limited.</p> <p>The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for</p> <ul style="list-style-type: none"> • Defects due to his design, plan and specification, • Defects due to manufacture and fabrication outside the Affected Property, • loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials), • death of or injury to a person and • infringement of an intellectual property right.
<p>X18.5</p>	<p>The <i>end of liability date</i> is</p>	<p>12 months after the end of the <i>service period</i>.</p>
<p>X19</p>	<p>Task Order</p>	
<p>X19.5</p>	<p>The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within</p>	<p>5 days of receiving the Task Order</p>
<p>Z</p>	<p>The <i>additional conditions of contract</i> are</p> <p>Z1 to Z11 always apply.</p>	

Z1 Cession delegation and assignment

- Z1.1 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer*.
- Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* 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 *Contractor* 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 *Employer* for the performance of this contract.
- Z2.2 Unless already notified to the *Employer*, the persons or organisations notify the *Service Manager* within two weeks of the Contract Date of the key person who has the authority to bind the

Contractor on their behalf.

Z2.3 The *Contractor* does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Employer* having been given to the *Contractor* in writing.

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

Z3.1 Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor's* B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change.

Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*.

Z3.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor's* obligation to Provide the Service.

Z3.4 Failure by the *Contractor* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Confidentiality

Z4.1 The *Contractor* 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 *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.

Z4.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Service Manager*.

Z4.3 In the event that the *Contractor* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Contractor*, to the extent permitted by law prior to disclosure, notifies the *Employer* 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 *Contractor* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.

Z4.4 The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, in the course of Providing the Service and after the end of the *service period*, requires the prior written consent of the *Service Manager*. All rights in and to all such images vests exclusively in the *Employer*.

Z4.5 The *Contractor* 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 *Service 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 27.4

Z6.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:

- accepts that the *Employer* may appoint him as the “Principal Contractor” (as defined and provided for under the Construction Regulations 2014 (promulgated under the Occupational Health & Safety Act 85 of 1993) (“the Construction Regulations”) for the Affected Property;
- warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations, all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the *service*; and
- undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor’s* direction and control, likewise observe and comply with the foregoing.

Z6.2 The *Contractor*, in and about the execution of the *service*, 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 *Contractor’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 *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer’s* procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.

Z7.2 If the *Contractor* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Employer* 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 *Employer* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.

Z7.3 The *Contractor* (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 *Employer’s* VAT number 4740101508 on each invoice he submits for payment.

Z8 Notifying compensation events

Z8.1 Delete the last paragraph of core clause 61.3 and replace with:

If the *Contractor* does not notify a compensation event within eight weeks of becoming aware of the event, he is not entitled to a change in the Prices.

Z9 Employer's limitation of liability

- Z9.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z9.2 The *Contractor's* entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the *Employer's* liability under the indemnity is limited to compensation as provided for in core clause 63 and X19.11 if Option X19 Task Order applies to this contract.

Z10 Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

- Z10.1 or had a business rescue order granted against it.

Z11 Ethics

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

- Affected Party means, as the context requires, any party, irrespective of whether it is the *Contractor* 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 *Contractor*, 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.

Z 11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z 11.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Service if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* 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 *Employer* can terminate the *Contractor's* obligation to Provide the Service for this reason.

Z 11.3 If the *Employer* terminates the *Contractor's* obligation to Provide the Service for this reason, the procedures and amounts due on termination are respectively P1, P2, P3 and P4, and A1 and A3.

Z 11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Contractor* ensures that the Committing Party co-operates fully with an investigation.

Annexure A: Insurance provided by the Employer

These notes are provided as guidance to tendering contractors and the Contractor about the insurance provided by the Employer. The Contractor must obtain its own advice. Details of the insurance itself are available from the internet web link given below.

1. Services provided in a TSC3 contract could include some element of construction or refurbishment as well as a continuous maintenance or operational service activity. If an event occurs which causes loss or damage, a claim could be made either against the *Employer's* "works" type policy which may be in place for the *Employer's* portion of the Affected Property concerned or against the *Employer's* assets policy which may be in place for the *Employer's* portion of the Affected Property concerned, or both.
2. The cover provided and the deductibles under the works policy are different to those under the assets policy. Each policy has a range of applicable deductibles depending on the location of the Affected Property and the nature of the insurable event.
3. The *Contractor* is required in terms of Contract Data for clause 83 to provide cover for the deductibles in the insurance provided by the *Employer*. This can be provided from his own resources on a 'self insured' basis or obtained by him from his own insurers. In order to assess the extent of this cover, tendering contractors and their brokers should consult the internet web link given below and scroll to '**Format TSC3**' to establish both the cover and the deductibles in relation to the *service* provided in terms of this contract.
4. Tendering contractors should note that cover provided by the *Employer* is only per the policies available on the internet web link listed below and may not be the cover required by the tendering contractor or as intended by each of the listed insurances in the left hand column of the Insurance Table in clause 83.2. In terms of clause 83.1 "the *Contractor* provides the insurances stated in the Insurance Table except any insurance which the *Employer* is to provide". Hence the *Contractor* provides insurance which the *Employer* does not provide and in cases where the *Employer* does provide insurance the *Contractor* insures for the difference between what the Insurance Table requires and what the *Employer* provides.
5. If Marine Insurance is required the *Contractor* needs to obtain a copy of the latest edition of Eskom's Marine Policies Procedures found at internet website given below.
6. Further information and full details of all Eskom provided policies and procedures may be obtained from:

[http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_
From_1_April_2014_To_31_March_2015.aspx](http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx)

C1.2 Contract Data

Part two - Data provided by the Contractor.

Notes to a tendering contractor:

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

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

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

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

Responsibilities:

Qualifications:

Experience:

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

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

PART 2: PRICING DATA

TSC3 Option A

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

C2.1 Pricing assumptions: Option A

How work is priced and assessed for payment

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

Identified and defined terms	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
		(17) The Price for Services Provided to Date is the total of <ul style="list-style-type: none">• the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and• where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

This confirms that Option A is a priced contract where the Prices are derived from a list of items of service which can be priced as lump sums or as expected quantities of service multiplied by a rate or a mix of both.

Function of the Price List

Clause 54.1 in Option A states: "Information in the Price List is not Service Information". This confirms that instructions to do work or how it is to be done are not included in the Price List but in the Service Information. This is further confirmed by Clause 20.1 which states, "The *Contractor* Provides the Service in accordance with the Service Information". Hence the *Contractor* does **not** Provide the Service in accordance with the Price List. The Price List is only a pricing document.

Link to the *Contractor's* plan

Clause 21.4 states "The *Contractor* provides information which shows how each item description on the Price List relates to the operations on each plan which he submits for acceptance". Hence when compiling the *price list*, the tendering contractor needs to develop his first clause 21.2 plan in such a way that operations shown on it can be priced in the *price list* and result in a satisfactory cash flow in terms of clause 11.2(17).

Preparing the *price list*

Before preparing the *price list*, both the *Employer* and tendering contractors should read the TSC3 Guidance Notes pages 14 and 15. In an Option A contract, either Party may have entered items into the *price list* either as a process of offer and acceptance (tendering) or by negotiation depending on the nature of the *service* to be provided. Alternatively the *Employer*, in his Instructions to Tenderers or in a Tender Schedule, may have listed some items that he requires the *Contractor* to include in the *price list* to be prepared and priced by him.

It is assumed that in preparing or finalising the *price list* the *Contractor*:

- Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A;
- Understands the function of the Price List and how work is priced and paid for;
- Is aware of the need to link operations shown in his plan to items shown in the Price List;
- Has listed and priced items in the *price list* which are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk;
- Has priced work he decides not to show as a separate item within the Prices or rates of other listed items in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.

- Understands there is no adjustment to items priced as lump sums if the amount, or quantity, of work within that item later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the (lump sum) Prices is as a result of a compensation event.

Format of the *price list*

(From the example given in an Appendix within the TSC3 Guidance Notes)

Entries in the first four columns in the *price list* in section C2.2 are made either by the *Employer* or the tendering contractor.

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

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

If the *Contractor* is to be paid a Price for an item proportional to the length of time for which a service is provided, a unit of time is stated in the Unit column and the expected length of time (as a quantity of the stated units of time) is stated in the Expected Quantity column.

C2.2 the price list

Item no	Description	Unit	Quantity	Rate	Amount
Normal working hours (Mondays to Fridays)					
1	1x Technician	Hours	9 600		
2	6x Artisans	Hours	57 600		
3	3 x Semi-Skilled	Hours	28 800		
Overtime (Saturdays @ x 1.5)					
4	1x Technician	Hours	1 920		
5	6x Artisans	Hours	6720		
6	3 x Semi-Skilled	Hours	3 840		
Overtime (Sundays/ Public holidays @ x 2)					
7	1x Technician	Hours	1 680		
8	6x Artisans	Hours	576 240		
9	3 x Semi-Skilled	Hours	3 480		
Preliminaries & General					
Time Related P&Gs					
10	Accommodation	Days	14 400		
11	Transport Home -to work- work to home- 15-seater)	Monthly	5		
12	Safety file/ Safety management year 2-5	Annually	4		
Personal protective equipment					
13	2 x Trouser shall be as per SANS 434 for 10 personnels	No	100		

THE MAINTENANCE OF SECONDARY AIR DAMPERS, CORE AIRS DAMPERS AND BURNER TILTS ACTUATORS AT ARNOT POWER STATION FOR A PERIOD OF 5 YEARS

14	2x Jacket must be in accordance with SANS 434 for 10 personnels	No	100		
15	1x Hard hats -Bear the SABS mark and in accordance with SANS 1397 for 10 personnels	No	50		
16	2x Boots with Toe construction type: steel or carbon fibre; tread surface type sole rubber or polyurethane or combination of both. for 10 personnels	No	100		
17	Dust Mask FFP2 with Valve for 10 personnels	No	219 000		
18	High performance Earmuffs with noise levels equal to or more than 85 decibels (dBA). for 10 personnels (every 6 months)	Biannual	100		
19	Gloves Pigskin p/p for 10 personnels	Bi- weekly	1200		
Medicals					
20	Medicals include: *Blood pressure *Blood sugar *Eyes Testing *Hearing Test *Lung Function *Urine testing *Multi-drug testing *Police clearance	Annually	5		
Site Establishment					
21	Office container (12m x 2.8m) Including furniture	Monthly	60		
22	2 ablutions (2m x 2m) (Male and Female)	Monthly	60		
23	Kitchen (3mx3m) including furniture	Monthly	60		

THE MAINTENANCE OF SECONDARY AIR DAMPERS, CORE AIRS DAMPERS AND BURNER TILTS ACTUATORS AR
ARNOT POWER STATION FOR A PERIOD OF 5 YEARS

Fixed P&G's					
24	Safety file (1 year)	Sum	1		
25	Site Establishment- Once off	Item	1		
26	Site De- establishment – Once off	Item	1		
Tools – Once off					
27	WIKA Pneumatic Hand Pump CPP 30 (-950mbar – 35bar)	each	6		
28	177 - 179 Fluke True RMS Multimeter	each	6		
29	BA Box Wrenches 6Pcs	each	7		
30	Trade Flame/Soldering Iron	each	7		
31	Screwdriver Flat 5.50x200mm	each	7		
32	Star Screwdriver 2x100mm	each	7		
33	Star Screwdriver 1x80mm	each	7		
34	Star Screwdriver 0x60mm	each	7		
35	Flat Screwdriver 400x100mm	each	7		
36	Flat Screwdriver 2.5x75mm	each	7		
37	Shifter Bacho 250mm-10	each	7		
38	Shifter Bacho 200mm-8	each	7		
39	Shifter Bacho 150mm-6	each	7		
40	Gedore-long nose	each	7		
41	Crescent Side Cutter	each	7		
42	Hex Key Set (Allen keys) 25pcs	each	7		
43	Jewellers Spanner 6pcs	each	7		
44	Communication Radio	each	7		

The total of the Prices

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2026/03/05

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	16
C3.1	Employer’s Service Information	
C3.2	Contractor’s Service Information	
	Total number of pages	16

C3.1: EMPLOYER'S SERVICE INFORMATION

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THE MAINTENANCE OF SECONDARY AIR DAMPERS, CORE AIRS DAMPERS AND BURNER TILTS ACTUATORS AT ARNOT POWER STATION FOR A PERIOD OF 5 YEARS

1. Description of the service

1.1 Executive overview

The Maintenance of Secondary air Dampers, core air dampers and burner tilts @ Arnot power station on unit 1 to unit 6. The service defined in this document is for the supply of Technical and Non-technical labor to C&I Maintenance Department for carrying out maintenance activities as needed on the secondary air dampers, core air dampers, oil burner and burner tilts on unit1-6 boilers at Arnot Power Station.

Eskom reserves the right to interview and scrutinize any qualification and to subject the provided service to an appropriate test to prove such qualification.

Service activities will be under the direct auspices of the Supervisor requiring such service in a specific section of the Maintenance department.

1.2 Employer's requirements for the service

The Contractor is required to do the following services:

- ✓ Do inspections daily on the SA dampers, core air dampers, oil burners and burner tilts.
- ✓ Do repairs on faulty SA Dampers actuators, core air dampers, limits, cylinders actuators for the burner tilts, including overhauling and calibrating the dampers.
- ✓ Burner's_scanner cleaning, pipework, cabling, solenoids, and all work related to burners
- ✓ Do fault-finding on burner tilts feedback units as well as positioners, replace and calibrate where necessary.
- ✓ Do fault-finding on malfunctioning SA Dampers actuators, I/P, and Regulators tubing and Signal cables (inner, outer), core air dampers as well as burner tilts.
- ✓ Perform fault-finding from Pneumatic regulators, I/Ps, Pipe-work, pulling of cables associated with SA Dampers and Burner Tilts (from EDS to JB & JB to the plant), all cables to be provided by Eskom. Remove S.A Dampers, Core Air Actuators, Burner Tilts to the work-shop, overhaul, calibrate and replace on the plant, drill mounting plates for SA damper mounting plates where necessary.
- ✓ Note Defects during Preventative Maintenance (PM) execution and submit them to the employer (Eskom).
- ✓ Perform loop check, complete calibration certificates as well as QCPs.
- ✓ Sign off paper work and also do calibration certificates for the work done
- ✓ The contractor issues a monthly report to the Service Manager as agreed between both parties. This report shall include all work done by the contractor to date, work in progress (including the status) and future work if an order is already in place during the preparation of the report and any other work that the Contractor is busy with.
- ✓ The contractor must ensure required task is done according to the task order submitted under the supervision of a Contract Supervisor or his/her delegate.
- ✓ The Contractor must supply all material and specialized equipment and tools required for the service as deemed necessary by the Supervisor in control of a specific task. (**Ref to Annexure A the list of tools**).
- ✓ Toolboxes and hand tools required for the necessary activities will be supplied by the supplier.
- ✓ Overalls, safety shoes, ear protection and hard hats will be supplied by the Contract.
- ✓ The contractor must ensure required task is done according to the task order submitted under the supervision of a Contract Supervisor or his/her delegate. The contract exclude any activities required to alter equipment of plant from its original designs, such activities will be referred to as deficiencies.

THE MAINTENANCE OF SECONDARY AIR DAMPERS, CORE AIRS DAMPERS AND BURNER TILTS ACTUATORS AT ARNOT POWER STATION FOR A PERIOD OF 5 YEARS

Calibration

- Only the contractor is allowed to provide maintenance and calibration services to the equipment installed. The Contractor is to provide proof of authorisation when requested by the Employer through the Contract Supervisor.
- The Contractor to provide a maintenance report on the condition of the Dampers, Oil burners and Burner tilts status before and after repairs. This should be sent digitally (in pdf format) to the Eskom Contract Supervisor.
- The Contract Supervisor shall be responsible for the distribution of these reports to the internal stakeholders in Eskom.

Description of the service

The Contractor shall carry out full calibrations on the Dampers and Burner tilts when required. Calibration certificate must be submitted over to the Contract Supervisor. Providing a full service and maintenance on the on Dampers and Burner tilts in accordance with manufacturer’s specifications and applicable standards, which will include but not limited to?

The Contractor will also be available for the following activities:

- Emergency breakdown maintenance as and when required after hours including weekends and public holidays.
- Call out duties during normal hours as well as for afterhours including weekends and public holidays.

Requirements for the programme:

The Contractor must submit the qualifications of the competent people that will be carrying out the works information as stipulated in this contract, to the Employer, for acceptance, with all the relevant references as and when required.

The Contractor must submit the project implementation programme at the start of this contract. The program must include but is not limited to the following:

- A safe work procedure must be submitted at the commencement of the contract
- Safety file within the first week of the contract start date
- Names of the possible /potential candidates/employees assigned for Arnot Power Station
- List of all required consumables and spares which shall include all specifications/part numbers, supplier’s name and all relevant information as deemed necessary to ease the procurement process. This list must be submitted to the Employer’s Representative at the start of the contract
- No work shall commence without all employees having done safety induction and medical checks prescribed by the Employer. The Contractor must at all times comply with Employer’s safety regulations.

1.3 Interpretation and terminology

If required include here definitions additional to those used in the conditions of contract which are required only for the purpose of making the Service Information easier to draft and read. Also list abbreviations used and provide a full interpretation of each one, for example:

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
OEM	Original Equipment Manufacturer
SA Dampers	Secondary Air Dampers

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PSR	Plant Safety Regulation
SAP	System Administrative Program
BT	Burner Tilts
OB	Oil Burner
CA	Core Air
EDS	Engineering Diagnostic Equipment
CR	Control room

THE MAINTENANCE OF SECONDARY AIR DAMPERS, CORE AIRS DAMPERS AND BURNER TILTS ACTUATORS AT ARNOT POWER STATION FOR A PERIOD OF 5 YEARS

2. Management strategy and start up.

2.1 The Contractor's plan for the service

The Contractor supplies the Employer with their Contractor's plan. The Contractor must submit the Contractor's plan at the inception of this contract.

2.2 Management meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk and Challenges Job Observation	Weekly on Thursday	Arnot PowerStation /C&I Maintenance	Employer and Contractor
Risk register and compensation events	Weekly on Thursday	Arnot PowerStation /C&I Maintenance	Employer and Contractor

Meetings of a specialist nature may be convened as specified elsewhere in this Service Information or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the service. Records of these meetings shall be submitted to the Service Manager by the person convening the meeting within five days of the meeting.

All meetings shall be recorded using minutes or a register prepared and circulated by the person who convened the meeting. Such minutes or register shall not be used for the purpose of confirming actions or instructions under the contract as these shall be done separately by the person identified in the conditions of contract to carry out such actions or instructions.

2.3 Contractor's management, supervision, and key people Technician, Artisans and Semiskilled

2.4 Provision of bonds and guarantees

Not applicable

2.5 Documentation control

The Eskom SAP system will be utilised for documentation control and record purposes.

2.6 Invoicing and payment

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

The Contractor shall address the tax invoice to Eskom Finance and include on each invoice the following information:

- Name and address of the Contractor and the Service Manager;
- The contract number and title;
- Contractor's VAT registration number;
- The Employer's VAT registration number 4740101508;
- Description of service provided for each item invoiced based on the Price List;
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT;
- (add other as required);
- Add procedures for invoice submission and payment (e. g. electronic payment instructions).

THE MAINTENANCE OF SECONDARY AIR DAMPERS, CORE AIRS DAMPERS AND BURNER TILTS ACTUATORS AT ARNOT POWER STATION FOR A PERIOD OF 5 YEARS

2.7 Contract change management

An early warning shall be sent by both parties for the notification of any changes on the contract, using NEC TSC standard forms.

2.8 Records of Defined Cost to be kept by the Contractor

Not applicable

2.9 Insurance provided by the Employer

Not applicable

2.10 Training workshops and technology transfer

Perform the service. The Contractor shall be obliged to carry out the service for which the training was provided and Skill transfer.

2.11. Design and supply of Equipment

Not applicable for this Service Contract

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

1.1. Equipment

2.12.1 Milli Amp sources

2.12.2. Information and other things

Not applicable for this Service Contract

2.13. Management of work done by Task Order

The Service Manager may at any time instruct the Contractor orally and followed up in writing, to carry out work which is of an emergency nature. Scope of work to be carried out must be clearly defined and in line with Eskom requirements.... The Engineer may be required to approve such works before it can be executed. The Contractor shall issue a quote for the emergency work to the Service Manager for this work before the end of the next business day. The Service Manager will then create the order for the task and send the task order assessment.

Within 14 days of Task Completion, the Contractor shall submit to the Service Manager a detailed technical report for every completed Task Order. This report shall include all technical information and data produced for the Task Order and a technical evaluation on findings from the work done with recommendations for future action by the Parties and other information the Service Manager may require Health and safety, the environment and quality assurance

THE MAINTENANCE OF SECONDARY AIR DAMPERS, CORE AIRS DAMPERS AND BURNER TILTS ACTUATORS AT ARNOT POWER STATION FOR A PERIOD OF 5 YEARS

3. Health and safety risk management

3.1 Health and safety risk management

The Contractor must submit safety plan. The Contractor must provide written safe work procedures and demonstrate compliance. The Employer is responsible for access permits cost.

Safety Induction must be attended by all Contractors' staff. PPE must be worn at all times. The Contractor must adhere to all Eskom safety regulations as well as Eskom lifesaving rules for safety.

Cost of Contractor's medical examination, safety induction are for the Contractor's account.

Contractor is responsible for supplying his staff with Personal Protective Equipment (PPE) which is SABS approved and equipment should be in accordance with the Occupational Health and Safety Act (OHSACT) and site specific requirements, including the use of this equipment's.

The Contractor must submit a safety plan which complies to safe working procedures and it must be approved by the Project Manager.

The Contractor will also be responsible for the safe keeping and repairs of the tools in the event of any loss or damage to the tools. This will include the safe handling of the tools and the areas that the Employer makes available to the Contractor.

The Contractor is responsible for reporting any incident that occurs to his employees when performing the works on site to the Employer before leaving site.

3.2 Safety notification Arnot Power Station GMR 2.1

The following serves as a compliance and notification instruction with reference to the OSHACT, Act 85 of 1993 and any amendments thereto; BCEA and LRA of South Africa.

All safety related incidents (Category A, B & C; Fire Incidents; Usage of Fire Extinguishers and Near misses) shall be immediately notified to the ARNOT Power Station Safety Risk Management Personnel.

All Category C incidents shall be immediately notified to the service Manager, either telephonically or in person.

All personnel are allowed to wear Safety Harnesses whilst walking through plant or whilst in a lift (passenger/goods) only if they are secured properly onto the person and no loose sections of the harness drags onto floors, gratings, etc. were it can get caught and restrict a person's movement.

During working on elevated positions all personnel, including scaffolders to use Safety Harness, which they shall attach onto Lifelines or secure as per the Contractors Fall Protection Plan, which each Contractor shall have written and available on site for perusal, as and when required.

All Safety Harnesses shall comply with:

SANS EN 362:1992; 363:1992; 362:1992; 365:1992, 364:1992 Codes of Practice.

In terms of Section 16.1 of the OSHACT, "Every chief executive officer shall as far as is reasonably practicable ensure that the duties of his Employer as contemplated in this Act, are properly discharged." Basically every employee, permanent/temporary/part-time/sub-contracted onto the ARNOT Site shall be treated as an "employee" in terms of the Act whilst under your "direct supervision and care".

All employees as stated in 5 above have a right to "free issue" safety equipment, which shall be supplied to them prior to commencement of work. The equipment shall comply with the relevant SABS standards and shall be in proper working condition, clean and undamaged whilst working on the ARNOT Site.

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In terms of the BCEA and LRA all employees shall be afforded a fair minimum wage, including allowances for meals and transport, if not provided, which has been agreed and set by the relevant Bargaining Councils, which form part of the Acts.

All employees shall be granted 3 breaks during the course of a 12 hour shift (1x 15 minute break in the morning; 1 x 30 minute lunch break midday; and 1 x 15 minute break in the afternoon). Refreshments or meals shall be provided or be the responsibility of the Contractor (Employer). Employees cannot be allowed to work without having proper meals or refreshments.

All Contractor employees entering the ARNOT Power Station site shall be medically fit. A full medical examination shall have been carried out by a Registered Occupational Health Worker who shall issue a certificate confirming the medical fitness of the employee. The examination shall consist of an eye test, heart function, lung function, chest x-ray, blood pressure, hearing function, previous occupational injuries, epilepsy, allergies, asthma and verification of work in elevated/confined spaces. Basically a full evaluation (a Red Ticket) shall be done and only those that pass these examinations shall be allowed to work on ARNOT Power Station.

In terms of Section 8.2 & 18.3 of the OSHACT, Employers shall ensure that employees working at ARNOT Power Station are trained in the hazards associated with the tasks and the precautionary measures are taken in the interest of health and safety. The responsibility of shall include compliance and adherence to the Eskom Plant Safety Regulations, Permit to Work System and Emergency Care.

All Contractor s to ensure that the ARNOT Emergency Alarm is activated for serious injuries and the injured shall not be 'moved' by the Contractors staff unless in a condition which threatens the injured or other parties life. Movement of injured persons (employees) shall be done by a trained First Aider, who shall be at the site at all times during the work phase.

All Contractors shall send a Safety Officer/Representative to all Safety Meetings arranged by the Power Station.

Safety Officers shall be at site or as reasonably practical to ensure that all hazards risks are identified and corrective action is taken.

All Employers shall ensure that any employee disregarding a safety instruction is not allowed to be a risk to the Contractor, ARNOT Power Station or other parties whilst on this site. The appropriate disciplinary action shall be taken against these employees.

The Contractor shall have daily Toolbox talks, periodic site inspections, job observations, risk assessments, safety equipment checks and safety talks with all employees.

Safety Induction will be done by the Power Station on prior arrangements but is not the minimum requirement. Induction and hazards training shall be done by the Contractor.

In term of Section 37.2 of the OSHACT, you the Contractor will ensure compliance with all requirements of the OSHACT and any instruction/notification that enhances those requirements.

All Contractors to ensure that a Safety Manual is completed prior to working on site and the relevant appointees are fully conversant with their responsibilities are trained and competent in those requirements, training proof is available and appropriate re-training is done.

Contractors to ensure that all staff, whether permanent/non-permanent/supplied by Labour Broker are competent in their relevant disciplines that they are employed/contracted in and all proof of training, experience, etc. is available and is current. Appropriate re-training shall have been done.

Due to all staff being under the "direct supervision and control" of yourself, they shall and will be treated as an 'employee', as defined in the OSHACT, Act 85 of 1993.

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Hard hats Specification

In the case of contractor employees:

- For working at height and ground level, hard hats fitted with a three-point chin strap that meets the requirements of the SANS standard must be used
- In the case where hearing muffs are required to be worn and to ensure proper fit, a hard hat fitted with a single chin strap, made out of non-elastic material, will be required
- Hard hats must display the applicable emergency number or the applicable local emergency number. This must be clearly displayed on the back of every hard hat
- The use of zero-harm stickers and the display of the emergency number to be of the same type as above
- Contractors should place their own company logo and not an Eskom logo in the front of the hard hat.
- The colour coding for the hard hats shall be according to contractor's internal procedures.

In the case of any **visitor** entering an area where a hard hat is a requirement at any Eskom site, He or she shall wear a hard hat fitted with at least a single chin strap, unless such a person needs to Enter an area involving heights. This information must be communicated to visitors prior to them visiting a site. A proper **risk assessment** shall be conducted to establish the need for hard hats and to identify The type of hat to be purchased e.g. hard hats for work at heights must have a short peak.

Minimum requirements for hard hats

- a) All hard hats used shall bear the SABS mark in accordance with SANS 1397:2003.
- b) The hard hat shall include a shell, a harness, and a chin strap.
- c) All hard hats shall have electrical insulation of at least 440 VAC (volts alternating current).
- d) The hard hat shall be made of durable quality material that has no sharp edges or material known To cause health effects and can withstand exposure to sun, rain, cold, dust, vibrations, and contact With skin, effects of sweat, and skin products as per SANS requirements.

Medical Facilities

Ambulance and first aid facilities are available at the Power Station.

Safety and Accident Prevention

The Contractor will be familiar with and comply with Arnot Power Station's safety policies and procedures. Furthermore, the Contractor will comply with the provisions of the Occupational Health and Safety Act and in particular, the provisions of the Construction Regulations.

The Employer follows an accident prevention policy that includes the investigation of all accidents involving personnel and property. This is done with the intention of introducing control measures to prevent a recurrence of the same incidents. The Contractor is expected to fully co-operate to achieve this objective. The Contractor will report any incident and accidents to Arnot Power Station within 24 hours.

NOTE! This report does not relieve the Contractor of his legal obligation to report certain incidents to the Department of Labour, or to keep records in terms of the Occupational Health and Safety Act, and Compensation for Occupational Injuries and Diseases Act.

Compliance to 5 identified lifesaving rules:

Rule1: Open, Isolate, Test, Earth, Bond, and/or Insulate before touch

(That is, any plant operating above 1 000 V)

No person may work on any electrical network unless:

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- He/she is trained and authorised as competent for the task to be done;
- A pre-task risk assessment to identify all risks and hazards has been conducted prior to any work commencing;
- An equipotential zone is created for each worker on the job site by earthing, bonding, and/or insulating according to approved procedures;
- All conducting material is connected together, all staff on site wear electrical safety shoes, and insulating techniques are applied according to standards; and
- The authorised person (team leader) has certified and shown all team members that the apparatus is safe to work on.

Rule 2: Hook up on heights

Working at height is defined as any work performed above a stable work surface or where a person puts himself/herself in a position where he/she exposes himself/herself to a fall from or into.

No person may work at height where there is a risk of falling unless:

- A pre-task risk assessment to identify all risks and hazards has been conducted prior to commencing any work at height;
- He/she is appropriately trained;
- He/she is appropriately secured during ascending and descending; and
- He/she is using an approved fall arrest system where applicable.

Rule 3: Buckle up

No person may drive any vehicle on Eskom business and/or on Eskom premises unless the driver and all passengers are wearing seat belts.

Rule 4: Be Sober

No person is allowed to work under the influence of drugs and alcohol.

"Under the influence" means the use of alcohol, drugs, and/or a controlled substance to the extent that:

He individual's faculties are in any way impaired by the consumption or use of the substances; or

The individual is unable to perform in a safe, productive manner; or

The individual has a level of any such substance in his/her body that corresponds to or exceeds accepted medical/legal standards; or the individual has a level of alcohol in his/her body that is greater than 0.02% blood alcohol concentration.

This includes any level of an illegal substance in the body, irrespective of when the substance was used.

Rule 5: Ensure that you have a permit to work

Where an authorisation limitation exists, no person shall work without the required Permit to Work (PTW), which is governed by the Plant Safety Regulations, Operating Regulations for High Voltage Systems (ORHVS) etc.

No plant is to be returned to service without the cancellation of all permits on that plant in accordance with procedure.

NB: In the case of live work, a "live work declaration form" is to be completed by the authorised person who is the person responsible for the safe execution of work according to relevant standards and procedures.

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Please ensure that these rules are understood and communicated with the urgency that they deserve. If any of these rules are unclear or the consequences not understood, please do not hesitate to discuss it with Eskom.

We would like to continue our current partnership and therefore urge your support in the implementation and upholding of these rules.

3.2 Environmental constraints and management

Supplier to comply with environmental legislations and procedures set out on the TSC

3.3. Quality assurance requirements

The supplier will be expected to comply with QM58 and ISO: 9001 and other Eskom Holdings SOC Limited's Standards and specifications

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4. Procurement

4.1 People

4.1.1 Minimum requirements of people employed

The Contract's Manager shall ensure that only qualified people will be allowed to work on the plant. The Contract manager shall be entitled to verify the qualifications of the key people.

The contract shall make these documents available to the Employer's Contract Supervisor when requested to do so.

4.1.2 BBBEE and preference scheme

The Contractor must be BBBEE compliant

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

The Contractor complies with and fulfils the Contractor's obligations in respect of the Accelerated and Shared Growth Initiative - South Africa in accordance with and as provided for in the Contractor's ASGI-SA Compliance Schedule stated below

[Insert the agreed ASGI-SA Compliance Schedule here]

The Contractor shall keep accurate records and provide the Service Manager with reports on the Contractor's actual delivery against the above stated ASGI-SA criteria. [Elaborate on access to and format of records and frequency of submission etc.]

The Contractor's failure to comply with his ASGI-SA obligations constitutes substantial failure on the part of the Contractor to comply with his obligations under this contract.

4.2 Subcontracting

4.2.2 Preferred subcontractors

Not applicable

4.2.3 Limitations on subcontracting

Not applicable

4.2.4 Attendance on subcontractors

Not applicable

4.3 Plant and Materials

4.3.1 Specifications

Not applicable

4.3.2 Correction of defects

All defects shall be corrected within a period of 24 hours.

4.3.3 Contractor's procurement of Plant and Materials

Not applicable

4.3.4 Tests and inspections before delivery

Not applicable

4.3.5 Plant & Materials provided "free issue" by the Employer

Only Stock items associated with SA, Core Dampers, cables, oil burners and Burner tilts for repairs or replacement.

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4.3.6 Cataloguing requirements by the Contractor

Not applicable

5. Working on the Affected Property

5.1.1 Employer's site entry and security control, permits, and site regulations

5.1.2 People restrictions, hours of work, conduct and records

All Site access is controlled through the designated access gate.

The Contractor is informed of the access procedures through Site regulations and that such procedures may change depending on the prevailing security situation.

All vehicles must be driven with due consideration for personnel and property. A maximum speed limit of 40 kilometres per hour will be adhered to on the premises at all times.

The Employer follows an accident prevention policy that includes the investigation of all accidents involving personnel and property. This is done with the intention of introducing control measures to prevent a recurrence of the same incidents. The Contractor is expected to co-operate fully to achieve this objective. The service Manager must be informed within 24 hours of any injuries or damage to property or equipment. This report does not relieve the Contractor of his legal obligation to report certain incidents to the Department of Labour, or to keep records in terms of the Occupational Health and Safety Act, and Compensation for Occupational Injuries and Diseases Act.

The Contractor will be required to work the same hours as the Employer's employees. Monday to Thursday 07h00 to 16h15 with a necessary required lunch break. Fridays we work from 07h00 to 12h00. If these times change the Contractor will be required to adjust as well.

The Contractor keeps records of his people working on the Affected Property, including those of his Subcontractors. The Service Manager shall have access to them at any time. These records may be needed when assessing compensation events.

5.2 People restrictions, hours of work, conduct and records

The Contractor will be required to work the same hours as the Employers Employee. **Monday to Thursday 07h00 to 16h15 with a necessary required lunch break Fridays we work from 07h00 to 12h00.** If these times change the Contractor will be required to adjust as well.

5.3 Health and safety facilities on the Affected Property

Medical facilities are available on site for emergencies only.

The Contractor provides a First Aid service to his employees. In the case where these prove to be inadequate, as in the event of a serious injury, the Employer's Medical Centre and facilities will be available.

Outside the Employer's office hours, the Employer's First Aid Services will only be available for serious injuries and life-threatening situations.

The Employer shall be entitled, however, to recover the costs incurred, in the use of the above Employer's facilities, from the Contractor.

5.4 Environmental controls, fauna & flora

The Contractor to comply with legislations and procedures set out on the TSC

5.5 Cooperating with and obtaining acceptance of others

Not applicable for this Service Contract

5.6 Records of Contractor's Equipment

See attached Annexure A

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5.7 Equipment provided by the Employer

Milli AMP Source

5.8 Site services and facilities

5.8.1 Provided by the Employer

- A site for the *Contractor's* yard is provided by the *Employer*. A written request, indicating the *Contractor's* requirements in locality and area of storage, office and Workshop sites is submitted to the *Service Manager* as soon as possible after the Contract Date
- **Potable water**
Water supply is provided by the *Employer*.
- **Meals**
Meals on site for *Contractor's* personnel are not available.
- **Sanitary Facilities**
Sanitary facilities are provided by the *Employer*
- **General**
The *Contractor* is to comply with all Site regulations and instructions. The onus is on the *Contractor* to ensure his familiarity with the Employer's Site regulations and inspections
- **Induction training to employees**
No person will be issued with an access permit without proof that the person did attend the local Arnot Power Station induction course.
- A one-day access permit will be issued for persons attending the induction course. It is the *Contractor's* responsibility to arrange with the *Project Manager* one week in advance for a course booking.

5.8.2 Provided by the Contractor

Not applicable

5.9 Control of noise, dust, water, and waste

Not applicable

5.10 Hook ups to existing works

- Working at height is defined as any work performed above a stable work surface or where a person puts himself/herself in a position where he/she exposes himself/herself to a fall from or into.
- No person may work at height where there is a risk of falling unless:
- A pre-task risk assessment to identify all risks and hazards has been conducted prior to commencing any work at heights
- He / she is appropriately trained;
- He / she is appropriately secured during ascending and descending; and
- He / she are using an approved fall arrest system where applicable

5.11 Tests and inspections

5.11.1 Description of tests and inspections

Not applicable

5.11.2 Materials facilities and samples for tests and inspections

Not applicable

