



NEC3 Term Service Contract (TSC3)

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

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

for

A Security Request for Proposal for LimLanga Cluster (Mpumalanga OU) , Highveld zone, Delmas Sector within Distribution Division, for the Provision of Outcome Base Contract that integrates advanced Technology solutions with traditional security measures where necessary to protect Eskom facilities through measurable performance outcomes over a period of 05 years (60 months)

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CONTRACT No. [Insert at award stage]

PART C1: AGREEMENTS & CONTRACT DATA

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A Security Request for Proposal for LimLanga Cluster (Mpumalanga OU) , Highveld zone, Delmas Sector within Distribution Division, for the Provision of Outcome Base Contract that integrates advanced Technology solutions with traditional security measures where necessary to protect Eskom facilities through measurable performance outcomes over a period of 05 years (60 months)

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:

A Security Request for Proposal for LimLanga Cluster (Mpumalanga OU) , Highveld zone, Delmas Sector within Distribution Division, for the Provision of Outcome Base Contract that integrates advanced Technology solutions with traditional security measures where necessary to protect Eskom facilities through measurable performance outcomes over a period of 05 years (60 months).

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 C	The offered total of the Prices exclusive of VAT is	R
	Sub total	R
	Value Added Tax @ 15% is	R
	The offered total of the amount due inclusive of VAT is ¹	R
	(in words)	

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

Signature(s)

Name(s)

Capacity

**For the
tenderer:**

(Insert name and address of organisation)

Name &
signature of
witness

Date

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)

Capacity

**for the
Employer**

(Insert name and address of organisation)

Name &
signature of
witness

Date

Note: If a tenderer wishes to submit alternative tenders, use another copy of this Form of Offer and Acceptance.

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

Note:

1. This part of the Offer & Acceptance would not be required if the contract has been developed by negotiation between the Parties and is not the result of a process of competitive tendering.
2. The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

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

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

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

For the tenderer:

For the Employer

Signature _____

Name _____

Capacity _____

On behalf of _____
(Insert name and address of organisation)

Name & signature of witness _____





Date _____

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
(Insert name and address of organisation)

C1.2a Contract Data provided by the Employer

Part one - Data provided by the *Employer*

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

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
		C Target contract with price list
	dispute resolution Option	W1: Dispute resolution procedure
	and secondary Options	
		X1: Price adjustment for inflation
		X2 Changes in the law
		X17: Low service damages
		X18: Limitation of liability
		X19: Task Order
		X20: Key performance indicators
		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.	011 800 3000
10.1	The <i>Service Manager</i> is (name):	Danny Madikwane
	Address	Eskom Park, Cnr Jellicoe & Langenhoven Street, Emalahleni, 1035
	Tel	(013) 693 3214
	Fax	
	e-mail	Madikwdu@eskom.co.za
11.2(2)	The Affected Property is	Delmas Sector

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

11.2(13)	The <i>service</i> is	Provision of Outcome Base Contract that integrates advanced Technology solutions with traditional security measures where necessary to protect Eskom facilities through measurable performance outcomes over a period of 05 years (60 months).
11.2(14)	The following matters will be included in the Risk Register	Theft and vandalism Industrial and Social Unrest
11.2(15)	The Service Information is in	Part C3: Scope of Work
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	24 hours
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 week of the Contract Date
3	Time	
30.1	The <i>starting date</i> is.	01 March 2026
30.1	The <i>service period</i> is	5 years (60 months)
4	Testing and defects	
40	Tests and inspections	
40.1	This clause only applies to tests and inspections required by the Service Information or the applicable law.	
40.2	The <i>Contractor</i> and the <i>Employer</i> provide materials, facilities and samples for tests and inspections as stated in the Service Information	
40.3	The <i>Contractor</i> and the <i>Service Manager</i> each notifies the other of each of his tests and inspections before it starts and afterwards notifies the other of its results. The <i>Contractor</i> notifies the <i>Service Manager</i> in time for a test or inspection to be arranged and done before doing work which would obstruct the test or inspection. The <i>Service Manager</i> may watch any test done by the <i>Contractor</i> .	
40.4	If a test or inspection shows that any work has a Defect, the <i>Contractor</i> repeats the work if possible and the test or inspection is repeated.	
40.5	The <i>Service Manager</i> does his tests and inspections without causing unnecessary delay to the work.	
40.6	The <i>Service Manager</i> assesses the cost incurred by the <i>Employer</i> in repeating a test or inspection after a Defect is found. The <i>Contractor</i> pays the amount assessed.	
41	Testing and inspection before delivery	

- 41.1 The *Contractor* does not deliver those Plant and Materials which the Service Information states are to be tested or inspected before delivery until the *Service Manager* has notified the *Contractor* that they have passed the test or inspection.

42 Notifying and correcting Defects

- 42.1 Until the end of the *service period*, the *Service Manager* notifies the *Contractor* of each Defect as soon as he finds it and the *Contractor* notifies the *Service Manager* of each Defect as soon as he finds it. The *Contractor* corrects a Defect whether or not the *Service Manager* notifies him of it.
- 42.2 The *Contractor* corrects notified Defects within a time which minimises the adverse effect on the *Employer* or Others. If the *Contractor* does not correct a Defect within the time required by this contract, the *Service Manager* assesses the cost to the *Employer* of having the Defect corrected by other people and the *Contractor* pays this amount.
- 42.3 The *Service Manager* arranges for the *Employer* to allow the *Contractor* access if it is needed for correcting a Defect.

43 Accepting Defects

- 43.1 The *Contractor* and the *Service Manager* may each propose to the other that the Service Information should be changed so that a Defect does not have to be corrected. If the *Contractor* and the *Service Manager* are prepared to consider the change, the *Contractor* submits a quotation for reduced Prices to the *Service Manager* for acceptance. If the *Service Manager* accepts the quotation, he gives an instruction to change the Service Information and the Prices accordingly.

5 Payment

- | | | |
|------|--|---|
| 50.1 | The <i>assessment interval</i> is | the last 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 after all work has been completed along with the required documentation submitted and final correct invoice has been submitted. |
| 51.4 | The <i>interest rate</i> is | <p>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. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> every 6 months thereafter (and as certified, in the event</p> |
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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

- 60.1 The following are compensation events.
- (1) The *Service Manager* gives an instruction changing the Service Information except
 - a change made in order to accept a Defect or
 - a change to the Service Information provided by the *Contractor* for his plan which is made either at his request or to comply with other Service Information provided by the *Employer*.
 - (2) The *Employer* does not provide the right of access to the Affected Property in accordance with the Accepted Plan.
 - (3) The *Employer* does not provide something which he is to provide as stated in the Service Information in accordance with the Accepted Plan.
 - (4) The *Service Manager* gives an instruction to stop or not to start any work.
 - (5) The *Employer* or Others do not work in accordance with the Accepted Plan or within the conditions stated in the Service Information.
 - (6) The *Service Manager* does not reply to a communication from the *Contractor* within the period required by this contract.
 - (7) The *Service Manager* changes a decision which he has previously communicated to the *Contractor*.
 - (8) The *Service Manager* withholds an acceptance (other than acceptance of a quotation for not correcting a Defect) for a reason not stated in this contract.
 - (9) A test or inspection done by the *Service Manager* causes unnecessary delay.
 - (10) A change to the Affected Property other than a change as a result of Providing the Service.
 - (11) The *Employer* does not provide materials, facilities and samples for tests and inspections as stated in the Service Information.
 - (12) An event which is an *Employer's* risk in this contract.
 - (13) The *Service Manager* notifies a correction to an assumption which he has stated about a compensation event.
 - (14) A breach of contract by the *Employer* which is not one of the other compensation events in this contract.

61 Notifying compensation events

- 61.1 For compensation events which arise from the *Service Manager* giving an instruction, changing an earlier decision or correcting an assumption, the *Service Manager* notifies the *Contractor* of the compensation event at the time of that communication. He also instructs the *Contractor* to submit quotations, unless the event arises from a fault of the *Contractor* or quotations have already been submitted. The *Contractor* puts the instruction or changed decision into effect.
- 61.2 The *Service Manager* may instruct the *Contractor* to submit quotations for a proposed instruction or a proposed changed decision. The *Contractor* does not put a proposed instruction or a proposed changed decision into effect.
- 61.3 The *Contractor* notifies the *Service Manager* of an event which has happened or which he expects to happen as a compensation event if
- the *Contractor* believes that the event is a compensation event and
 - the *Service Manager* has not notified the event to the *Contractor*.
- 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 unless the event arises from the *Service Manager* giving an instruction, changing an earlier decision or correcting an assumption.
- 61.4 If the *Service Manager* decides that an event notified by the *Contractor*
- arises from a fault of the *Contractor*,

- has not happened and is not expected to happen,
- has no effect upon Defined Cost or
- is not one of the compensation events stated in this contract

he notifies the *Contractor* of his decision that the Prices are not to be changed. If the *Service Manager* decides otherwise, he notifies the *Contractor* accordingly and instructs him to submit quotations.

The *Service Manager* notifies his decision to the *Contractor* and, if his decision is that the Prices are to be changed, instructs him to submit quotations before the end of either

- one week after the *Contractor's* notification or
- a longer period to which the *Contractor* has agreed.

If the *Service Manager* does not notify his decision, the *Contractor* may notify the *Service Manager* of his failure. A failure by the *Service Manager* to reply within two weeks of this notification is treated as acceptance by the *Service Manager* that the event is a compensation event and an instruction to submit quotations.

61.5	If the <i>Service Manager</i> decides that the <i>Contractor</i> did not give an early warning of the event which an experienced contractor could have given, he notifies this decision to the <i>Contractor</i> when he instructs him to submit quotations.
61.6	If the <i>Service Manager</i> decides that the effects of a compensation event are too uncertain to be forecast reasonably, he states assumptions about the event in his instruction to the <i>Contractor</i> to submit quotations. Assessment of the event is based on these assumptions. If any of them is later found to have been wrong, the <i>Service Manager</i> notifies a correction.
61.7	A compensation event is not notified after the end of the <i>service period</i> .

62 Quotations for compensation events

62.1	After discussing with the <i>Contractor</i> different ways of dealing with the compensation event which are practicable, the <i>Service Manager</i> may instruct the <i>Contractor</i> to submit alternative quotations. The <i>Contractor</i> submits the required quotations to the <i>Service Manager</i> and may submit quotations for other methods of dealing with the compensation event which he considers practicable.
62.2	Quotations for compensation events comprise proposed changes to the Prices assessed by the <i>Contractor</i> . The <i>Contractor</i> submits details of his assessment with each quotation. If the plan for remaining work is altered by the compensation event, the <i>Contractor</i> includes the alterations to the Accepted Plan in his quotation.
62.3	The <i>Contractor</i> submits quotations within three weeks of being instructed to do so by the <i>Service Manager</i> . The <i>Service Manager</i> replies within two weeks of the submission. His reply is <ul style="list-style-type: none"> • an instruction to submit a revised quotation, • an acceptance of a quotation, • a notification that a proposed instruction will not be given or a proposed changed decision will not be made or a notification that he will be making his own assessment.
62.4	The <i>Service Manager</i> instructs the <i>Contractor</i> to submit a revised quotation only after explaining his reasons for doing so to the <i>Contractor</i> . The <i>Contractor</i> submits the revised quotation within three weeks of being instructed to do so.
62.5	The <i>Service Manager</i> extends the time allowed for <ul style="list-style-type: none"> • the <i>Contractor</i> to submit quotations for a compensation event and • the <i>Service Manager</i> to reply to a quotation if the <i>Service Manager</i> and the <i>Contractor</i> agree to the extension before the submission or reply is due. The <i>Service Manager</i> notifies the extension that has been agreed to the <i>Contractor</i> .
	If the <i>Service Manager</i> does not reply to a quotation within the time allowed, the <i>Contractor</i> may notify the <i>Service Manager</i> of his failure. If the <i>Contractor</i> submitted more than one quotation for

the compensation event, he states in his notification which quotation he proposes is to be accepted. If the *Service Manager* does not reply to the notification within two weeks, and unless the quotation is for a proposed instruction or a proposed changed decision, the *Contractor's* notification is treated as acceptance of the quotation by the *Service Manager*.

63	Assessing compensation events
63.1	For a compensation event which only affects the quantities of work shown in the Price List, the change to the Prices is assessed by multiplying the changed quantities of work by the appropriate rates in the Price List.
63.2	<p>For other compensation events, the changes to the Prices are assessed as the effect of the compensation event upon</p> <ul style="list-style-type: none"> • the actual Defined Cost of the work already done, • the forecast Defined Cost of the work not yet done and • the resulting Fee. <p>If the compensation event arose from the <i>Service Manager</i> giving an instruction, changing an earlier decision or correcting an assumption, the date which divides the work already done from the work not yet done is the date of that communication. In all other cases, the date is the date of the notification of the compensation event.</p> <p>Effects on the Defined Cost are assessed separately for</p> <ul style="list-style-type: none"> • people who are employed by the <i>Contractor</i>, • Plant and Materials, • work subcontracted by the <i>Contractor</i> and • Equipment. <p>The <i>Contractor</i> shows how each of these effects is built up in each quotation for a compensation event.</p>
63.3	If the <i>Service Manager</i> and the <i>Contractor</i> agree, rates and Prices in the Price List may be used as a basis for assessment instead of Defined Cost and the resulting Fee.
63.4	If the effect of a compensation event is to reduce the total Defined Cost, the Prices are not reduced except as stated in this contract.
63.5	The rights of the <i>Employer</i> and the <i>Contractor</i> to changes to the Prices are their only rights in respect of a compensation event.
63.6	If the <i>Service Manager</i> has notified the <i>Contractor</i> of his decision that the <i>Contractor</i> did not give an early warning of a compensation event which an experienced contractor could have given, the event is assessed as if the <i>Contractor</i> had given early warning.
63.7	Assessment of the effect of a compensation event includes risk allowances for cost for matters which have a significant chance of occurring and are at the <i>Contractor's</i> risk under this contract.
63.8	Assessments are based upon the assumptions that the <i>Contractor</i> reacts competently and promptly to the compensation event, that any Defined Cost due to the event is reasonably incurred and that the Accepted Plan can be changed.
63.9	A compensation event which is an instruction to change the Service Information in order to resolve an ambiguity or inconsistency is assessed as if the Prices were for the interpretation most favourable to the Party which did not provide the Service Information.
64	The Service Manager's assessments
64.1	<p>The <i>Service Manager</i> assesses a compensation event</p> <ul style="list-style-type: none"> • if the <i>Contractor</i> has not submitted a quotation and details of his assessment within the time allowed, • if the <i>Service Manager</i> decides that the <i>Contractor</i> has not assessed the compensation event correctly in a quotation and he does not instruct the <i>Contractor</i> to submit a revised

quotation,

- if, when the *Contractor* submits quotations for a compensation event, he has not submitted a plan or alterations to a plan which this contract requires him to submit or

if, when the *Contractor* submits quotations for a compensation event, the *Service Manager* has not accepted the *Contractor's* latest plan for one of the reasons stated in this contract.

64.2	The <i>Service Manager</i> notifies the <i>Contractor</i> of his assessment of a compensation event and gives him details of it within the period allowed for the <i>Contractor's</i> submission of his quotation for the same event. This period starts when the need for the <i>Service Manager's</i> assessment becomes apparent.
64.3	If the <i>Service Manager</i> does not assess a compensation event within the time allowed, the <i>Contractor</i> may notify the <i>Service Manager</i> of his failure. If the <i>Contractor</i> submitted more than one quotation for the compensation event, he states in his notification which quotation he proposes is to be accepted. If the <i>Service Manager</i> does not reply within two weeks of this notification the notification is treated as acceptance of the <i>Contractor's</i> quotation by the <i>Service Manager</i> .

65 Implementing compensation events

65.1	A compensation event is implemented when <ul style="list-style-type: none"> • the <i>Service Manager</i> notifies his acceptance of the <i>Contractor's</i> quotation, • the <i>Service Manager</i> notifies the <i>Contractor</i> of his own assessment or a <i>Contractor's</i> quotation is treated as having been accepted by the <i>Service Manager</i> .
65.2	The assessment of a compensation event is not revised if a forecast upon which it is based is shown by later recorded information to have been wrong.

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

[Eskom Insurance letter attached](#)

80.1	These are additional <i>Employer's</i> risks	1. Theft and vandalism 2. Strikes and Riots 3. Loss of equipment and damage to property
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9 Termination

90.1	If either Party wishes to terminate the <i>Contractor's</i> obligation to Provide the Service, he notifies the <i>Service Manager</i> and the other Party giving details of his reason for terminating. The <i>Service Manager</i> issues a termination certificate to both Parties promptly if the reason complies with this contract.
90.2	The <i>Contractor</i> may terminate only for a reason identified in the Termination Table. The <i>Employer</i> may terminate for any reason. The procedures followed and the amounts due on termination are in accordance with the Termination Table.

TERMINATION TABLE

Terminating Party	Reason	Procedure	Amount due
The <i>Employer</i>	A reason other than R1–R21	P1, P2 and P4	A1, A2 and A4
	R1–R15 or R18	P1, P2, P3 and P4	A1, A2 and A3

		R17 or R20 R21	P1 and P4 P1, P3 and P4	A1 and A2 A1 and A2
	The <i>Contractor</i>	R1–R10, R16 or R19 R17 or R20	P1, P2 and P4 P1, P2 and P4	A1, A2 and A4 A1 and A2
90.3	The procedures for termination are implemented immediately after the <i>Service Manager</i> has issued a termination certificate.			
90.4	Within thirteen weeks of termination, the <i>Service Manager</i> certifies a final payment to or from the <i>Contractor</i> which is the <i>Service Manager's</i> assessment of the amount due on termination less the total of previous payments. Payment is made within three weeks of the <i>Service Manager's</i> certificate.			
90.5	After a termination certificate has been issued, the <i>Contractor</i> does no further work necessary to Provide the Service.			
91	Reasons for termination			
91.1	<p>Either Party may terminate if the other Party has done one of the following or its equivalent.</p> <ul style="list-style-type: none"> • If the other Party is an individual and has <ul style="list-style-type: none"> • presented his petition for bankruptcy (R1), • had a bankruptcy order made against him (R2), • had a receiver appointed over his assets (R3) or • made an arrangement with his creditors (R4). • If the other Party is a company or partnership and has <ul style="list-style-type: none"> • had a winding-up order made against it (R5), • had a provisional liquidator appointed to it (R6), • passed a resolution for winding-up (other than in order to amalgamate or reconstruct) (R7), • had an administration order made against it (R8), • had a receiver, receiver and manager, or administrative receiver appointed over the whole or a substantial part of its undertaking or assets (R9) or <p>made an arrangement with its creditors (R10).</p>			
91.2	<p>The <i>Employer</i> may terminate if the <i>Service Manager</i> has notified that the <i>Contractor</i> has defaulted in one of the following ways and not put the default right within four weeks of the notification.</p> <ul style="list-style-type: none"> • Substantially failed to Provide the Service (R11). • Not provided a bond or guarantee which this contract requires (R12). <p>Appointed a Subcontractor for substantial work before the <i>Service Manager</i> has accepted the Subcontractor (R13).</p>			
91.3	<p>The <i>Employer</i> may terminate if the <i>Service Manager</i> has notified that the <i>Contractor</i> has defaulted in one of the following ways and not stopped defaulting within four weeks of the notification.</p> <ul style="list-style-type: none"> • Substantially hindered the <i>Employer</i> or Others (R14). <p>Substantially broken a health or safety regulation (R15).</p>			
91.4	The <i>Contractor</i> may terminate if the <i>Employer</i> has not paid an amount due under the contract within eleven weeks of the date that it should have been paid (R16).			
91.5	Either Party may terminate if the Parties have been released under the law from further performance of the whole of this contract (R17).			
91.6	If the <i>Service Manager</i> has instructed the <i>Contractor</i> to stop or not to start any substantial work			

or all work and an instruction allowing the work to re- start or start has not been given within thirteen weeks,

- the *Employer* may terminate if the instruction was due to a default by the *Contractor* (R18),
- the *Contractor* may terminate if the instruction was due to a default by the *Employer* (R19) and

either Party may terminate if the instruction was due to any other reason (R20).

91.7 The *Employer* may terminate if an event which the Parties could not reasonably prevent has substantially affected the *Contractor's* work for a continuous period of more than thirteen weeks (R21).

92 Procedures on termination

92.1 On termination, the *Employer* may complete the *service* and may use any Plant and Materials provided by the *Contractor* (P1).

92.2 The procedure on termination also includes one or more of the following as set out in the Termination Table.

P2 The *Employer* may instruct the *Contractor* to remove any Equipment, Plant and Materials and assign the benefit of any subcontract or other contract related to performance of this contract to the *Employer*.

P3 The *Employer* may use any Equipment to which the *Contractor* has title to complete the *service*. The *Contractor* promptly removes the Equipment when the *Service Manager* notifies him that the *Employer* no longer requires it to complete the *service*.

P4 The *Contractor* provides to the *Employer* information and other things which the *Service Information* states he is to provide at the end of the *service period*.

93 Payment on termination

93.1 The amount due on termination includes (A1)

- an amount due assessed as for normal payments,
- the Defined Cost for Plant and Materials
 - which have been delivered and retained by the *Employer* or
 - which the *Employer* owns and of which the *Contractor* has to accept delivery,
- other Defined Cost reasonably incurred in expectation of completing the whole of the *service* and

any amounts retained by the *Employer*.

93.2 The amount due on termination also includes one or more of the following as set out in the Termination Table.

A2 The forecast Defined Cost of removing the Equipment.

A3 A deduction of the forecast of the additional cost to the *Employer* of completing the whole of the *service*.

A4 The *direct fee percentage* applied to

- for Options A and C, any excess of the total of the Prices at the Contract Date over the Price for Services Provided to Date or

for Option E, any excess of the first forecast of the Defined Cost for the *service* over the Price for Services Provided to Date less the Fee.

10 Data for main Option clause

C Target contract with price list

20.4 The *Contractor* prepares forecasts of the total Defined Cost for the whole of the *service* at intervals no longer than **4 weeks.**

50.6	The <i>exchange rates</i> are those published in	N/A
53.1	The <i>Contractor's</i> share percentages and the share ranges are	N/A
53.3	The <i>Contractor's</i> share is assessed on (dates)	N/A

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	
	- if the arbitration procedure does not state who selects an arbitrator, is	the Chairman for the time being or his nominee of 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
	Unregulated rates will be fixed and firm for the first 12 months of the contract. At the anniversary date of the contract the prices will be adjusted in accordance with the published (CPI) INDICES and the Bargaining council.
	The proportions used to calculate the Price Adjustment Factor are:
	proportion
	linked to index
	for
	Index prepared by

		<table> <tr> <td>70%</td><td>Bargaining Council (labour)</td><td>QS</td></tr> <tr> <td>15%</td><td>Fuel and Overhead cost</td><td>QS</td></tr> <tr> <td>15%</td><td>non-adjustable</td><td></td></tr> <tr> <td>1.00</td><td></td><td></td></tr> </table>	70%	Bargaining Council (labour)	QS	15%	Fuel and Overhead cost	QS	15%	non-adjustable		1.00		
70%	Bargaining Council (labour)	QS												
15%	Fuel and Overhead cost	QS												
15%	non-adjustable													
1.00														
X2	Changes in the law	The current law must be applied and adhered to at all times.												
X17	Low service damages													
X17.1	The <i>service level table</i> is in	<p>Contract Data</p> <p>Consequence management framework :</p> <ul style="list-style-type: none"> Incidents Relating to Loss or Damage of Property High-Impact Sites (Zero Tolerance): <ul style="list-style-type: none"> First Breach: Formal written warning, mandatory retraining, and recovery of losses by Eskom. The main supplier must ensure the service partner takes corrective actions. Second Breach: Financial penalty (5% of contract value), independent audit, and recovery of losses. The main supplier must replace the non-performing service partner. Third Breach: Termination of contract and recovery of all losses. Low-Impact Sites (≤ 2 Minor Incidents/Month): <ul style="list-style-type: none"> First Breach: Verbal warning, corrective action within 24 hours, and recovery of losses. The main supplier must ensure the service partner implements corrective actions. Second Breach: Written warning, additional training, and recovery of losses. The main supplier must review the service partner's performance. Third Breach: Financial penalty (5% of contract value), performance review, and recovery of losses. The main supplier must replace the non-performing service partner. All Security Incidents Detected, Recorded, and Correct Response Rendered High-Impact Sites (Zero Tolerance): <ul style="list-style-type: none"> First Breach: Formal written warning, mandatory retraining, and recovery of losses. The main supplier must ensure that corrective actions are taken by the service partner. Second Breach: Financial penalty (5% of contract value), independent review, and 												

recovery of losses. The main supplier must replace the non-performing service partner.

- **Third Breach:** Termination of contract and recovery of all losses.

Low-Impact Sites ($\geq 95\%$ Detection and Response):

- **First Breach:** Verbal warning, corrective action within one hour, and recovery of losses. The main supplier must ensure the service partner implements corrective actions.
- **Second Breach:** Written warning, additional training, and recovery of losses. The main supplier must review the service partner's performance.
- **Third Breach:** Financial penalty (5% of contract value), performance review, and recovery of losses. The main supplier must replace the non-performing service partner.

Compliance with Regulatory and Legislative Requirements

- **First Breach:** Formal written warning, immediate corrective action, and recovery of losses. The main supplier must ensure the service partner complies.
- **Second Breach:** Financial penalty (5% of contract value), independent audit, and recovery of losses. The main supplier must replace the non-compliant service partner.
- **Third Breach:** Termination of contract and recovery of all losses.

Mandatory Technology Availability and Equipment Compliance

High-impact Sites (99% availability, \leq two hours downtime):

- **First Breach:** Formal written warning, immediate rectification, and recovery of losses. The main supplier must ensure the service partner rectifies the issue.
- **Second Breach:** Financial penalty (5% of contract value), independent review, and recovery of losses. The main supplier must replace the non-performing service partner.
- **Third Breach:** Termination of contract and recovery of all losses.

Low-Impact Sites (95% availability, \leq six hours downtime):

- **First Breach:** Verbal warning, corrective action within six hours, and recovery of losses. The main supplier must ensure the service partner rectifies the issue.
- **Second Breach:** Written warning, additional training, and recovery of losses. The main supplier must review

		<p>the service partner's performance.</p> <ul style="list-style-type: none"> • Third Breach: Financial penalty (5% of contract value), performance review, and recovery of losses. The main supplier must replace the non-performing service partner. <p>Customer Satisfaction High-Impact Sites (≥ 95% Satisfaction):</p> <ul style="list-style-type: none"> • First Breach: Formal written warning, improvement plan, and recovery of losses. The main supplier must ensure the service partner implements the plan. • Second Breach: Financial penalty (5% of contract value), independent review, and recovery of losses. The main supplier must replace the non-performing service partner. • Third Breach: Termination of contract and recovery of all losses. <p>Low-Impact Sites (≥ 85% Satisfaction):</p> <ul style="list-style-type: none"> • First Breach: Verbal warning, improvement plan, and recovery of losses. The main supplier must ensure the service partner implements the plan. • Second Breach: Written warning, additional training, and recovery of losses. The main supplier must review the service partner's performance. • Third Breach: Financial penalty (5% of contract value), performance review, and recovery of losses. The main supplier must replace the non-performing service partner. <p>Any financial penalty deductions applied must first be authorized by Procurement, ensuring alignment with Eskom and National Treasury guidelines.</p>
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	the amount of the deductibles relevant to the event
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
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	<p>The greater of</p> <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 property which is not excluded) plus the applicable deductibles</i>
X18.4	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>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.
X18.5	The <i>end of liability date</i> is	260 weeks after the end of the <i>service period</i>.
X19	Task Order	
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	1 week of receiving the Task Order
X20	Key Performance Indicators (not used when Option X12 applies)	
X20.1	The <i>incentive schedule</i> for Key Performance Indicators is in	Annexure to this Contract Data
X20.2	A report of performance against each Key Performance Indicator is provided at intervals of	Quarterly
Z	The <i>additional conditions of contract</i> are	Z1 to Z14 always apply.

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 <i>Contractor</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.

- Z11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
- Z11.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Services 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 Services for this reason.
- Z11.3 If the *Employer* terminates the *Contractor'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.
- Z11.4 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.

Z12 Insurance

Z 12 .1 Replace core clause 83 with the following:

Insurance cover 83

- 83.1 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.
- 83.2 The *Contractor* provides the insurances stated in the Insurance Table A from the *starting date* until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

Insurance against	Minimum amount of cover or minimum limit of indemnity
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Loss of or damage caused by the <i>Contractor</i> to the <i>Employer's</i> property	The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
Loss of or damage to Plant and Materials	The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
Loss of or damage to Equipment	The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
The <i>Contractor's</i> liability for loss of or damage to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor's</i> Providing the Service	<u>Loss of or damage to property</u> The replacement cost <u>Bodily injury to or death of a person</u> The amount required by the applicable law.
Liability for death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law

Z 12.2 Replace core clause 86 with the following:**Insurance
by the
Employer**

86

86.1 The *Employer* provides the insurances stated in the 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
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Z13 Nuclear Liability

- Z13.1 The *Employer* 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.
- Z13.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against any and all liabilities which the *Contractor* 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 *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.3 Subject to clause Z13.4 below, the *Employer* 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 *Contractor* or any other person, or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.4 The *Employer* 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.
- Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 Asbestos

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

AAIA	means approved asbestos inspection authority.
ACM	means asbestos containing materials.
AL	means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.
Ambient Air	means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
Compliance Monitoring	means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
OEL	means occupational exposure limit.
Parallel Measurements	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
Safe Levels	means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
Standard	means the <i>Employer's</i> Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing

Material, Equipment and Articles.

SANAS

means the South African National Accreditation System.

TWA

means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

- Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* 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.
- Z14.2 Upon written request by the *Contractor*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Contractor* may perform Parallel Measurements and related control measures at the *Contractor'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 Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
- Z14.3 The *Employer* manages asbestos and ACM according to the Standard.
- Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.
- Z14.5 The *Contractor'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.
- Z14.6 The *Contractor* 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, 2001.
- Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer's* expense, and conducted in line with South African legislation.

C1.2b Contract Data provided by the Contractor

Part two - Data provided by the Contractor

[Instructions to the contract compiler: (delete this note before issue to tenderers with an enquiry)

Whenever a cell is shaded in the left-hand column it denotes this data is optional and would be required in relation to the option selected. In the event that the option is not required select and delete the whole row.]

Notes to a tendering 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	% 0%
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

C	Target contract with price list	
11.2(12)	The <i>price list</i> is in	
11.2(20)	The tendered total of the Prices is	R

C1.3 Proforma Guarantees

None Applicable

PART 2: PRICING DATA
TSC3 Option C

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

C2.1 Pricing assumptions: Option C

How work is priced and assessed for payment

Clause 11 in the core clauses and Option C clauses of the NEC3 Term Service Contract (TSC3) state:

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.
		(18) The Price for Services Provided to Date is the Defined Cost which the <i>Contractor</i> has paid plus the Fee.
		(20) 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.

Payments are made at Defined Cost plus Fee (See core clauses 11.2(5), 11.2(6) and 11.2(8)). At the dates stated in the Contract Data, the *Service Manager* calculates the *Contractor's* share in terms of clause 53. If the *Contractor* has been paid more than the equivalent Prices in the Price List for the same work he pays the *Employer* a portion of the over-run (the pain) but if he has been paid less than the equivalent Prices in the Price List he is paid a portion of the under-run (the gain). The Prices in the Price List 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

In this Option the Price List is used as a means of arriving at a target price. Clause 54.1 in Option C 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.

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 related to items of service priced in the *price list*.

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 C 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 C;
- Understands the Price List is only used as a means of arriving at a target and that work done is paid for at Defined Cost and the resulting Fee;
- 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*

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 *price list* includes 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 *price list* includes 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 *price list* includes 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*

[illegible]

The total of the Prices

A Security Request for Proposal for LimLanga Cluster (Mpumalanga OU) , Highveld zone, Delmas Sector within Distribution Division, for the Provision of Outcome Base Contract that integrates advanced Technology solutions with traditional security measures where necessary to protect Eskom facilities through measurable performance outcomes over a period of 05 years (60 months).

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PART C3: SCOPE OF WORK

Document reference	Title	No of pages
C3.1	<i>Employer's Service Information</i>	41

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C3.1: EMPLOYER'S SERVICE INFORMATION

1 Description of the service

To procure outcome-based security contract that integrates advanced technology solutions with traditional security measures to protect Eskom facilities in the Delmas Sector through measurable performance outcomes. This will be a 60-months outcome-based contract. All equipment, technology, and systems installed as part of this contract shall become the property of Eskom upon installation and must comply with Eskom technical standards as a minimum requirement, with higher specifications preferred where technically and commercially viable

2 Executive overview

Eskom Holdings SOC Ltd invites qualified and experienced service providers to submit proposals for the provision of Outcome-Based contracts (security technology and physical guarding services) at Eskom facilities in the Highveld Zone – Delmas Sector. The tender aims to enhance security outcomes through the integration of advanced technology, innovation, and measurable performance metrics. The contract will focus on delivering physical guarding services, technology-driven solutions, and continuous improvement to ensure the safety and protection of Eskom's assets, personnel, and operations.

3 Employer's requirements for the service

Scope of work and Risk levels

The scope of this engagement covers 45 facilities within the Delmas sector, categorized by their risk levels and corresponding minimum security requirements as detailed below:

The scope covers three risk categories across 45 facilities:

Table 1: Risk Levels

Risk Level	Sites (Count & Type)	Minimum Security Requirements (Outcomes-Based)
Level 1 (Low to Medium Risk)	8 Substations	<p>Outcome: Deter casual intrusion and enable rapid incident verification.</p> <p>Integrated Video Alarms: Motion or perimeter breach detection with immediate video verification capabilities.</p> <p>24/7 Remote Monitoring: Centralized monitoring of alarms and video feeds.</p> <p>Tiered Armed Response: Pre-arranged rapid armed response services triggered by verified alarms, with defined Service Level Agreements (SLAs).</p>

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<p>Level 2 (Medium to High Risk)</p>	<p>14 Substations, 1 Control Network Centre (CNC), 1 Office</p>	<p>Outcome: Prevent unauthorized access, detect and deter criminal activity, and enable swift, coordinated response.</p> <p>Comprehensive CCTV Surveillance: High-definition cameras with analytical capabilities (e.g., motion, loitering) covering critical areas. Advanced Integrated Alarm Systems: Multi-layered sensors (e.g., perimeter, vibration, volumetric) linked to the CCTV and access control.</p> <p>Integrated Access Control: Card/biometric access for all entry/exit points, with audit trails and remote management capabilities.</p> <p>24/7 Centralized Monitoring: Dedicated control room operators for continuous oversight, alarm management, and dispatch.</p> <p>Rapid Armed Response: Priority armed response with shorter SLAs, pre-identified routes, and site familiarization.</p> <p>On-site Deterrence: Visible, uniformed Security Guards (C-grade, ideally armed or with clear escalation protocols to armed response) for access control and initial visual deterrence during vulnerable periods (e.g., peak crime times, specific operational windows). Their primary role is access management and observation, relying on technology and armed response for engagement.</p>
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<p>Level 3 (High Risk)</p>	<p>21 Substations</p>	<p>Outcome: Maximize prevention of sophisticated attacks, ensure immediate detection, and enable overwhelming response to protect critical assets.</p> <p>AI-Powered Advanced Surveillance: High-definition cameras with AI analytics for anomaly detection, facial recognition (where permissible), object tracking, and predictive analysis, integrated with a Public Address (PA) system for audio warnings.</p> <p>Multi-Layered Perimeter Défense: Advanced sensors (e.g., fibre optic fence, ground radar, thermal imaging) coupled with physical hardening measures.</p> <p>Robust Integrated Access Control: Biometric systems, anti-passback, and visitor management.</p> <p>24/7 Dedicated Monitoring & Intelligence: Proactive monitoring by highly trained operators, leveraging security business intelligence feeds for pre-emptive actions.</p> <p>Immediate Armed Response: Direct armed response deployment with the shortest possible SLAs, possibly including dedicated on-call teams or co-location agreements.</p> <p>Highly Trained On-site Security Guards (Armed Recommended): Visible, well-trained and armed security personnel (or highly trained unarmed guards supported by immediate armed response presence) to provide a robust physical barrier, rapid initial response, and coordination with external armed response. Patrols should be intelligence-driven.</p>
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A Security Request for Proposal for LimLanga Cluster (Mpumalanga OU) , Highveld zone, Delmas Sector within Distribution Division, for the Provision of Outcome Base Contract that integrates advanced Technology solutions with traditional security measures where necessary to protect Eskom facilities through measurable performance outcomes over a period of 05 years (60 months).

Network Infrastructure (Medium to High Risk)	All Feeder Lines, Pole Mounted Transformers, Reclosers	<p>Outcome: Detect and deter widespread opportunistic theft and vandalism across distributed assets, enabling targeted intervention.</p> <p>Targeted Drone Surveillance: Regular or on-demand drone patrols with high-resolution and thermal imaging to identify suspicious activity or damage along lines and at remote assets.</p> <p>IoT/Smart Sensor Deployment: Intelligent sensors on high-value pole-mounted transformers and reclosers to detect tampering, removal, or unusual activity, providing real-time alerts.</p> <p>GPS Tracking & Asset Tagging: For portable or high-value components. Proactive Remote Monitoring: Alerts from sensors and drone feeds are centralized for analysis and dispatch.</p> <p>Mobile Armed Response: Dedicated mobile armed response teams covering specific geographic clusters, dispatched based on alerts, and utilizing intelligence-led patrols.</p> <p>Community Engagement & Whistleblower Programs: Encouraging public reporting of suspicious activity.</p>
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Scope of work

Physical Security Services

- **Guard Deployment:** Provide trained, PSIRA-registered security personnel of the required grade as per site-specific risk assessments and minimum requirements in Table 1. Ensure optimal staffing levels for continuous protection.
- **Access Control:** Implement and manage robust access control protocols and systems at all entry/exit points, including visitor management and personnel verification.
- **Patrol Services:** Conduct regular, documented site inspections, perimeter patrols, and vulnerability assessments to deter and detect unauthorized activities.
- **Incident Response:** Provide 24/7 rapid armed response to security alerts, intrusions, and other incidents within defined service level agreements.
- **Emergency Management:** Provide 24/7 rapid armed response to security alerts, intrusions, and other incidents within defined service level agreements.

Technology Integration Services (Baseline)

- **CCTV Surveillance:** Install, configure, and maintain compliant, high-definition camera systems across all designated facilities, ensuring optimal coverage and image clarity.
- **Intrusion Detection:** Deploy and maintain effective perimeter and internal intrusion detection systems (e.g., fence sensors, motion detectors, thermal cameras) tailored to site-specific vulnerabilities.
- **Access Control Systems:** Implement and maintain integrated electronic access management systems, including biometric, card-based, or other specified technologies.

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- **Drone Operations:** Utilize advanced drone technology for aerial surveillance, reconnaissance, and rapid assessment of network infrastructure (feeder lines, pole-mounted transformers, reclosers) to detect suspicious activity or damage. Provide detailed flight plans and operational procedures.
- **AI Analytics:** Integrate Artificial Intelligence (AI) analytics capabilities with CCTV and other sensor systems for intelligent threat detection, behavioural analysis, anomaly detection, and predictive security insights.
- **Control Room Operations:** Establish and operate a 24/7 state-of-the-art security control room (or integrate seamlessly with Eskom's existing control room in Middleburg) for continuous monitoring, alarm verification, and dispatch services.
- **Integration and Commissioning:** The contractor will be fully responsible for the seamless integration and commissioning of all newly installed security system technology into the current Eskom control room located in Middelburg. This includes all necessary software, hardware, network configurations, and data feeds.
- **Existing/Inactive Systems:** The contractor shall upgrade, integrate, and commission any existing or inactive security systems (CCTV, access control, alarms) at the specified sites into the central Eskom control room in Middelburg. This includes an initial audit of existing infrastructure to determine compatibility and required upgrades

Maintenance and Support

- **Preventive Maintenance:** Implement a robust preventive maintenance schedule for all installed security technologies and systems, including regular testing, calibration, and cleaning to ensure optimal performance.
- **Corrective Maintenance:** Guarantee prompt fault resolution within specified timeframes, minimizing system downtime and security vulnerabilities. Provide clear escalation procedures.
- **System Upgrades:** Proactively manage and propose necessary technology updates, patches, and system improvements to maintain optimal security posture and leverage new advancements.
- **Training Services:** Provide ongoing training and development programs for all deployed personnel to ensure continuous skill enhancement, certification compliance (PSIRA, FCA, SACAA), and proficiency in operating advanced security technologies.

Technology Roadmap

- **Implementation Plan:** Provide a comprehensive, phased timeline for deploying proposed technologies, including pilot testing phases, full-scale implementation across various sites, and a clear strategy for scaling solutions to meet future needs.
- **Scalability:** Clearly explain how the proposed security solutions and operational models can be scaled efficiently to accommodate Eskom's growing infrastructure, changing risk profiles, or expanding geographical scope.
- **Innovation Strategy:** Detail the bidder's approach to staying ahead of emerging security threats and evolving criminal methodologies. This should include a commitment to adopting modern, advanced technologies, research and development initiatives, and a proactive posture towards security innovation.

Community Involvement

Community Liaison: Develop and implement a strategy for effective and positive engagement with local communities surrounding the protected sites. This should include regular communication channels, awareness campaigns about the importance of electricity infrastructure, and mechanisms for receiving community intelligence regarding suspicious activities.

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Job Creation/Local Procurement: Where feasible and in line with Eskom's procurement policies, outline strategies for local job creation, skills transfer, and procurement from local businesses within the Delmas sector, contributing to community upliftment and fostering positive relationships.

Collaborative Safety Initiatives: Propose and participate in joint safety awareness initiatives with local community structures, emphasizing the dangers of illegal connections and infrastructure tampering.

Liaison with Law Enforcement Agencies

Formal Communication Protocols: Establish and maintain formal, documented communication protocols with the South African Police Service (SAPS) units operating in the Delmas sector, including relevant specialized units (e.g., Non-Ferrous Metals Combating Unit, Public Order Policing).

Intelligence Sharing: Develop mechanisms for secure and timely sharing of intelligence regarding criminal activities, modus operandi, and identified hotspots with SAPS and other relevant law enforcement agencies (e.g., Transnet, PRASA security).

Joint Operations and Response: Demonstrate a proven capability and willingness to participate in planned joint operations with SAPS and other security forces (e.g., roadblocks, scrap dealer inspections, illegal connection raids).

Evidence Collection and Preservation: Ensure all security personnel are trained in proper scene preservation and evidence collection techniques to support SAPS investigations and improve the chances of successful arrests and prosecutions. Provide detailed incident reports that meet legal evidentiary standards.

Reporting and Compliance: Adhere strictly to all legal requirements for reporting criminal incidents and cooperates fully with law enforcement in their investigations.

Handover Phase (At Contract End or Termination):

Documentation: Provide comprehensive as-built documentation for the entire SCC infrastructure, including:

Detailed architectural, electrical, and network diagrams.

Equipment manuals, warranties, and licensing agreements.

Software configurations, user manuals, and administrative guides.

All SOPs, training materials, and emergency protocols.

Full historical data archives.

Training: Provide comprehensive training to [Client Name]'s nominated personnel (or a new Service Provider's team) on the full operation, administration, and basic maintenance of all SCC systems.

Knowledge Transfer: Facilitate complete knowledge transfer regarding operational procedures, threat landscape, key contacts, and any ongoing projects.

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Licensing Transfer: Assist [Client Name] with the transfer of all relevant software licenses, warranties, and service agreements to [Client Name]'s ownership or to a successor Service Provider.

Physical Handover: Securely hand over all physical assets, keys, and access credentials related to the SCC.

Decommissioning (if applicable): If the SCC is to be decommissioned rather than handed over, provide a detailed plan for secure and environmentally responsible decommissioning and data sanitization.

4 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
OBC	Outcome Based Contract

5 Management strategy and start up.

6 The Contractor's plan for the service

In the TSC3 the *Contractor's* plan is his "design" for performing the *service* throughout the *service period*. Section 2 of the *conditions of contract* describes what the *Contractor* is to show in his plan both in the core clauses and some additional requirements in each of the main Options.

The extent of the *Contractor's* plan will depend on whether the *Contractor* is required to develop a plan in accordance with the *Employer's* broad outline of the *service* or whether the *Employer* has provided a plan for the *Contractor* to follow. Read the TSC3 Guidance Notes pages 21 and 22 for more information on the *Contractor's* plan.

Use this section to describe any particulars which must be taken into account by the *Contractor* in developing his plan as required by clause 21.2. For example information about the order and timing or method of carrying out particular items of work.

List technical reporting and scheduling requirements which are to be incorporated into the *Contractor's* plan.

7 Management meetings

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

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

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

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

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	Weekly on _____ at _____		
Overall contract progress and feedback	Monthly on _____ at _____		<i>Employer, Contractor and _____</i>

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

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

8 Contractor's management, supervision and key people

- The Contractor's Performance will be assessed in accordance with a Performance Appraisal Process.

9 Provision of bonds and guarantees

N/A

10 Documentation control

All contractual Documentation must have relevant contract number and Purchase Order Number as reference as per Eskom Holdings SOC Ltd Standards . Contractual communications will be in the form of properly compiled letters, letters attached to emails, emails, NEC3 template and urgent contractor meetings can be in the form of sms. The use of sms's, emails does not override the use of applicable and relevant NEC3 standard templates, forms and Eskom Holdings SOC Limited procedures.

11 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

_____ and include on each invoice the following information:

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- 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 *Contractor* attaches the detail assessment of all work done for each item in the Price List to each tax invoice showing

- the Price for each lump sum item in the Price List or Task Order which the *Contractor* has completed and
- where a quantity is stated for an item in the Price List or Task Order, an amount calculated by multiplying the quantity which the *Contractor* has completed by the rate.

INVOICE ADDRESSED TO:

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

NOTE: ALL INVOICES WITH CONTRACT NUMBER TO BE SUBMITTED TO MR DANNY MADIKWANE

12 Contract change management

For any change in scope, such changes must be treated as Compensation Events

13 Records of Defined Cost to be kept by the *Contractor*

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

14 Insurance provided by the *Employer*

Insurance cover letter attached

15 Training workshops and technology transfer

Technology Integration

Propose and implement technology-driven solutions to reduce reliance on physical guarding.

Surveillance Systems: Advanced CCTV cameras (a combination of different camera types, e.g., thermal, optical, PTZ, etc.) with AI-based analytics for real-time threat detection.

Access Control Systems: Automated access control systems (e.g., biometric scanners, license plate recognition) with multi-factor authentication on restricted areas.

Drones: For perimeter surveillance and rapid response to incidents.

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Intrusion Detection Systems: Motion and or vibration sensors, thermal imaging, and other advanced detection technologies.

Fogging Unit: A device used to release dense fog when the alarm is triggered to reduce visibility to prevent intruders from seeing or stealing valuables

Centralised Monitoring: A centralised control room for real-time monitoring and response coordination.

16 Design and supply of Equipment

Supply of Equipment As per Scope of work

17 Things provided at the end of the *service period* for the *Employer's* use

18 Equipment

CCTV Camers

19 Information and other things

Clause 70.2 requires that information and other things which the *Contractor* is to provide at the end of the *service period* be stated in the Service Information.

20 Management of work done by Task Order

NB: No work that falls outside the approved scope of works will be undertaken without an approved Task Order

21 Health and safety, the environment and quality assurance

22 Health and safety risk management

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

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

The Commodity Manager / Buyer must refer the tender to the Divisional/Regional Safety Risk Manager or his representative in order to evaluate against enquiry-specific safety criteria.

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

- Generation: Roley McIntyre
- Transmission: Tony Patterson
- Distribution: Alex Stramrood

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- Enterprises: Jace Naidoo
- Corporate: Kerseri Pather

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

23 Environmental constraints and management

The Contractor is required to ensure that all goods, services or works supplied in terms of this Works Information comply to all applicable environmental legislation(s), Eskom's Safety, Health, Environment and Quality Policy, 32 -727. The company's environmental or EMS file or SHE file must contain the following relevant information:

Environmental Policy:

Environmental policy signed by top management (CEO / managing director), dated and version controlled

Company organogram:

Company's organogram depicting an environmental representative.

Environmental appointment letters:

Appointment letter of the employee responsible for environmental issues within the company. Appointment letter to be accepted and dated.

Communication strategy or communication Plan: Procedure to include the following-

Company's communication plan / procedure on what, how & when relevant environmental issues will be communicated

Environmental incident Register:

Incident/complaints register for environmentally related incidents

Environmental Aspects & Impacts (Risk Assessment):

Aspect and impact register relevant to the services (activity related) – specific to the project

Environmental management programme

Environmental management programme related to the services (activity related) tendered for.

Environmental Emergency Preparedness & Response Plan:

Emergency preparedness procedure/plan for environmental emergencies with emergency contact details

Environmental Training:

Eskom's Environmental law: The Company's SHE or Environmental Representative or the site supervisors must have a valid environmental law certificate (within three years).

Waste management strategy/ Plan:

Waste management plan on how waste generated on site will be managed, to include where disposal occurs. Note: Disposal to be at licensed Municipal landfill sites. Weighbridge slips for waste disposed. Slips or signed register showing that waste has been disposed of at a licenced site. All sewage (human effluent) generated from the chemical toilets must be disposed at the approved Wastewater Treatment Plant (WWTP) where applicable. The

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records of the disposal must be kept in the EMS or environmental file and be produced when required.

The Contractor shall send a flash report to the Eskom Environmental Representative and Project Manager for any environmental incidents that have occurred on site as soon as possible or within 24 hours, clearly stating any impact to the environment. Good housekeeping must be always ensured on site. Deviations from these requirements will be regarded as a non-conformance. Should there be concerns regarding environmental issues and non-conformance to environmental requirements, management engagements and interventions will be introduced to determine a means to addressing the shortfalls. Once these interventions have been explored and exhausted, then the Eskom Supplier Disciplinary Process will be followed.

Describe or cross refer to environmental constraints applicable to the *Contractor's* plan and his activities on the Affected Property and how they should be managed. Include here or cross refer to an Annexure to the Service Information.

The *Contractor* shall comply with the environmental criteria and constraints stated in Annexure _____

24 Quality assurance requirements

AS per Tender Supplier requirements

25 Procurement

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

26 People

27 Minimum requirements of people employed

Specify any constraints relating to people employed to Provide the Service; for example permits for foreigners, training (other than H & S), use of labour from designated areas and industrial relations.

28 BBBEE and preferencing scheme

Specify constraints which *Contractor* must comply with after contract award in regard to any Broad Based Black Economic Empowerment (B-BBEE) or preferencing scheme measures.

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

If the ASGI-SA requirements are to be included in this contract specify constraints which *Contractor* must comply with after contract award in regard to any ASGI-SA requirements. The ASGI-SA Compliance Schedule completed in the returnable tender schedules is reproduced here. If ASGI-SA does not apply, delete this paragraph.

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

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[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.

30 Subcontracting

31 Preferred subcontractors

N/A

32 Subcontract documentation, and assessment of subcontract tenders

N/A

33 Limitations on subcontracting

N/A

34 Attendance on subcontractors

State requirements for attendance on Subcontractors, if any

35 Plant and Materials

36 Specifications

<p>Plant and Materials are defined as items intended to be included in the Affected Property. This will refer to replacement of worn or defective parts, routine replacement as part of regular preventative maintenance and supply of spare parts. Quality is usually designed in or specified in the technical specifications. However to cover circumstances where quality may not be prescribed, this sub-paragraph could also be used to state an overarching default requirement – fitness for purpose etc.</p>

<p>Either specify here or provide a list of the applicable specifications and attach them as Annexure or state where they can be obtained from.</p>

37 Correction of defects

<p>State any constraints when dealing with defective Plant and Materials such as how repairs are carried out - can the item be fixed up or must it be replaced by a new one.</p>
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38 Contractor's procurement of Plant and Materials

<p>Specify any constraints on how the <i>Contractor</i> is to order, codify, expedite, freight, import, transport to the Affected Property and any other requirements for delivery and storage before installation. The <i>Employer</i> may require warranties from suppliers to be in favour of the <i>Employer</i> and not just to the <i>Contractor</i>. The <i>Employer</i> may also need schedules of vendor data for his own use after the end of the <i>service period</i>.</p>
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39 Tests and inspections before delivery

Core Clause 41.1 makes reference to the Service Information stating which Plant and Materials are to be inspected and tested before delivery. Specify any requirements particularly if such tests and inspections are to be carried out by agents of the *Employer* overseas.

40 Plant & Materials provided “free issue” by the *Employer*

List any Plant and Materials which are to be provided by the *Employer*.

State arrangements for collection by *Contractor* or delivery by others on behalf of the *Employer*, off loading, inspection, storage, care custody and control, return of unused Plant and Materials, etc. Always include a statement to the effect that ‘all other Plant and Materials are to be provided by the *Contractor*’.

41 Cataloguing requirements by the *Contractor*

State whether cataloguing is applicable, if it is, reference the requirements for cataloguing that need to be satisfied by the *Contractor* (consult Procurement Instruction Number 1 of 2018 – Incorporating Cataloguing into the Procurement Environment, Unique Identifier 240-1289988974).

42 Working on the Affected Property

This part of the Service Information addresses constraints, facilities, services and rules applicable to the *Contractor* whilst he is doing work on the Affected Property.

43 *Employer’s* site entry and security control, permits, and site regulations

Sites such as Koeberg Nuclear Power Station have very strict entrance requirements which tendering contractors need to allow for in their prices, and the *Contractor* has to comply with. State these or similar requirements here.

In addition to the above there may be other restrictions once on the site, plus rules relating to roads, walkways and the provision of barricades

44 People restrictions, hours of work, conduct and records

Restrictions and hours of work may apply on some sites. It is very important that the *Contractor* keeps records of his people working on the Affected Property, including those of his Subcontractors. State that the *Service Manager* shall have access to them at any time. These records may be needed when assessing compensation events.

45 Health and safety facilities on the Affected Property

Section 3 deals with contractual H & S requirements in addition to those of the OHSA Act. This section allows the *Employer* to state what measures are to be taken on the Affected Property by describing where First Aid facilities provided by the *Employer* are located and any other emergency arrangements. Do not use if already addressed in 2.3.

46 Environmental controls, fauna & flora

This sub-paragraph may not be required in a service contract or if these matters are dealt with in the general environmental requirements referred to in section 3 above.

47 Cooperating with and obtaining acceptance of Others

This sub-paragraph could be used to deal with two issues.

1) The cross reference from core clause 25.1 about cooperation generally as well as details about Others with whom the *Contractor* may be required to share the Affected Property. See clause 11.2(9) for the definition of Others.

2) Requirements for liaison with and acceptance from statutory authorities or inspection agencies.

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48 Records of *Contractor's* Equipment

This sub-paragraph is intended to address how records are to be kept of Equipment on Site including whether it is owned or hired. Include any constraints about scaffolding, rigs, heavy lifts and cranes, including removal from the Affected Property.

49 Equipment provided by the *Employer*

Provide details of equipment (e.g. overhead cranes) made available for use by the employer and set out conditions relating thereto.

50 Site services and facilities

51 Provided by the *Employer*

This is a mandatory cross reference from clause 25.2 in TSC3. State what the *Employer* will provide in the way of power, water, waste disposal, telecomms, ablutions, fire protection and lighting (etc) on the Affected Property. Give hook up locations and any constraints on how the hook up is to be done. Always conclude by stating that the *Contractor* shall provide everything else necessary for Providing the Service.

52 Provided by the *Contractor*

Describe what the *Contractor* is to provide in the way of accommodation, laboratories, storage, vehicles and office equipment for the *Service Manager* and any restrictions or minimum requirements concerning the *Contractor's* own facilities. Also state what happens to these facilities upon completion of the contract.

53 Control of noise, dust, water and waste

State requirements, if any.

54 Hook ups to existing works

State any constraints

55 Tests and inspections

56 Description of tests and inspections

Describe the tests and inspections to be carried out by the *Contractor* and the *Service Manager* and others [40.1].

57 Materials facilities and samples for tests and inspections

State what materials facilities and samples for tests and inspections the *Contractor* and the *Employer* are to provide, per core clause 40.2.

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58 List of drawings

59 Drawings issued by the *Employer*

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

Drawing number	Revision	Title