



NEC3 Supply Contract (SC3)

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

and
(Reg No. _____)

for **Supply and Delivery of Coagulant and Flocculant
Chemicals on an "as and when required" at Hendrina
Power Station (Materials Management Department)
for a period of 5 years.**

Contents:

Part C1 Agreements & Contract Data

Part C2 Pricing Data

Part C3 Scope of Work

CONTRACT No. [\[Insert at award stage\]](#)

PART C1: AGREEMENTS & CONTRACT DATA

Contents:

C1.1 Form of Offer and Acceptance

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

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

C1.3 Proforma Guarantees

C1.1 Form of Offer & Acceptance

Offer

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

Supply and Delivery of Coagulant and Flocculant Chemicals on an "as and when required" basis at Hendrina Power Station (Materials Management Department) for a period of 5 years.

The tenderer, identified in the Offer signature block, has

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

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

	The offered total of the Prices exclusive of VAT is	
	Value Added Tax @ 15% is	
	The offered total of the amount due inclusive of VAT is ¹	
	(in words) N/A	

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

Signature(s)

Name(s)

Capacity

**For the
tenderer:**

(Insert name and address of organisation)

Name &
signature of
witness

Date

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

Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)

Name(s)

Capacity

for the
Purchaser

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

(Insert name and address of organisation)

Name &
signature of
witness

Date

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

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

No.	Subject	Details
1	PAYMENT	

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

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

For the tenderer:

For the *Purchaser*

Signature _____

Name _____

Capacity _____

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

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

Name &
signature
of witness _____

Date _____

C1.2 SC3 Contract Data

Part one - Data provided by the *Purchaser*

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

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for Options	A: Priced contract with price list
	dispute resolution Option and secondary Options	X1: Price adjustment for inflation
		X2 Changes in the law
		X7: Delay damages
		X17: Low performance damages
		X20: Key Performance Indicators
		Z: Additional conditions of contract
	of the NEC3 Supply Contract (April 2013) ²	(If the December 2009 edition is to be used delete April 2013 and replace by December 2013)
10.1	The <i>Purchaser</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state-owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	[•]
	Fax No.	[•]
10.1	The <i>Supply Manager</i> is (name):	
	Address	
	Tel	
	E-mail	
11.2(13)	The <i>goods</i> are	Steel
11.2(13)	The <i>services</i> are	

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

Supply and Delivery of Coagulant and Flocculant Chemicals on an "as and when required" basis at Hendrina Power Station (Materials Management Department) for a period of 5 years.

11.2(14)	The following matters will be included in the Risk Register	1) Delays on delivery 2) Quality of deliverables
11.2(15)	The Goods Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.
11.2(15)	The Supply Requirements as part of the Goods Information is in	Annexure A to this Contract Data
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	2 working days
2	The Supplier's main responsibilities	The Supplier provides the following additional documentation at the time of delivery: 1. All material certificates. 2. All inspection reports (NDT, dimensional, etc.) 3. Detailed tax invoice. 4. QIP (On Items Requested)
3	Time	
30.1	The <i>starting date</i> is.	
30.1	The <i>delivery date</i> of the <i>goods</i> and <i>services</i> is:	On an "as and when required" basis
30.2	The <i>Supplier</i> does not bring the <i>goods</i> to the Delivery Place more than one week before the Delivery Date.	Supplier informs the Purchaser to come and inspect and accept all goods before effecting delivery.
31.1	The <i>Supplier</i> is to submit a first programme for acceptance within	2 Weeks of the Contract Date
32.2	The <i>Supplier</i> submits revised programmes at intervals no longer than	4 weeks
4	Testing and defects	
42	The <i>defects date</i> is	On the day of the delivery.
43.2	The <i>defect correction period</i> is	1 weeks (To be negotiated between Purchaser and Supplier based on criticality of spares)
42.2	The <i>defects access period</i> is	To be negotiated between Purchaser and Supplier
5	Payment	
50.1	The <i>assessment interval</i> is	After each delivery and acceptance of spares
51.1	The <i>currency of this contract</i> is the	South African Rand

51.2	The period within which payments are made is	14 Days
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365 day year) charged from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and (ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> every 6 months thereafter and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.
6	Compensation events	As per NEC Core clause 60.
7	Title	As per NEC Core clause 70.
8	Risks, liabilities, indemnities and insurance	
80.1	These are additional <i>Purchaser's</i> risks	1. Supplier not Suppling goods in time can result in outage slip or plant shutdown. 2. Supplier not meeting quality requirements can result in financial and production loss. 3. Incorrect Specification used can result in production losses/financial loss/PFMA violation and outage slip.
84	Insurance cover	

84.1	When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force										
84.2	The <i>Supplier</i> provides the insurances stated in the Insurance Table A for events which are at the <i>Supplier's</i> risk from the <i>starting date</i> until the last <i>defects date</i> or a termination certificate has been issued. <table> <tr> <th colspan="2">INSURANCE TABLE A</th></tr> <tr> <th>Insurance against</th><th>Minimum amount of cover or minimum limit of indemnity</th></tr> <tr> <td>Loss of or damage to the <i>goods</i>, plant and materials</td><td> The replacement cost where not covered by the <i>Purchaser's</i> insurance. The <i>Purchaser's</i> policy deductible as at Contract Date, where covered by the <i>Purchaser's</i> insurance. </td></tr> <tr> <td>Liability for loss of or damage to property (except the <i>goods</i>, plant and materials and equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Supplier</i>) caused by activity in connection with this contract.</td><td> <u>Loss of or damage to property</u> <u>Purchaser's property</u> The replacement cost where not covered by the <i>Purchaser's</i> insurance. The <i>Purchaser's</i> policy deductible as at Contract Date, where covered by the <i>Purchaser's</i> insurance. <u>Other property</u> The replacement cost <u>Death of or bodily injury</u> The amount required by the applicable law. </td></tr> <tr> <td>Liability for death of or bodily injury to employees of the <i>Supplier</i> arising out of and in the course of their employment in connection with this</td><td>The amount required by the applicable law</td></tr> </table>	INSURANCE TABLE A		Insurance against	Minimum amount of cover or minimum limit of indemnity	Loss of or damage to the <i>goods</i> , plant and materials	The replacement cost where not covered by the <i>Purchaser's</i> insurance. The <i>Purchaser's</i> policy deductible as at Contract Date, where covered by the <i>Purchaser's</i> insurance.	Liability for loss of or damage to property (except the <i>goods</i> , plant and materials and equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Supplier</i>) caused by activity in connection with this contract.	<u>Loss of or damage to property</u> <u>Purchaser's property</u> The replacement cost where not covered by the <i>Purchaser's</i> insurance. The <i>Purchaser's</i> policy deductible as at Contract Date, where covered by the <i>Purchaser's</i> insurance. <u>Other property</u> The replacement cost <u>Death of or bodily injury</u> The amount required by the applicable law.	Liability for death of or bodily injury to employees of the <i>Supplier</i> arising out of and in the course of their employment in connection with this	The amount required by the applicable law
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87	Insurance by the <i>Purchaser</i> The <i>Purchaser</i> provides the										

87.1 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

88.1	The <i>Supplier's</i> liability to the <i>Purchaser</i> for indirect or consequential loss, including loss of profit, revenue and goodwill is limited to	R0.0 (zero Rand)
88.2	For any one event, the <i>Supplier's</i> liability to the <i>Purchaser</i> for loss of or damage to the <i>Purchaser's</i> property is limited to	(1) for the <i>Purchaser's</i> existing and surrounding property in the care, custody and control of the <i>Supplier</i> the amount of the deductible (first amount payable) relevant to the event described in the "Format A" insurance policy available and (2) for all other existing <i>Purchaser's</i> property the highest applicable deductible (first amount payable) namely: • R15 million (fifteen million Rand) for Generation Division property; See notes in Annexure B
88.3	The <i>Supplier's</i> liability for Defects due to his design which are not notified before the last <i>defects date</i> is limited to:	[This is a commercial decision, but consider using the total of the Prices. Delete this note after inserting a Rand amount]
88.4	The <i>Supplier's</i> total liability to the <i>Purchaser</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	[This is a commercial decision, but consider using at least the total of the Prices. Delete this note after inserting the Rand amount]
88.5	The <i>end of liability date</i> is	until product is utilised the period of warranty of the product should commence from the date of use or installation of the product because we cannot determine if the goods were defect or not unless they were in use. As long as the one can objectively determine the date of use or installation and for as long as the goods were not stored for an unreasonably long period in good conditions of storage.

9 Termination and dispute resolution

94.1	The <i>Adjudicator</i> is	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
	Address	To be known once the dispute arises.

Tel No.	To be known once the dispute arises.
Fax No.	To be known once the dispute arises.
e-mail	To be known once the dispute arises.

94.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA, a Division of the South African Institution of Civil Engineering, or its successor body (See www.ice-sa.org.za)
94.4(2)	The <i>tribunal</i> is:	arbitration
94.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.
94.4(5)	The place where arbitration is to be held is	[to be announced] 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.

10 Data for Option clauses

X1	Price adjustment for inflation																									
X1.1	The <i>base date</i> for indices is	The month prior to the enquiry closing date.																								
	The proportions used to calculate the Price Adjustment Factor are:	<table> <tr> <th>proportion</th><th>linked to index for</th><th>Index prepared by</th></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>15%</td><td colspan="2">non-adjustable</td></tr> <tr> <td>100%</td><td></td><td></td></tr> </table>	proportion	linked to index for	Index prepared by	0.	[•]	[•]	0.	[•]	[•]	0.	[•]	[•]	0.	[•]	[•]	0.	[•]	[•]	15%	non-adjustable		100%		
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15%	non-adjustable																									
100%																										
X2	Changes in the law																									
X2.1	A change in the law of	Republic of South Africa is a compensation event if it occurs after the Contract Date																								
X7	Delay damages																									
A	Delay damages for Delivery are	0.5% (zero point five per centum) increments of the batch order value per calendar day late, until damages have accumulated to 10% of																								

	the batch order.	
X17	Low performance damages	
X17.1	The amounts for low performance damages are:	Stated in the Purchaser's goods information
X20	Key Performance Indicators (not used when Option X12 applies)	To be initiated on contract award as per sample on last page.
X20.1	The <i>incentive schedule</i> for Key Performance Indicators is in	Appendix B on the last page of this document. No incentives will be paid out for Key performance indicators
X20.2	A report of performance against each Key Performance Indicator is provided at intervals of	6 monthly
Z	The additional conditions of contract are	Z1 to Z12 always apply for Eskom

Z1 Cession delegation and assignment

- Z1.1 The *Supplier* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Purchaser*.
- Z1.2 Notwithstanding the above, the *Purchaser* may on written notice to the *Supplier* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry.

Z2 Joint ventures

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

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

- Z3.1 Where a change in the *Supplier's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Supplier's* B-BBEE status, the *Supplier* notifies the *Purchaser* within seven days of the change.
- Z3.2 The *Supplier* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Supply Manager* within thirty

days of the notification or as otherwise instructed by the *Supply Manager*.

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

Z3.4 Failure by the *Supplier* to notify the *Purchaser* of a change in its B-BBEE status may constitute a reason for termination. If the *Purchaser* terminates in terms of this clause, the procedures on termination are P1, P2 and P3 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Confidentiality

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

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

Z4.3 In the event that the *Supplier* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Supplier*, to the extent permitted by law prior to disclosure, notifies the *Purchaser* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Supplier* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.

Z4.4 The taking of images (whether photographs, video footage or otherwise) of the *goods* or any portion thereof, in the course of Providing the Goods and Services and after Delivery, requires the prior written consent of the *Supply Manager*. All rights in and to all such images vests exclusively in the *Purchaser*.

Z4.5 The *Supplier* ensures that all his subcontractors abide by the undertakings in this clause.

Z5 Waiver and estoppel: Add to core clause 12.3:

Z5.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, the *Supply Manager* or the *Adjudicator* does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.

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

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

Without limitation the *Supplier*:

- warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for

- the proper maintenance of health & safety in and about the execution of supply and
- undertakes, in and about the execution of the supply, to comply with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Supplier's* direction and control, likewise observe and comply with the foregoing.

Z6.2 The *Supplier*, in and about the execution of the supply, complies with all applicable environmental laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Supplier's* direction and control, likewise observe and comply with the foregoing.

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

Z7.1 Within one week of receiving a payment certificate from the *Supply Manager* in terms of core clause 51.1, the *Supplier* provides the *Purchaser* with a tax invoice in accordance with the *Purchaser's* procedures stated in the Goods Information, showing the amount due for payment equal to that stated in the payment certificate.

Z7.2 If the *Supplier* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Purchaser* is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the *Purchaser* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.

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

Z8 Notifying compensation events

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

Z9 Purchaser's limitation of liability

Z9.1 The *Purchaser's* liability to the *Supplier* for the *Supplier's* indirect or consequential loss is limited to R0.00 (zero Rand)

Z9.2 The *Supplier's* entitlement under the indemnity in 83.1 is provided for in 60.1(12) and the *Purchaser's* liability under the indemnity is limited.

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

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

Z11 Addition to secondary Option X7 Delay damages (if applicable in this contract)

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

Z12 Ethics

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

Affected Party	means, as the context requires, any party, irrespective of whether it is the <i>Supplier</i> or a third party, such party's employees, agents, or Subcontractors or Subcontractor's employees, or any one or more of all of these parties' relatives or friends,
Coercive Action	means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,
Collusive Action	means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,
Committing Party	means, as the context requires, the <i>Supplier</i> , or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,
Corrupt Action	means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,
Fraudulent Action	means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,
Obstructive Action	means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action and
Prohibited Action	means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

- Z 12.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
- Z 12.2 The *Purchaser* may terminate the *Supplier's* obligation to Provide the Goods and Services if a Committing Party has taken such Prohibited Action and the *Supplier* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Purchaser* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Purchaser* can terminate the *Supplier's* obligation to Provide the Goods and Services for this reason.
- Z 12.3 If the *Purchaser* terminates the *Supplier's* obligation to Provide the Goods and Services for this reason, the procedures and amounts due on termination are respectively P1, P2 and P3, and A1 and A3.
- Z 12.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Purchaser* does not have a contractual bond with the Committing Party, the *Supplier* ensures that the Committing Party co-operates fully with an investigation.

Z13 Asbestos

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

AAIA	means approved asbestos inspection authority.
ACM	means asbestos containing materials.
AL	means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.
Ambient Air	means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
Compliance Monitoring	means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
OEL	means occupational exposure limit.
Parallel Measurements	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
Safe Levels	means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
Standard	means the <i>Purchaser's</i> Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
SANAS	means the South African National Accreditation System.
TWA	means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

Z13.1 The *Purchaser* ensures that the Ambient Air in the area where the *Supplier* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.

Z13.2 Upon written request by the *Supplier*, the *Purchaser* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Supplier* may perform Parallel Measurements and related control measures at the *Supplier's* expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z15.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.

Z13.3 The *Purchaser* manages asbestos and ACM according to the Standard.

Z13.4 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.

- Z13.5 The *Supplier's* personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.
- Z13.6 The *Supplier* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations.

Annexure A: Supply Requirements

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

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

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

Group	Category	Term	Delivery Place
E	departure	EXW	
F	main carriage unpaid	FCA, FAS, FOB	
C	main carriage paid	CIP	Hendrina Power Station
D	arrival	DAF, DES, DEQ, DDU, DDP	

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

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

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

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

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

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

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

The Supply Requirements for this contract are as follows:

[Use these when INCOTERMS do not apply].

1. The requirements for the supply are	As stated in the contract document	
2. The requirements for transport are	As stated in the contract document	
3. The delivery place is	Hendrina Power Station Stores(receiving)	
4. Actions of the Parties during supply	Action	Party which does it
	Giving notice of Delivery	Supplier
	Checking packing and marking before dispatch	Supplier
	Contracting for transport	Supplier
	Pay costs of transport	Included in tendered rates
	Arrange access to delivery place	Purchaser
	Loading the <i>goods</i>	Supplier
	Unloading the <i>goods</i>	As stated in the contract document
For international procurement	Undertake export requirements	Supplier
	Undertake import requirements	Supplier
5. Information to be provided by the Supplier	Title of document	
	Supply of Spares	
	Copy of invoice for the <i>goods</i>	
	Delivery Note	
	Test results and maintenance manuals	
	Supply of certification (material and pressure test certificate) as defined in the component description.	
For international procurement	Licences, authorisations and other formalities associated with export of the <i>goods</i>	
	Air Waybill or Bill of Lading with associated landing, delivery and forwarding order	
	The Bill of Entry endorsed by the importation authority	
	Customs work sheets, showing tax, duties and surcharges which the law of the country into which the <i>goods</i> are being imported requires the importer to pay	
	Invoice from the importation clearing agent showing airline fees, landing charges, wharfage and dock dues as applicable	
	Specify other import documents required by authorised officials.	

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

Annexure B: Insurance provided by the Purchaser

These notes are provided as guidance to tendering suppliers and the Supplier about the insurance provided by the Purchaser. These notes are not part of this contract. The Supplier must obtain its own advice.

Transit insurance of goods originating from outside the borders of the Republic of South Africa

For the purpose of supply contracts, the only insurance provided by Eskom (the *Purchaser*) is transit shipment cover, commonly known as Marine Insurance for air, sea, rail and road freight (including local land arrangements) for conveyance of *goods* originating outside RSA. Please consult the website stated below to ascertain whether Format A, Format B or Format Dx is applicable to this contract and then the

- Marine Insurance Policy wording;
- Eskom Shipment Policies and Procedures – note a pre-shipment survey form has to be completed under certain circumstances;
- Marine Claims Handling Procedures – for important shipment actions and claims forms in event of damages to cargo freight via sea, barge, air, road or rail.

For EXW (Ex Works collections) this is of no concern to the *Supplier* but for any other Supply Requirement (such as CIF, DDU, or DDP) the *Supplier* need not provide such insurance even if the INCOTERM requires it and tendering suppliers should 'discount' their prices when tendering to allow for this provision by the *Purchaser* (Eskom).

Supplier's liability for damage to the Purchaser's property

Whilst this is a liability the *Supplier* carries and should cover (if he is required to deliver the *goods* to the *Purchaser's* premises) his liability is limited to the amount of cover provided to the *Purchaser* within his assets policy. This amount varies depending on the Division within Eskom to which the *Supplier* is making the delivery. For any one occurrence or series of occurrences arising out of one event but unlimited during the period of insurance the *Supplier's* liability would be:

- R15million for Generation Division projects,

All other insurance

As required by clause 84, the *Supplier* provides all other insurance for his risks. The *Supplier* should give further consideration to providing for these additional insurance concepts [for amounts and periods of insurance the *Supplier* deems fit and necessary].

Professional Indemnity: The insurance provided shall indemnify the *Supplier* (and/or his professional consultant) for those sums which the *Supplier* or his consultant shall become legally liable to pay as damages arising from any claim first made against the *Supplier* / consultant and reported to their insurers during the Period of Insurance, directly arising out of any negligent act, error or omission committed or alleged to have been committed by the *Supplier* / consultant in the conduct of **professional services** (for example, design) in connection with this contract.

Products Liability: A special General Liability extension for liability arising out of the *Supplier's* **defective**:

- production and manufacturing process (workmanship or material), or
- product design, or
- warnings, instructions, usage and maintenance manuals and specifications.

For any further explanation of insurance requirements tendering suppliers are advised to consult their brokers or insurers who may in turn contact Eskom Insurance Management Services per contact details provided on the following website:

http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx

C1.2 Contract Data

Part two - Data provided by the *Supplier*

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

Clause	Statement	Data								
10.1	The <i>Supplier</i> is (Name): Address Tel No. Fax No.									
11.2(8)	The Goods Information for the <i>Supplier's</i> design is in:									
11.2(11)	The tendered total of the Prices is	R , (in words)								
11.2(12)	The <i>price schedule</i> is in:									
11.2(14)	The following matters will be included in the Risk Register									
25.2	The restrictions to access for the <i>Supply Manager</i> and Others to work being done for this contract are									
30.1	The <i>delivery date</i> of the <i>goods</i> and <i>services</i> is:	<table><thead><tr><th><i>goods and services</i></th><th><i>delivery date</i></th></tr></thead><tbody><tr><td>1</td><td>[•]As per batch order</td></tr><tr><td>2</td><td>[•]</td></tr><tr><td>3</td><td>[•]</td></tr></tbody></table>	<i>goods and services</i>	<i>delivery date</i>	1	[•]As per batch order	2	[•]	3	[•]
<i>goods and services</i>	<i>delivery date</i>									
1	[•]As per batch order									
2	[•]									
3	[•]									
31.1	The programme identified in the Contract Data is contained in:									
63.2	The <i>percentage for overheads and profit</i> added to the Defined Cost is	%								

PART 2: PRICING DATA
NEC3 Supply Contract

Document reference	Title
C2.1	Pricing assumptions
C2.2	The <i>price schedule</i>

C2.1 Pricing assumptions

How *goods* and *services* are priced and assessed for payment

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

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

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

Function of the Price Schedule

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

Preparing the *price schedule*

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

It will be assumed that the tendering supplier has

- Read Pages 8, 11, 12 and Appendix 5 of the SC3 Guidance Notes before preparing the *price schedule*;
- Included in his Prices and rates for correction of Defects (core clause 43.1) as there is no

- compensation event for this unless the Defect is due to a *Supplier's* risk;
- Spread the cost of doing work he chooses not to list as separate items in the *price schedule* across other Prices and rates in order to fulfil the obligation to Provide the Goods and Services for the tendered total of the Prices;
- Understood that there is no adjustment to lump sum prices in the *price schedule* if the amount, or quantity, of work within that lump sum item later turns out to be different to that which the *Supplier* estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event per clause 60.1;
- Understood that the *Supplier* does not have to allow in his Prices and rates for matters that may arise as a result of a compensation event.

Format of the *price schedule*

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

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

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

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

C2.2 the *price schedule*

Spares requirement

Material No	Description	Quantity	Unit	Unit Price
0209529	CHEMICAL:CHLOROHYDRATE COAGULANT;LIQD;10	700 000	KG	
0157272	CHEMICAL:POLYAMIDE;FLOCCULANT/LIQUID;5 T	30 000	KG	
0210434	CHEMICAL:LIQD;TANK BULK	550 000	KG	

PART 3: SCOPE OF WORK

SUPPLY AND DELIVER ITEMS LISTED ON THE PRICE SCHEDULE

- Specifications will be provided on annexure C

Document reference	Title
	This cover page
C3.1	<i>Purchaser's</i> Goods Information
C3.2	<i>Supplier's</i> Goods Information

C3.1: *PURCHASER'S* GOODS INFORMATION

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1 Overview and purpose of the *goods and services*

- Supply and delivery Supply of Coagulant and Flocculant Chemicals at Hendrina Power Station- Main Stores on an "as and when required" basis.

2 Specification and description of the *goods*

This describes the technical requirements for the supply, delivery of Water Treatment Plant and cooling water system chemicals, and Pre-treatment optimization for a period of 5 years at Hendrina Power Station.

The scope covers the supply, delivery of bulk chemicals for water treatment plant (coagulant and flocculant) and chemicals for cooling water system process for the flocculation control in cooling water system.

The supplier must make sure that the chemicals must not run out on site and the plants must have enough chemical stored for back up or emergency use.

The scope covers the supply and delivery of the following treatment chemicals:

Supply, deliver, install, commission, and maintain dosing equipment suitable for Water treatment plant, raw water Pre-treatment optimization and cooling water systems chemical process.

Supply and monitor the coagulant and flocculant chemicals for raw water treatment system and flocculant chemicals for cooling water system.

- As per full technical specification given on Goods Information / Price schedule Specifications (include Environmental specification) and drawing Numbers (where applicable).The *Supplier* implements a quality system and maintains the quality system until the delivery of all consumables. The system will be to the *Purchaser's* satisfaction and will be accepted prior to the signing of the *contract*. The *Supplier* will be subject to periodic audits by the *Purchaser* in order to ensure compliance with the system. Any deviations will be corrected to the *Purchaser's* satisfaction.

The table below is the list of the chemicals to be supplied and their specifications as well as the estimated quantities for the duration of the contract.

Material No	Long Description	
0209529	CHEMICAL: TYPE: CHLOROHYDRATE COAGULANT; FORM: LIQUID; CONTAINER CAPACITY: 10 T; CONTAINER: TANK BULK; REFERENCE NO: BULAB 5170; CHEMICAL SHOULD NOT ADD CLORIDES AND SULPHATES; BLENDS ARE NOT ACCEPTED; CHEMICAL IS EFFICIENT AND PERFOM JAR TEST; PH-3-4.5; ALUMINIUM PCT/MM; 12-13PCT; SPECIFIC GRAVITY 25DEG: 1.4; VISCOSITY: 10-50CPS; FOR USE ON WATER TREATMENT PLANT; MATERIAL SAFETY DATA SHEETS WITH ENVIRONMENTAL INFORMATION IN THE 16 POINT FORMAT TO BE PROVIDED WITH EVERY DELIVERY AS REQUIRED BY THE OCCUPATIONAL HEALTH AND SAFETY ACT	700 000 L
0157272	CHEMICAL: TYPE: POLYAMIDE; FORM: FLOCCULANT/LIQUID; CONTAINER CAPACITY: 5 T; CONTAINER: TANK BULK; COLOR: YELLOW TO CLEAR; PH: 5-7; SPECIFIC GRAVITY: 1.037-1.052; VISCOSITY: 200-600CP; CHEMICAL SHOULD NOT ADD CLORIDES AND SULPHATES; BLENDS ARE NOT ACCEPTED; FOR USE ON WATER TREATMENT PLANT, MATERIAL SAFETY DATA SHEETS WITH ENVIRONMENTAL INFORMATION IN THE 16 POINT FORMAT TO BE PROVIDED WITH EVERY DELIVERY AS REQUIRED BY THE OCCUPATIONAL HEALTH AND SAFETY ACT	30 000 L
0210434	CHEMICAL: TYPE: POLYFLOC CATIONIC POLYELECTROLYTE; FORM: LIQUID; CONTAINER: TANK BULK; FOR COOLING WATER TREATMENT, MATERIAL SAFETY DATA SHEETS WITH ENVIRONMENTAL INFORMATION IN THE 16	550 000L

POINT FORMAT TO BE PROVIDED WITH EVERY DELIVERY AS REQUIRED BY THE
OCCUPATIONAL HEALTH AND SAFETY ACT

Scope of Work

1. Detail work description for water treatment plant, raw water pre-treatment optimization chemicals (coagulant and flocculant).

Supply and monitor the coagulant and flocculant treatment process.

Technical performance of the chemical treatment must maintain the Total organic carbon (TOC) percentage removal of greater than 40% and Turbidity (NTU) of <2 across the raw water clarifiers.

Both chemicals must be dosed separately (no blended chemical will be acceptable).

Both chemicals must not have negative impact on the demineralized plant resins, and

Supply the flocculation chemical for water cooling system as well.

Table 1: Raw water chemistry for water treatment data

• Parameter	• Concentrations
• pH	• 7.5 to 8.7
• TOC	• 3.7 to 7 ppm
• Conductivity	• 184 to 200 μ S/cm
• Turbidity	• 10 to 20NTU

Dosing Regime: Raw Water Treatment

- Both chemicals Coagulant and Flocculant dosing to be continuous.
- Provide Certificate of analysis and Material Safety Data Sheets (MSDS) with every delivery
- Add a clearly visible MSDS label in front of the tanks.
- Ensure continuity of treatment from start of contract up to end date as decided by Hendrina
- Be available 24hrs/day for any technical back-up assistance on emergencies that might be needed.
- Perform Jar Test monthly, as monitoring control for the effectiveness of the clarification turbidity and TOC removal
- Should a spillage occur during off loading, such a spillage shall be cleaned by the Contractor before end of business the same day.
- Ensure an uninterrupted supply of chemicals to meet the 100% availability of treatment. No down time due to chemical supply.
- Ensure the use of Accredited and Recognised laboratory, for measurements and reporting (if possible).
- The chemical qualities of the raw water, both physical and chemical to be noted.
- Performance criteria/program to control clarification turbidity removal under limits
- Conduct a base line study within the first week of contract award inspecting relevant dosing system points for current and existing condition.
- A full report of all chemical's performance must be submitted to Hendrina section Supervisor.
- Recommend and identify the most effective dosing regimen to achieve best maximum performance.
- Supply proper and suitable offloading facility/equipment for bulk chemical transfer.
- Provide training to the Hendrina staff on how to operate and do fault finding on the dosing plant.
- Perform and conduct onsite test and plant adjust the chemical dosing accordingly. (e.g., Clarification jar test etc.)
- Supply all safety equipment applicable to the process and where necessary/not available.
- Always comply with safety standards around the dosing stations.

NOTE: The chemical shall comply with the NSF, and it shall be registered in the database (NSF database)

2. The Contractor shall supply flocculant for the Cooling Water clarification process. The Contractor shall optimise the dosing of the flocculant for each side of the CW system (CWN and CWS) and the lime at the South Sedimentation plant.

Table 2: Quality of the Cooling Water (Chemistry Specification)

Parameter	Limit or Range
Turbidity	< 100 NTU
Clarifier turbidity	<15 NTU
Conductivity	< 4000 uS/cm
pH	8.1 - 8.6 at 25 ° C
P Alkalinity	< 7.5 mg/kg as CaCO ₃
M Alkalinity	80 - 120 mg/kg as CaCO ₃ without a crystal modifier 120 to 160 mg/kg as CaCO₃ with a crystal modifier
Calcium	200 - 500 mg/kg as CaCO ₃
Magnesium	Mg (as CaCO ₃) x SiO ₂ <25 000
Silica	<150 mg/kg as SiO ₂
Permanent hardness only when Tot hard > M Alk	< 400 mg/kg as CaCO ₃
Calcium carbonate precipitation potential at 38degC	> 10 but < 30 mg/kg as CaCO ₃
Sulphate (note Na limit)	< 1000 mg/kg if Na ⁺ < 250mg/kg
Sulphate (note Na limit)	< 750 mg/kg if Na ⁺ > 250mg/kg
Phosphate	< 0.5 mg/kg as PO ₄
OA and COD or TOC	As low as economically possible through application of suitable flocculants
Chloride	< 400 mg/kg as Cl
Nitrate and Nitrite	Not specified
Sodium	< 500 mg/kg
Potassium	Not specified
Copper, Zinc, and Iron	Not specified
Ammonia	< 40 mg/kg as NH ₄

Note: Lime softening treatment (South) and Sulphuric Acid (North) is applied for the cooling water chemistry control. The proposed treatment program SHALL not impede this chemistry limits. (as in Table 2)

The scope includes the following:

Perform flocculant selection tests (Jar tests) and provide detailed report with recommendations for the treatment program for acceptance by the Employer. The proposed treatment programme shall take into consideration optimal dosing of both the flocculant and the lime for turbidity and alkalinity control.

Execute jar tests, as per the ASTM standard procedure, on each delivery interval and optimise the dosing of the lime and flocculant for CWS and flocculant for CWN.

Adjust poly (flocculant) dosing to give the determined concentration considering the CCW flows. Conduct pot drop tests to confirm that the dosing pump is discharging the correct amount of chemical as per dosing rate that has been set.

The dosing program shall achieve and maintain performance as specified in CW chemistry standard for the clarifier outlet and the main CW system as specified in table 3 below.

The dosing chemical should be in the liquid form and should not cause any damage or blockages in any parts of the Cooling Water and distribution systems.

The product must be adaptable to seasonal changes, effective to improve the system stability and comply with the target values as stipulated according to the Cooling Water specifications captured in Table below.

The chemical name together with the active ingredients and concentrations must be specified.

A detailed 16-point Safety Data Sheet (SDS) shall be provided upon delivery. Contact details to be used in the event of an emergency (include a telephone number) must be provided.

The supplier must provide a Certificate of Analysis (COA) that includes but is not limited to colour, pH and specific gravity.

All drums and tanks of chemicals must be labelled as a minimum with the chemical name, shelf life or expiry date, the appropriate hazard warnings, and identification of respective manufacturer.

Chemical to be delivered in Original Equipment Manufacturer (OEM) containers and no repackaging allowed.

The supplier must provide a technical knowledge transfer to the site technicians and chemist on the management and control of the treatment regime.

Table 3 Cooling water clarifier specifications to be achieved.

Parameter	Units	Spec	Target
Outlet pH		9.5 - 10.2	9.5 - 10.2
Sludge	%	<15	<8
Turbidity	NTU	<15	<10
Turbidity Removal	%	>85	>98

Other Requirements

Employer's requirements for the service of supply and deliver water treatment plant, raw water pretreatment chemicals (coagulant and flocculant) and CW flocculation

Supply and delivery of the Water treatment Chemicals Flocculant and Coagulant dosing.

Chemical treatment to maintain the Total organic carbon (TOC) percentage removal of greater than 40%

Raw water Clarifier outlet Turbidity (NTU) of <2 across the clarifiers and CW <15NTU the clarifiers.

Both chemicals must be dosed separately (split dosing)

Perform Jar Test monthly, as monitoring control for the effectiveness of the clarification

Provide Certificate of analysis and Material Safety Data Sheets (MSDS) with every delivery

Technical back-up assistance on emergencies as and when required.

Blended chemicals shall **not** be accepted.

The Pre-treatment chemicals shall comply to NSF.

The *Contractor* takes into consideration the cooling water quality and makes provision in his/her selection of chemicals for any species that may cause interference in the action of the proposed chemical treatment programme and remains responsible for the performance to the specifications specified in this document.

The treatment chemicals offered must be proven to be effective to improve and keep the system stable and the conditions complying with the relevant Eskom Standard limit values.

The treatment chemicals must be adaptable to system changes e.g., variation in water quality and temperature and seasonal (winter/summer)

The cooling water chemistry must be compliant with the Eskom Standard with the limits as indicated in the table above

Packaging / Crating

- The *Supplier* shall be responsible for the packaging of all Chemicals delivered to Hendrina Power Station – Main Stores.
- All the Chemicals supplied *shall* be individually wrapped as per the Hendrina Commercial Stock Preservation and Management procedure

Delivery to Site

- The *Supplier* shall be responsible for the transportation of all Chemicals delivered to Hendrina Power Station – Main Stores.
- Ownership will only be transferred to the *Purchaser* upon payment

Supply before award of contract

The *Supplier* will provide the following before the contract is awarded:

- Material Certificates to be provided by the *Supplier* upon delivery

2.1 Purchaser's design

- As per OEM. Material specifications, quality control plan, welding procedures, consumable, non-destructive testing, and post weld heat treatment certificates to be supplied with delivery by the supplier

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

- Before the *Supplier* can deliver must insure that it's the correct spares. The *Supplier* will still be liable to supply the correct spares that will precisely be applicable to the Bearings, Plummer Blocks & Sleeves Spares Eskom plant standards

2.3 Other requirements of the *Supplier's* design

- As per OEM and *Purchaser's* specifications

2.4 Use of *Supplier's* design

- As per OEM and *Purchaser's* specifications

2.5 Manufacture & fabrication

- As per OEM. *Supplier* will be required to provide data sheets for all manufactured spares and also provide the pressure testing certificate and material certificates where applicable Certificates will then be the property of the *Purchaser*. As per OEM and *Purchaser's* specifications and drawings

2.6 Factory acceptance testing (FAT)

- QC to be done with the end user before and after delivery. *Supplier* will be required to provide data sheets for all manufactured spares and also provide the relevant certification as mentioned in the technical specifications above

2.7 Other tests and inspections and commissioning in place of use

- All relevant required certificates and test reports to be supplied.
- Additional testing (NDE) by the *Purchaser* as and when required

2.8 Operating manuals and maintenance schedules

- Not Applicable

3 Supply Requirements

- The supply of Coagulant and Flocculant Chemicals.
- Requests for delivery will be made on a contract release order starting with a 45 number
- All equipment / spares must be on time of required order date
- Transported by road on suppliers' costs and transport
- End user to be informed when delivery will be done at least 2 days upfront
- No deliveries to be done on a Friday, Weekend or public holiday except on an emergency basis indicated by the *Purchaser*
- The *Supplier* must deliver the components between 08:30 to 15:30 Mondays to Thursdays and 8:30 to 11:30 on Fridays .No deliveries to be done on weekends unless prior arrangements done with the *Supplier*, *Purchaser* and stores
- Pallets to convey the batch must be strong enough to carry and transport load at anytime

Batches to be clearly marked and packed according to the required specifications

4 Specification of the services to be provided

- Access to site to be arranged before delivery date
- No Delivery will be accepted without an official contract release order
- Supplier delivery note must indicate partial delivery if partial delivery is made
- The stock number, quantity and material short description must be stated on the delivery note
- Each delivery to be recorded on receiving register and each delivery note must have unique number
- Spares must be well packaged and safely transported

5 Constraints on how the *Supplier Provides the Goods*

5.1 Programming constraints

- All equipment / spares must be on time of required order date
- End user to be informed when delivery will be done at least 2 days after the Purchase Order release and send to the supplier.
- Lead time should be included when tendering.

5.2 Work to be done by the Delivery Date

- All equipment / spares must be on time of required order date
- Transported by road on suppliers costs and transport
- The *Purchaser* to acknowledge receipt of goods by stamping and signing the delivery note of the *Supplier* upon delivery, rejected items to be communicated after the official quality inspection is done on site by the end user of the spares rejected must be collected and the correct supplied within 7 days
- Only spares specified will be accepted. Any spares that does not meet the specifications will be rejected

5.3 Marking the *goods*

Batches to be clearly mark and packed according to the required specifications as follows:

- Name of *Supplier*
- Purchase order number
- Material number
- Serial / part number
- Quantity delivered
- And each Component must have a unique identification linked to the relevant *Supplier*
- Short description

Supply and marking of the components shall be done as per the table below.

5.4 Constraints at the delivery place and place of use

- *Supplier* to have the correct access to site approved
- End user will determine the offloading point at time
- Forklift with driver will be supplied for offloading
- Pallets to convey the batch must be strong enough to carry and transport load at anytime
- Supplier might not be the only supplier delivering on that day and has to wait for assistance

5.5 Cooperating with Others

- Co-operation with others will be from time to time and on a as and when required basis on request by the *Purchaser*

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

- The *Purchaser* will determine the offloading point at time
- The *Purchaser* will provide resources to offload the spares being delivered (Forklift and cranes)
- The *Supplier* will offload small spares

Number	Title	Issued by
Act 85 of 93	Occupational Health and Safety Act	<i>Supplier</i>

5.7 Management meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	TBC	TBA	TBC
Overall contract progress and feedback	TBC	TBA	<i>Purchaser and Contractor</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 *Purchaser* 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.

- Attendance of meetings as required by *Purchaser* Such as:-
 - Any meeting requested by the *Purchaser* or *Supplier*

5.8 Documentation control

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

5.9 Health and safety risk management

The *Supplier* shall comply with the health and safety requirements contained in Annexure SHE Specification 14RISK SRM – 084 to this Service Information.

- All The *Purchaser's* health and safety procedures and regulations to be adhered to by the *Supplier*
- A SHEQ file to be handed in at the SHEQ department for approval prior to work commencement and kept up to date for the duration of the contract

SHEQ Policy

Eskom SHEQ Policy

The *Purchaser* has made a commitment to conduct business with respect and care for people, the environment and assets and that no operating condition or urgency of service justifies exposing anyone to negative risks arising from the *Purchaser* business.

Compliance with the *Purchaser's* SHEQ Policy and applicable regulations is the responsibility of every employee and *Supplier*

Supplier's SHEQ Policy

All *Contractors* shall have an OHS policy signed by the CEO of the *Supplier* and prominently displayed where employees normally report for duty.

Signed copy of the OHS policy shall form part of the SHEQ file.

SHE PLAN REQUIREMENTS:-

- Principal *Contractors* shall develop a suitable and sufficiently documented site specific SHE plans, based on the scope of work and client SHEQ specification.
- The SHE plan must be pre-approved by the client for implementation. The principal *Supplier/ Supplier* has a responsibility to send the SHE plan to the client for approval prior to commencement of work.
- The SHE plan must be applied from the commencement of and for the duration the construction work, which must be updated / reviewed as the work progresses / changes.

When a principal *Supplier* intends appointing *Contractor*, the principal *Supplier* shall ensure that the *Supplier* provides and demonstrate a suitable, sufficiently documented and coherent site specific health and safety plan, based on the client's SHEQ specifications and scope of work

Health and Safety Arrangements

The *Supplier* ensures that all his personnel attend a Health and Safety Induction Course prior to contract starting date, and annual re- induction. The Induction Course is presented by the *Employer's* Safety Risk Department at the *Employer*. Arrangements are made with Safety Risk Management, by the *Contractor*.

The *Employer's* Safety Risk Manager visits and inspects the *Contractor's* workplace or site yard and the working areas to ensure that tools; machinery and Equipment comply with the minimum safety requirements.

The *Supply Manager* may instruct the *Supplier* to stop work, where the *Contractor's* personnel fail to conform to safety standards or contravene health and safety regulations. Such stop-work order is not a compensation event. The *Supply Manager* may instruct the *Supplier* to discipline his employees and to submit a disciplinary action report to the *Supply Manager*. The *Supplier* implements additional health and safety precautions where necessary.

Health and safety

The *Supplier* complies with the Occupational Health and Safety Act 85 of 1993, as well as per the *Employer's* procedure as stipulated below:

- SHEQ Policy 32-727
- The *Purchaser's* Procurement and Supply Chain Management Procedure 32-1034
- SHE Requirements for the *Purchaser's* Commercial Process 32-726
- *Supplier* Health and Safety Requirements 32-136
- Integrated SHE Organization; Roles and Responsibilities and Statutory Appointments 32- 296
- Live-saving Rules 240-62196227
- Working at Heights 32-418
- The *Purchaser's* Vehicle Safety Specifications 32-345

- the *Purchaser/Supplier* SHEQ Specifications 14RISK SRM - 084

Site Regulations and Procedures

Site Regulations

The latest revision the *Purchaser's Site* Regulations form part of this contract.
Copies of these procedures are available on request.
(Any additional site regulations implemented will be applicable)
Safety risk management

"Standard for Health and Safety at Hendrina Power Station - requirements to be met by *Contractors*".

Vehicle and driver safety

All drivers, passengers and pedestrians must obey vehicle safety requirements in terms of the National Road Traffic Act, Act No 93 of 1996, as amended, including other relevant provincial or local requirements.

Speed Limit

All vehicles must be driven with due consideration for personnel and property. All speed limits will be adhered to on the premises at all times.

Transportation of passengers: open LDV's:

With effect from 31 May 2006 no *purchaser's* employee or *Supplier* would be allowed to transport passengers on the back of open light delivery vehicles (LDV's). It is a legal requirement to provide safe transportation of the *purchasers* and *Supplier* employees – therefore the following will be enforced:

The *Employer's* Life Saving Rules:

Five Life Saving Rules have been developed that will apply to all the *Employer's* employees, agents, Consultants and Contractors.

- Rule 1: Open, Isolate, Test, Earth, Bond, And / Or Insulate before touch - that is any plant operating above 1 000 V.
- Rule 2: Hook up at heights - no person may work at height where there is a risk of falling.
- Rule 3: Buckle up – no person may drive any vehicle for the *Employer's* business and/or on the *Employer's* premises: unless the driver and all passengers are wearing seat belts.

The *Purchaser* takes a "ZERO TOLERANCE" attitude to drivers and passengers who do not wear safety belts when driving in a vehicle for the *Employer's* Business and / or on the *Employer's* premises. The violation of this very important safety rule as well as any safety rule while performing work for or on behalf of the *Purchaser* may result in the *Purchaser* terminating your obligation to perform work in terms of your contract with the *Employer*.

All occupants must wear their safety belts properly, and must never put the shoulder belt under their arm or behind their backs. Drivers and all passengers must buckle-up at all times for the sake of themselves and their families.

- Rule 4: Be sober (no person is allowed to work under the influence of drugs and Alcohol).
- Rule 5: Use a permit to work – where an authorization limitation exists, no person shall work without the required permit to work.

The *Supplier* acknowledges that it is fully aware of the requirements of all the above and undertakes to employ only people who have been duly authorised in terms thereof and who have received sufficient safety training to ensure that they can comply therewith.

The *Supplier* undertakes not to do, or not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.

The *Supplier* shall appoint a person who will liaise with the *Purchaser's* Safety Officer responsible for the premises relevant to this contract.

Do safety audits at the *Contractor's* premises, its work-places and on its employees;

Refuse any employee, sub-*Supplier* or agent of the *Supplier* access to its premises if such person has been found to commit any unlawful act or any unsafe working practice or is found to be not authorised or qualifies in terms of the OHSACT;

Issue the *Supplier* with a work stop order or a compliance order should *Purchaser* become aware of any unsafe working procedures or conditions or any non-compliance with the Act, Regulations and Procedures by the *Supplier* or any of its employees, sub-Contractors or agents.

The *Contractors* Health and safety file is to be submitted for approval to the *Purchaser's* Safety Officer before contract commencement.

All work stoppages called by the *Purchaser* to be adhered to

Supplier's Responsible to ensure that his Letter of Good standing is valid at all times as stipulated in the construction regulations point 7 (C) (iv) and she specifications 2.5.2 (iv) and 3.10 *Supplier* will not be allowed on site if his letter of good standing is not valid

First aid and fire fighting

Adequate first aid and firefighting equipment to be provided by the *Purchaser*

All *Supplier* personnel must have First aid and firefighting training

Fire extinguishers to be provided by the *Contractor*

Fire Precautions

Any tampering with the *Employer's* fire equipment is strictly forbidden.

All exit doors, fire escape routes, walkways, stairways, stair landings and access to electrical distribution boards is kept free of obstruction, and are not used for work or storage at any time. Firefighting equipment must remain accessible at all times.

The *Supplier* takes the necessary action to safe guard the area to prevent injury and the spreading of the fire.

Security, fire protection and safety

The *Supplier* shall be responsible for ensuring the security of the works, and of his plant, equipment and materials. To that end he shall make adequate provision for access control, lighting and watchman to the works where required.

Fire protection

The provision of the *Employer's* standard NWS 1494 "Fire Prevention and Protection of *Contractor's* premises at New Works sites" shall be applicable.

Safety and incident prevention

The *Supplier* shall implement and maintain an active Site Safety and Accident Prevention Programme in accordance with the the *Purchaser's SHEQ* Specifications. The overriding regulations will however be the Occupational Health and Safety Act.

- Incident Management, Corrective & Prevention Action Procedure to be adhered to – 14Risk IM PC-019

Reporting of accidents

The *Purchaser* follows an accident prevention policy that includes the investigation of all accidents involving personnel and property. This is done with the intention of introducing control measures to prevent a recurrence of the same incidents. The *Supplier's* expected to fully co-operate to achieve this objective. The *Supply Manager* must be informed immediately of any incidents. A written report to be submitted to the *Purchaser within 24 Hours* of incidents and any damage to property or equipment

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

Occupational Health and Safety Act 85 Of 1993 – SECTION 37

In accordance with Section 37 (2) of the Act, the *Supplier's* appointed by the *Purchaser's* mandatory to assume Health and Safety duties and responsibilities. The *Supplier* ensures compliance with all requirements of the Act and any instruction or notification that enhances those requirements.

The *Supplier* acknowledges that he is fully aware of all the requirements of the Occupational Health and Safety Act and undertakes to employ only staff who have been duly authorised in terms thereof and who receive sufficient safety training to ensure that they can comply therewith.

The *Supplier* undertakes not to do, and not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.

The *Supplier* appoints a person who liaises with the *Employer's* Safety Officer, responsible for the premises relevant to the Contract. The person appointed shall on request:

- Supply the *Purchaser's* Safety Officer with copies of minutes of all Health and Safety Committee meetings, whenever required.
- Supply the *Purchaser's* Safety Officer with copies of all appointments in respect of employees employed on this contract, in terms of the Act and Regulations and shall notify the *Purchaser's* Safety Officer of any changes thereto.

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

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

Safety Regulations of the *Purchaser*

The *Supplier* conforms to the *Employer's* Plant Safety Regulations

The *Purchaser* makes available to the *Contractor*, on request, a copy of the latest revision of the Plant Safety Regulations.

Barricading / Screens and Scaffolding:

The *Supplier* shall provide and install fixed barricades and warning devices to ensure that equipment and people are not exposed to danger or to prevent access to dangerous areas.

The *Purchaser* will supply scaffolding if not stated differently in the Works Information. Arrangements of such must be made at least one- (1) week in advance by the *Contractor*. (Tampering of any approved scaffold is not allowed for any adjustments – The *Supply Manager* should be notified of any adjustments.)

5.10 Environmental constraints and management

- The *Supplier* shall comply with Hendrina Power Station environmental management system. This includes the identification, collection, storage, transportation and disposal of waste. Hazardous waste shall be disposed of in line with the applicable environmental legislation. It is important to note that all spillages must be cleaned immediately and reported to the *Supply Manager* as soon as possible. It is the responsibility of the polluter to clean all spillages and for the rehabilitation of the polluted land. The clean-up cost is for the *Contractor's* account.

5.11 Quality

The *Purchaser* is in the process of implementing an ISO 9001 series, therefore the *Supplier* will be expected to implement a quality system and maintains the quality system until the completion of this contract. The *Supplier* will comply with the provisions of the ISO 9001 series

The *Supplier* will work according to the *Purchaser's* standards, specifications, guidelines and procedures. Where no standards, specifications, guidelines and procedures are available, the *Supplier* will work according to the Generation Quality manual and professional guidelines.

- Quality process in Hendrina -15MNT MSS QCP-0080
- Quality Control Plan and Contract Plan Approval Process Standard 39-71.
- SANS Approved standards
- QM58 – Eskom's Quality Requirements

5.12 Invoicing and payment

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

The *Supplier* shall address the tax invoice to

and include on each invoice the following information:

- Name and address of the *Supplier* and the *Supply Manager*;
- The contract number and title;
- *Contractor's* VAT registration number;
- The *Purchaser'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;
- Purchase order number
- CPA calculation sheet
- CPA calculation sheet and the Invoice for CPA on the Invoice to be send to the financial department as per the *Employer's* Invoicing procedure / instruction

5.13 Insurance provided by the *Purchaser*

- Not Applicable

5.14 Contract change management

- In a case where one *Supplier* takes over from another *Contractor*, the *Site Supply Manager* must be notified in writing immediately.
- The *Supplier* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Purchaser*
- Changing the Service Information
- Access
- Provision by the *Purchaser*
- Stopping work
- Work of the *Purchaser* or others
- Reply to communication
- Changing a decision
- Withholding acceptance
- Delayed tests or inspections
- Change of Affected property
- Materials, facilities, etc. for tests
- *Purchaser* risks
- Assumption about Compensation Events
- *Purchaser* breach of contract

5.15 Provision of bonds and guarantees

- Not Applicable

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

- Will be done as per Eskom assessments, invoicing and payment procedure and requirements.

6 Procurement

6.1 Subcontracting

6.1.1 Preferred subcontractors

- Subcontracting will be approved by the *Supply Manager* if it is required to do subcontracting or as per SDL&I requirements

6.1.2 Limitations on subcontracting

- Subcontracting will be approved by the *Supply Manager* if it is required to do subcontracting or as per SDL&I requirements

6.1.3 Spares and consumables

- Not Applicable

6.1.4 Other requirements related to procurement

- To be negotiated with *Supply Manager*

6.1.5 Cataloguing requirements by the *Supplier*

- To be communicated with *Supply Manager*

7 List of drawings

7.1 Drawings issued by the *Purchaser*

As per OEM specifications and *Purchaser* drawings

8 X17 - Low performance damages

X17.1 SERVICE LEVEL TABLE			
No	DESCRIPTION OF TASK	QUALITY OF PERFORMANCE REASON FOR DAMAGES	DAMAGES TO BE IMPLEMENTED
1	On time delivery	All deliveries to be delivered as per agreed lead time stated on order number	2 % of order value for one day late and 5% for more than one day
2	Packing and preliminary marking of goods before delivery	All items must be packaged and stored in a flowbin or stored in a road tanker during transportation The marking should be as follows Name of Supplier, Purchase order number, Part number and delivery date and the name of the goods.	2 % of order value
3	Key Individuals Responsible for Contract Work (Technical Support on chemical performance)	Minimum N6 relevant qualification and 3 years' experience as a quality controller	5 % of order value for less qualified personnel.
4	4.1 Raw water TOC removal across the clarifier.	TOC removal (Raw Water) > 40%	5 % of order value TOC removal less than 40%
	4.2 Raw water Turbidity removal across the clarifier.	Turbidity removal (Raw Water) < 2.0 NTU	5 % of order value Turbidity removal less than 2.0 NTU
	4.3 Cooling water Turbidity removal across the clarifier.	Turbidity removal (Cooling water) <15 NTU	5 % of order value for Turbidity removal less than 15NTU

9 - Key Performance Indicators (only a sample below)

Contract _____							Contract																
Number _____																							
YEAR:-																							
Monthly Report for: Contractual Period																							
	KPA	Objective	Weight	Base	Target	Ceiling	Mth 1	Mth 2	Mth 3	Mth 4	Mth 5	Mth 6	Mth 7	Mth 8	Mth 9	Mth 10	Mth 11	Mth 12	YTD		YE		
																							A
1																							
2																							
3																							
4																							

A= ACTUAL YTD = YEAR TO DATE S = SCORE YE = YEAR END

C3.2 *SUPPLIER'S* GOODS INFORMATION

- As per OEM specifications
 - All relevant documentation to be handed in as requested from *Purchaser / Supply Manager*
-