

NEC3 Term Service Contract (TSC3)

Between **ESKOM ROTEK INDUSTRIES SOC Ltd**
(Reg No. 1990/006897/30)

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

For **ABNORMAL LOAD ESCORTING AND SECURITY
SPECIFICATION“AS AND WHEN” REQUIRED BASIS
FOR A PERIOD OF 60 MONTHS.**

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CONTRACT No.

PART C1: AGREEMENTS & CONTRACT DATA

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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: **Abnormal load escorting and security “AS AND WHEN” required basis for a period of 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 A or C	The offered total of the Prices exclusive of VAT is	R
Option E	The first forecast of the total Defined Cost plus the Fee 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:

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)	Mr Wiseman Musekiwa	_____
Capacity	General Manager (Acting) Logistics Services	_____
for the Employer	Eskom Rotek Industries SOC Ltd. Lower Germiston Road. Cleveland. 2022.	_____
Name & signature of witness	<i>(Insert name and address of organisation)</i>	_____
		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		Not applicable.
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

Name & signature of witness

Date

Mr Wiseman Musekiwa

General Manager (Acting)
Logistics Services

Eskom Rotek Industries SOC Ltd.
Lower Germiston Road.
Cleveland.
2022.

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C1.2 TSC3 Contract Data

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:	
	dispute resolution Option and secondary Options	A: Priced contract with price list W1: Dispute resolution procedure X1: Price adjustment for inflation X2: Changes in the law X17: Low services damages X18: Limitation of liability X19: Task Order Z: Additional conditions of contract
10.1	The <i>Employer</i> is (name):	Eskom Rotek Industries SOC Ltd (Reg no: 1990/006897/30), a state-owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Roshland Road Off Lower Germiston Road Rosherville
	Tel No.	011 621 3090
	Fax No.	
10.1	The <i>Service Manager</i> is :	Pfarelo Sitholimela
	Address	Roshland Road Off Lower Germiston Road Rosherville 2094
	Tel	011 629 8167

Fax

e-mail

MosimaBS@eskom.co.za

11.2(2)	The Affected Property is	Eskom Rotek Industries Logistics Services
11.2(13)	The <i>service</i> is	Abnormal load escorting and security “AS AND WHEN” required basis for a period of 60 months.
11.2(14)	The following matters will be included in the Risk Register	Refer to the Logistic risk register
11.2(15)	The Service Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	One (1) week
2	The Contractor’s main responsibilities	Abnormal load escorting and security “AS AND WHEN” required basis for a period of 60 months.
21.1	The <i>Contractor</i> submits a first plan for acceptance within	One (1) weeks of the Contract Date
3	Time	
30.1	The <i>starting date</i> is.	Date of contract signature by both parties
30.1	The <i>service period</i> is	The contract period is 60 months after the starting date
4	Testing and defects	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
5	Payment	
50.1	The <i>assessment interval</i> is	As stated on each individual Task Order.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	30 days from date of invoice
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365-day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and
6	Compensation events	There is no reference to Contract Data in this section of the core clauses and terms in italics

used in this section are identified elsewhere in this Contract Data

7	Use of Equipment Plant and Materials	
8	Risks and insurance	
80.1	These are additional <i>Employer's</i> risks	1. None (Loss of or damage due to delays due to rain/ property damage?)
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	as stated for "Format TSC3" available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance).
83.1	The <i>Employer</i> provides these additional insurances	as stated for "Format TSC3" available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance)
83.1	The <i>Contractor</i> provides these additional insurances:	Not applicable
83.1	The minimum amount of cover for insurance against loss and damage caused by the <i>Contractor</i> to the <i>Employer's</i> property is	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
83.1	The insurance against loss of or damage to the works, Plant and Materials is to include cover for Plant and Materials provided by the <i>Employer</i> for an amount of	
83.1	The minimum amount of cover for insurance in respect of loss of or damage to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor's</i> Providing the Service for any one event is:	whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i> .
83.1	The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract for any one event is:	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor's</i> common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rands).
9	Termination	
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than	Not applicable as the full supply of the

		service is unknown.
	The exchange rates are those published in	[•] on [•] (date)
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 base date for indices is	CPA will apply after 12 months from base date.
X2	Changes in the law	
X17	Low service damages	

X17.1	The <i>service level table</i> is	Item	Low Service	Damages per incident
		1	Failure to submit quotations as per specified time	Contractor will be penalised 1% from the total cost of the project per incident
		2	Failure to execute work by scheduled date	Contractor will be penalised 1% from the total cost of the project per incident
		3	Failure to meet deadlines for updates	Contractor will be penalised 1% from the total cost of the project per incident

X18 Limitation of liability

X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	R0.0 (zero Rand)
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	The greater of <ul style="list-style-type: none"> • the total of the Prices at the Contract Date • the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles in the <i>Employer's</i> assets and works / maintenance policies available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
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	the total of the Prices other than for the additional excluded matters. The <i>Contractor's</i> total liability for the additional excluded matters is not limited. The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for <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

X18.5	The <i>end of liability date</i> is	infringement of an intellectual property right. [●] months after the end of the <i>service period</i> .
X19	Task Order	
X19.5	The Contractors submits a Task Order programme to the Service Manager within	2 days of receiving the Task Order
Z	The <i>additional conditions of contract</i> are	Z1 to Z11 always apply.
Z1	Cession delegation and assignment	
Z1.1	The <i>Contractor</i> does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the <i>Employer</i> .	
Z1.2	Notwithstanding the above, the <i>Employer</i> may on written notice to the <i>Contractor</i> cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry and the Electricity Distribution Industry.	
Z2	Joint ventures	
Z2.1	If the <i>Contractor</i> 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 <i>Employer</i> for the performance of this contract.	
Z2.2	Unless already notified to the <i>Employer</i> , the persons or organisations notify the <i>Service Manager</i> within two weeks of the Contract Date of the key person who has the authority to bind the <i>Contractor</i> on their behalf.	
Z2.3	The <i>Contractor</i> does not substantially alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the <i>Employer</i> having been given to the <i>Contractor</i> in writing.	
Z3	Change of Broad Based Black Economic Empowerment (B-BBEE) status	
Z3.1	Where a change in the <i>Contractor's</i> legal status, ownership or any other change to his business composition or business dealings results in a change to the <i>Contractor's</i> B-BBEE status, the <i>Contractor</i> notifies the <i>Employer</i> within seven days of the change.	
Z3.2	The <i>Contractor</i> is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the <i>Service Manager</i> within thirty days of the notification or as otherwise instructed by the <i>Service Manager</i> .	
Z3.3	Where, as a result, the <i>Contractor's</i> B-BBEE status has decreased since the Contract Date the <i>Employer</i> may either re-negotiate this contract or alternatively, terminate the <i>Contractor's</i> obligation to Provide the Works.	
Z3.4	Failure by the <i>Contractor</i> to notify the <i>Employer</i> of a change in its B-BBEE status may constitute a reason for termination. If the <i>Employer</i> 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	Ethics	
Z4.1	Any offer, payment, consideration, or benefit of any kind made by the <i>Contractor</i> , which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for	

terminating the *Contractor's* obligation to Provide the Service or taking any other action as appropriate against the *Contractor* (including civil or criminal action).

- Z4.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Service if the *Contractor* (or any member of the *Contractor* where the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations) is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices.

Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the *Employer* or other people or organisations and including in circumstances where the *Contractor* or any such member is removed from the an approved vendor data base of the *Employer* as a consequence of such practice.

- Z4.3 Notwithstanding the provisions of core clause 90.2, the procedures on termination in terms of this clause are P1, P2 and P4 as stated in the core clause 92 and the amount due is A1 and A3 as stated in core clause 93.

Z5 Confidentiality

- Z5.1 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.
- Z5.2 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*.
- Z5.3 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.
- Z5.4 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*.
- Z5.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z6 Waiver and estoppel: Add to core clause 12.3:

- Z6.1 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.

Z7 Health, safety and the environment: Add to core clause 27.4

- Z7.1 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 2003 (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.

Z7.2 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.

Z8 Provision of a Tax Invoice and interest. Add to core clause 51

Z8.1 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.

Z8.2 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.

Z8.3 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.

Z9 Notifying compensation events

Z9.1 Not applicable

Z10 Employer's limitation of liability

Z10.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)

Z10.2 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 under the compensation events stated in this contract.

Z11 Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

Z11.1 or had a judicial management order granted against it.

PCM Contract close out

Z12

Z12.1 Contractors Obligation

Z12.2 The Contractor's Obligation is to use skill and care normally used by professionals providing the services as detailed in the Works information

Z13

Z13.1

Z13.2 Estimated Price

The estimated price is rates based as given in the price list of this contract

Annexure A: Insurance provided by the Employer

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

1. Services provided in a TSC3 contract could include some element of construction or refurbishment as well as a continuous maintenance or operational service activity. If an event occurs which causes loss or damage, a claim could be made either against the *Employer's* "works" type policy which may be in place for the *Employer's* portion of the Affected Property concerned or against the *Employer's* assets policy which may be in place for the *Employer's* portion of the Affected Property concerned, or both.
2. The cover provided and the deductibles under the works policy are different to those under the assets policy. Each policy has a range of applicable deductibles depending on the location of the Affected Property and the nature of the insurable event.
3. The *Contractor* is required in terms of Contract Data for clause 83 to provide cover for the deductibles in the insurance provided by the *Employer*. This can be provided from his own resources on a 'self-insured' basis or obtained by him from his own insurers. In order to assess the extent of this cover, tendering contractors and their brokers should consult the internet web link given below and scroll to '**Format TSC3**' to establish both the cover and the deductibles in relation to the *service* provided in terms of this contract. The Contractor must produce proof of Goods in Transit (GIT) cover to the maximum value of **R500 000.00**
4. Tendering contractors should note that cover provided by the *Employer* is only per the policies available on the internet web link listed below and may not be the cover required by the tendering contractor or as intended by each of the listed insurances in the left-hand column of the Insurance Table in clause 83.2. In terms of clause 83.1 "the *Contractor* provides the insurances stated in the Insurance Table except any insurance which the *Employer* is to provide". Hence the *Contractor* provides insurance which the *Employer* does not provide and in cases where the *Employer* does provide insurance the *Contractor* insures for the difference between what the Insurance Table requires and what the *Employer* provides.
5. If Marine Insurance is required, the *Contractor* needs to obtain a copy of the latest edition of Eskom's Marine Policies Procedures found at internet website given below.
6. Further information and full details of all Eskom provided policies and procedures may be obtained from:

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

C1.2 Contract Data

Part two - Data provided by the Contractor

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	Not applicable Not applicable
11.2(14)	The following matters will be included in the Risk Register	Logistic risk register
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	Refer to each individual Task Order
21.1	The plan identified in the Contract Data is contained in:	Refer to each individual Task Order
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job: Responsibilities: Qualifications: Experience:	CV's (and further key person's data including CVs) are in .
A	Priced contract with price list	

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

C2.1 Pricing assumptions: Option A

How work is priced and assessed for payment

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

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

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

Function of the Price List

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

Link to the *Contractor's* plan

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

Preparing the *price list*

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

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

- Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A;
- Understands the function of the Price List and how work is priced and paid for;
- Is aware of the need to link operations shown in his plan to items shown in the Price List;
- Has listed and priced items in the *price list* which are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk;
- Has priced work he decides not to show as a separate item within the Prices or rates of other listed items in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.
- Understands there is no adjustment to items priced as lump sums if the amount, or quantity, of work within that item later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the (lump sum) Prices is as a result of a compensation event.

Format of the *price list*

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

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

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

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

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

Abnormal load escorting and security "AS AND WHEN" required basis for a period of 60 months.

C2.2 The price list

						5	
				Rates			
		Unit of Measure	Quantity	Rate	Monthly Cost		Total cost
Security guard (Day shift)	Day	20		R	-	R	-
Security guard (Night shift)	Day	20		R	-	R	-
Armed Security guard (Day shift)	Day	10		R	-	R	-
Armed Security guard (Night shift)	Day	10		R	-	R	-
Vehicle for security guards travelling rate per km	Km	20000		R	-	R	-
				R	-		
ESCORT VEHICLE							
Escort vehicle daily rate (includes driver, vehicle & other costs)	Day	20		R	-	R	-
Escort vehicle travelling rate per km	Km	20000		R	-	R	-
						R	-

DRAFT

Abnormal load escorting and security “AS AND WHEN” required basis for a period of 60 months.

C3: Scope of Work

1.1 INTRODUCTION

Eskom Holdings SOC Ltd and Eskom Rotek; Industries Logistics Services multi axles have a 10 year contract; “**Haulage and related services for the transportation of loads above 32 tonnes,**” for the period, 20 January 2017 – 19 January 2027. The existence of an internal SLA agreement between ERI Logistics and ERI TSS and ERI TGS binds ERI Logistics services to supply transportation services for abnormal load cargo as and when required, to be transported to various sub stations and power stations.

Logistic Lowbeds currently is servicing Eskom moving abnormal loads in the form of transformers, rotors, reactors and stators to various power stations within the borders of South Africa.

The National Road traffic Act of 1996 requires strict compliance in terms of abnormal loads movement, under TRH11 on Public roads. Abnormal load escorting is a permit condition which specifies the number of yellow and blue light escorting; all are calculated using the road usage factor, to align to the size of the load or the dimension of abnormality, either by width, height or length. As loads are transported across, South Africa, the escorting needs to follow the load from its receiving to delivery across SA.

The escorting needs to be coordinated via the control room and directed by the appointed coordinator on site. Other permit conditions, which vary depending on the load that needs to be conveyed, such as complying to weather conditions for not travelling, the speed required, the specification of the escorting vehicle signs, etc.

SCOPE OF WORK

1.

Abnormal Escorting Service

Abnormal load escorting and security “AS AND WHEN” required basis for a period of 60 months.

- The service provider shall be responsible for providing **abnormal load escorting services** during the transportation of loads that require special handling and compliance with permit conditions.
- Escorting services must be conducted using **yellow warning lights** on escort vehicles, in accordance with legal and safety standards.
- **Compliance with Regulations:**
 - All escorting activities must strictly adhere to the **permit conditions** issued for each abnormal load, ensuring full compliance with relevant transport regulations.
 - The service provider must be familiar with and implement the guidelines outlined in "**Guidelines for Granting of Exemption Permits for the Conveyance of Abnormal Loads on Public Roads – TRH11 (March 2009)**".
- **Types of Loads and Vehicles Covered:**
 - Escort services are required for **multi-axle vehicles** and **lowbed fleet** loads that are classified as abnormal or oversize.
 - The escorting personnel shall accompany **abnormal loads/vehicles** to ensure safe transit.
- **Role of the Escort Vehicle and Personnel:**
 - An **escort vehicle** (separate from the load vehicle) shall be provided, with trained personnel onboard.
 - Adequate vehicle to cater for escort driver sleeping arrangement.
 - The escort vehicle must be clearly marked, equipped with **yellow warning lights etc. as per TR 11 requirements**, and display appropriate signage indicating it is an **escort vehicle**.
 - The escort personnel shall:
 - Assist in ensuring the safety of other road users.
 - Provide **timely warnings** of the presence of an abnormal load.
 - Communicate effectively with the driver of the load vehicle, other road users, and relevant authorities.
 - Permits collection and driver transportation.
- **Responsibilities of the Escort Service:**
 - **Monitoring and guiding** the abnormal load during transit.
 - Ensuring **safe passage** through congested or sensitive areas.
 - Coordinating with traffic authorities and emergency services if necessary.
 - Ensuring **all legal permit conditions** are met throughout the transportation process.
- **Safety and Precautionary Measures:**
 - The escort vehicle must be equipped with appropriate safety and warning devices, including **hazard triangles, reflective signage**, and communication equipment.
 - Escort personnel must be trained in **accident prevention, emergency procedures**, and **effective communication**.
 - The vehicle should be equipped with **16D stick** and **Eskom approved Cable Height meter** for measuring the height.
- **Documentation and Permits:**

Abnormal load escorting and security “AS AND WHEN” required basis for a period of 60 months.

- The service provider shall ensure all necessary permits, licenses, and documentation are valid and available during escort operations.
- They shall maintain records of each escort, including routes taken, times, and any incidents or deviations.
- **Additional Considerations:**
 - The escorting service should be available **24/7** or as specified in the permit conditions.
 - The provider must ensure their personnel are **adequately trained** and **certified** to perform abnormal load escorting.
 - Regular **assessment and review** of escort procedures should be conducted to ensure continuous compliance and safety.

TRH11 requires Markings and Escorting Of Abnormal Vehicles to be as:

1. DESCRIPTION OF WARNING DEVICES AND BOARDS

- To alert oncoming traffic, headlamps emitting passing beams must be displayed on all escort vehicles and on the front vehicle of any abnormal vehicle combination requiring warning devices.
- Over and above the passing beams, and depending on the degree of abnormality of the vehicle or load, one or more of the following warning notices or devices may be called for:

a. Flags

- The extremities of the vehicle or load must be identified by a display of bright red flags to indicate the overall length and width of the vehicle or load. Each flag must be securely attached to the load or to a staff on the vehicle. The flags must be placed at the extreme corners of the vehicle or load, must measure at least 600 mm x 600 mm, must be clean and free to flutter.

b. Escort Vehicle Warning Board

- A warning board must be fitted to the roof of the escort vehicle and must be at least 1 200 mm long by 400 mm high, and bear in retro-reflective red modified series E letters, at least 120 mm high, on a white background the words:
 - ‘**ABNORMAL LOAD AHEAD**’ on the one side of the board, and
 - ‘**ABNORMALE VRAG VOOR**’ on the other side of the board.
- The warning board must be removable, collapsible or coverable and must not obscure the amber flashing lights. Alternatively a warning board complying with and SABS approved specification may be displayed.

c. ESCORT REQUIREMENTS

Length and Width

- The class of escort required will be determined by both the length and the width of the loaded vehicle, can be calculated using the formula:
 - Road Usage Factor, **RUF = 1, 61757 x 10^{-3x} W^{4.7+ 7, 5 x 10^{-7x} L^{3.76}}**

Abnormal load escorting and security “AS AND WHEN” required basis for a period of 60 months.

- Where W = overall load or vehicle width, m
- L = overall load or vehicle length, m
- RUF $\leq 0,54$ no escorts required
- RUF 0,54 to 0,94 one own-escort required
- RUF 0,94 to 2.73 two own-escort required
- RUF > 2,73 two accredited escorts or one accredited escort and one own escort required
- **Multi Axle RUF always falls above 2,73: two accredited escorts or one accredited escort and one own escort required**

2. ESCORTING OF ABNORMAL VEHICLES

- An abnormal vehicle is provided with escorts to **warn the normal travelling public of the abnormal vehicle** and to promote a safer flow of traffic in the face of possible disruption caused by the abnormal vehicle. Unless specifically authorised, a private escort has no legal authority to control other traffic.

Three classes of escort are called for in the following sections:

- (i) One own-escort vehicle, to be provided by the carrier, which should be a passenger motor car
- or a light motor vehicle as defined in the RTA with a load capacity not exceeding 3,5 ton. The escort vehicle must be equipped with amber flashing light and an abnormal vehicle warning board on the roof of the vehicle, positioned such that it is visible from all directions. The escort vehicle must travel between 10 m and 50 m behind the abnormal vehicle, as far back as possible within sight of it, to give other road users timely warning of the presence of the abnormal vehicle, The Marking and Escorting of Abnormal Vehicles TRH 11 – '99 but allowing normal overtaking when conditions allow. When the abnormality is caused by excessive front overhang, the escorting vehicle must travel in front of the abnormal vehicle.
- (ii) Two own-escorts, as described above, one travelling in front and the other behind the abnormal
- vehicle, travelling between 10 m and 50 m from the escorted vehicle. (iii) Accredited escorting, normally comprising two vehicles with accredited officials. One accredited escort may at the discretion of the issuing authority be replaced by an own-escort.
 - An additional municipal escort may be required by local authorities in urban areas. Other factors
 - such as topography, road width and traffic volume, may also influence escort requirements and
 - Figure 3 of the said regulation should be used as a guide.
 - Under exceptional circumstances two or more accredited escorts may be required in addition to two own-escorts, at the discretion of the issuing authority. On dual roads, one or more of the accredited escorts may be dispensed with at the discretion of the issuing authority.

3. Height

Abnormal load escorting and security “AS AND WHEN” required basis for a period of 60 months.

- An own-escort is required to drive between 10 m and 50 m ahead of any vehicle exceeding 4,7 m in height. (See ii). An accredited escort may be required where the lifting of overhead wires or other arrangements may require the vehicle(s) to stop in the roadway.
- These suppliers assist in compliance with all the requirements and legislative instructions as well as safe guarding our employees and or Eskom equipment.
- The service will be required on an ad hoc basis, in line with the projects of Multi-axle business. Once employed, it will follow the load from receiving to delivery or if need be, await to be used to return the combination to return to the depot, as sometimes we park at the delivery points (power stations).
- **Functional Specification**
- The service to be provided will be used to escort, i.e. follow the load, direct traffic, notify the public, and control the risk of potential height and width restrictions by driving forward using the 16.D stick to alert the combination of possible uncleared obstructions.

Performance Specification

- The escorting will be usually done by employing an experienced driver and escort vehicle capable of visually checking for obstructions and notifying the public using the clearly marked vehicle, to alert them of the presence of an abnormal load. He will further liaise with the combination via two way radio to alert them of any obstruction, so it can be cleared before we pass through. The vehicle must comply with our roadworthiness and comply to TRH11 escorting vehicle specification.

2. Escorting guarding and Security

On request, **guarding and security** are provided when required, especially when our combinations stand at high risk areas. Services will be requested as and when required. The security guards and the company must be PSIRA registered. The primary objectives of PSIRA are to regulate the private security industry and to exercise effective control over the practice of the occupation of security service provider in the public and national interest and in the interest of the private security industry itself.

Compliance to the regulatory bodies in South Africa will be mandatory.

No tender will be considered if compliance is not valid with regards to the following:

- (a) PSIRA Company and Personnel.
- (b) Registered with the UIF
- (c) All employees have to be RSA Citizens.

Abnormal load escorting and security “AS AND WHEN” required basis for a period of 60 months.

The security is expected to travel with the combination until site.

2.1 Unarmed Escorting Security Ad hoc services

- The company shall appoint accredited security guards personnel for ad hoc unarmed security services.
- Security guards personnel must be appropriately trained and certified for their respective roles.
- **The security personnel should have proper uniform**
- The vehicles used should have tracking devices and the supplier should be in a position to provide records when required
- The supplier should be able to share names and vehicle registration during the awarding of the work.

Qualifications and Certification:

- All security guards’ personnel must possess a minimum PSIRA (Private Security Industry Regulatory Authority) level E certification, indicating entry-level security training.
- Personnel should hold valid PSIRA registration and accreditation relevant to their role.

They should carry all necessary security equipment, including but not limited to:

- Panic buttons
- Peper-spray
- Self-defence Button
- Flashlights
- Basic firefighting tools
- First aid kits
- Self-defence tools or equipment

Training and Skills:

- Personnel must be trained and capable of performing basic firefighting procedures.
- They should be proficient in basic first aid treatment and capable of providing immediate assistance when required.

Abnormal load escorting and security "AS AND WHEN" required basis for a period of 60 months.

- Self-defence techniques must be part of their training to ensure personal safety and the safety of others.

Transportation:

- Security personnel should have access to and operate their own vehicle to facilitate mobility and timely response.
- Vehicles must be well-maintained, roadworthy, and suitable for security operations.
- **The vehicles should be branded.**

Sanitation and Safety:

- All personnel should be provided with necessary sanitation supplies to ensure hygiene and safety, especially in light of health protocols .
- Personal protective equipment (PPE) such as masks, gloves, and hand sanitizers should be available and used appropriately.

Additional Requirements:

- All personnel must adhere to the company's code of conduct, safety protocols, and confidentiality agreements.
- Regular training updates and refresher courses should be provided to maintain high standards of security services.
- The company should ensure compliance with all relevant legal and regulatory requirements governing private security services.

NB: The supplier is not expected to charge weekend kilometres where the combination will be stationary; however, a daily rate can be charged. The supplier should have a control room for monitoring the movement of our team when allocated to a project.

Please note: a site visit will be conducted in order to verify the specification above.

2.2 Armed Escorting Ad hoc Services (consisting of an armed driver, armed crew member and a suitable vehicle) shall be required for escorting services on an "as and when" required basis.

Guards doing the armed escorting duties must comply with the following requirements and must be capable of rendering the service as follows:

Abnormal load escorting and security "AS AND WHEN" required basis for a period of 60 months.

- (a) Updated competency certificates with strict adherence to the Firearms Control Act. The security officers performing these armed escorting and protection duties shall be armed and comply with the current Firearm Control Act, 2000 (Act No. 60 of 2000).
- (b) All armed escorting officers must have a Valid PSIRA certificate in compliance to the PSIRA Act 2001 (Act No. 56 of 2001). All armed escorting officers must be a "C" grade registered officer.
- (c) Valid firearm permits issued by the authorized firearm control officer for TSP, Firearm Control Act, 2000 (Act No. 60 of 2000).
- (d) Accredited valid training certificates with results (Regulation 21), Firearm Control Act, 2000 (Act No. 60 of 2000).
- (e) Valid South African driver's license (EB) PPE and safety shoes Eskom standard Level 3 bullet-proof vests, handcuffs, batons, spotlight, torches with spare batteries, pocketbooks and pens, head protection.
- (f) A road worthy vehicle, the vehicle must be equipped with a first aid kit and fire extinguisher.
- (g) Updated service record for the firearms and adequate ammunition.
- (h) The armed escort team/s must be in constant contact with a control room for regular reporting and to obtain assistance when needed.
- (i) A proper register must be kept at the control room containing situation reports, incident reports and any communication with the armed escort team.
- (j) The armed escort team must do the escorting in a tactically sound manner:
- (k) The armed security officers are to travel in their own vehicle and provide protection to the Eskom employee/s.



PURPOSE

The objective of this annexure is to guide the subcontractor when performing work for Eskom Rotek Industries SOC limited, Logistics Services, Multi Axles and Lowbed department in terms of technical specifications.

This is to assist Logistics services in escorting our combinations to deliver the required transportation services to Power Generation, Transmission and Distribution and in complying with the Road Transportation Act when delivering abnormal loads under TRH11.

Abnormal load escorting and security “AS AND WHEN” required basis for a period of 60 months.

AREA OF OPERATION

- The scope of operations will encompass various substations and power stations across Gauteng, Mpumalanga, Limpopo, Northwest, and Free State provinces, with occasional projects in Western Cape, Northern Cape, Eastern Cape, and KwaZulu-Natal. Additionally, the supplier should have a presence in the SADC region for cross-border projects. The supplier is expected to have a national footprint and representation in all provinces to enable swift response times. This means that for ongoing projects in different locations, the supplier should be able to source services locally rather than from their main base. For Rosherville projects, the supplier should be located within a 20km-80km radius of our depot. Moreover, the supplier will be responsible for assisting with permit collection and coordinating transportation for drivers to and from their accommodation and shopping facilities.

1.2 Abbreviations

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
CPA	Contract Price Adjustment
SD&L	<i>Supplier / Contractor</i> Development & Localisation
ERI	Eskom Rotek Industries

2 Management strategy and start up.

2.1 The Contractor’s plan for the service

The *Employer* has provided the following plan for this service and the *Contractor* to follow:

2.2 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:
Overall contract progress and feedback	Monthly on a agreed day and time by both parties	Teams/call meeting Physical, if necessary, at employers’ office	<i>Employer, Contractor</i>
Supplier performance evaluation	Bi- annually	MS teams	Employer, Contractor

Meetings of a specialist nature may be convened as specified elsewhere in this Service Information or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the

Abnormal load escorting and security “AS AND WHEN” required basis for a period of 60 months.

service. Records of these meetings shall be submitted to the *Service Manager* by the person convening the meeting within five days of the meeting.

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

2.3 Contractor’s management, supervision and key people

The *Contractor* must provide a contract/account specific organogram prior to commencement on the contract.

2.4 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. **See Addendum 1** at the end of this contract.

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

- Name and address of the *Contractor* and the *Service Manager*;
- The contract number and title; **46000????? ‘Security and escort as and when required’**
- *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)

2.5 Contract change management

It is envisaged that from time to time the *Employer* amend the scope of work, depending the business needs. This change will take place after properly engaging the *Contractor* of such.

2.6 Design and supply of Equipment

There are different types of GDS (Global Distribution Systems) used in the industry. Therefore, it is the *Employer’s* expectation that the *Contractor* uses any of the reliable and efficient technology available in the market.

2.7 Management of work done by Task Order

The *Employer* will make use of vehicle request form as an instruction for the *Contractor* to start work (task order) every time an employee needs to travel via the Employee Self-service System (Zenzele). The Eskom Travel management Policy 32-1041 will be used as a guideline and no deviation will be acceptable from prescribed policy.

NB: Ensure that an official Eskom Purchase Order is received and attached to all non-airport rental requests before releasing a vehicle. This is for those requests that do not come via the Travel Agency, in this Fleet Support Services. This is to make sure that only justifiable requests are processed by the Car Rental Company and payment will be made thereof.

This instruction will be in effect fully from **01 October 2016** and until then the current process will still apply. This period will allow for Eskom to communicate this aspect (Non-travel/Fleet Support Requests) to the relevant Business Units so that they comply. See Addendum 1 at the end of this contract.

Abnormal load escorting and security "AS AND WHEN" required basis for a period of 60 months.

3 Health and safety, the environment and quality assurance

3.1 Health and safety risk management

The *Contractor* shall comply with the health and safety requirements contained in **Eskom SHEQ Policy** to this Service Information. The *Contractor* to submit SHEQ Plan within 14 days of contract commencement, which will be reviewed periodically i.e. quarterly.

3.2 Environmental constraints and management

The *Contractor* shall comply with the environmental criteria and constraints stated in **Eskom SHEQ Policy**. The *Contractor* to submit SHEQ Plan within 14 days of contract commencement, which will be reviewed periodically i.e. quarterly.

3.3 Quality assurance requirements

The *Contractor* shall comply with the Quality assurance requirements criteria and constraints stated in **Eskom SHEQ Policy and Quality Requirement Specification & Guidance (QM58) respectively**. The *Contractor* to submit SHEQ Plan within 30 days of contract commencement, which will be reviewed periodically i.e. quarterly.

Contracts management PCM, PCM- conceptual , PCM close out contract, PCM execute contracts and PCM contract environment

Contractors will be evaluated on the following items bi-annually:

- On-time delivery/ Project lead times
- Weekly reports and meeting attendance
- Quantity as ordered/ Task order; Service Request completed as issued/ Project lead time met; Deliverables
- Number of Rejections/ Percentage of Incoming Rejects /Notification of defects (NOD) issued for the Contract/Task order; Outstanding NODs not closed out
- Handling of Complaints; Nonconformances- relationship management; unresolved Notification of defects
- Level of technical skills/expertise; availability of competencies required to do the job, delivered product compliance to specification; Professional registration Industry association
Customer Service Response time; Dependability; Punctuality; Planning and Delivery; Availability

3.4 People

3.4.1 Minimum requirements of people employed

The contracted *Contractor* to give an organogram of the people who will be working on or assigned to the Eskom contract.

The *Contractor* will be required to propose new jobs that will be created as a direct result of this contract. They will also be required to disclose the number of jobs they shall retain as a direct result of being awarded this contract.

Eskom supports contracting with emerging or developed Black Youth, Black People Living with Disabilities, Black Women Owned and Black Owned companies.

3.4.2 BBBEE AND REFERENCING SCHEME

SUPPLIER DEVELOPMENT & LOCALISATION

Abnormal load escorting and security “AS AND WHEN” required basis for a period of 60 months.

All *Contractors* will be required to meet Black Ownership requirements before they can be considered for tender evaluation and the other criteria are as follows:

a) BBBEE RATING

The new scorecard that is being tabled will be reviewed and consulted on when it happens. An implementation schedule will be given to the *Contractor* to fill and will be submitted 30 days after the contract commencement.

b) INDUSTRIALISATION

The supply market is already local, therefore there will be no definitive targets set for industrialisation.

c) LOCALISATION

- **Sub-contracting:** The *Contractor* s shall demonstrate that they are procuring some of their goods and services from companies that are owned by Black Youth Owned, Black People Living with Disabilities, Black Woman Owned and Black Owned in this order of preference.
- **Local-to-site:** The *Contractor* s are required to procure their resources from firstly the district municipality in which they reside, secondly the province before enlisting the *Contractors* elsewhere in South Africa.
- **Local content:** The local content is expected to be 100%.

d) SKILLS DEVELOPMENT

Considering the overall budget, duration of the contract, opportunities for growth in this industry and the industries annual contribution to skills development levies, the successful supplier is obliged to develop skills through a year bursary offer valued at R120 000.00 per student at a registered and accredited South African university.

The skills development initiative will not be part of the weighting criteria however as a condition for contract award, the successful supplier shall offer a year bursary valued at R120 000.00 per student to an assigned beneficiary at a registered and accredited South African university, for every R6 million invoiced of the cumulative contract amount.

Training of candidates

The successful supplier shall offer a year university bursary in favour of a student within the Local Municipality where the service will be consumed for every R6 million invoiced of the cumulative contract amount. The skills development commitment shall be carried out within one month of reaching or exceeding the R6 million threshold.

e) JOB CREATION

During negotiations, these *Contractors* were required to propose new jobs that will be created as a direct result of this contract.

They were also required to disclose the number of jobs they shall retain as a direct result of being awarded this contract.

SUPPLIER DEVELOPMENT AND LOCALISATION TARGETS

1. OBJECTIVE CRITERIA – Local Content and Local-to-site beneficiation

ERI is using this procurement opportunity to promote socio-economic transformation, empowerment of small enterprises, rural and township enterprises, designated groups and promotion of local industrial development. It is against this background, therefore that ERI reserves the right to award the contract to a

Abnormal load escorting and security “AS AND WHEN” required basis for a period of 60 months.

supplier that commits to Transformation - B-BBEE Improvement or Retention Plan, Skills Development, Job Creation and Socio-Economic Development in favour of beneficiaries residing within the Local Municipalities where the service will be consumed.

1.1. Supplier Development & Localisation Matrix

The SDL&I Matrix is not an evaluation criterion; however the successful supplier is under obligation to submit proposals before it is eligible for award in accordance with Section 2 (1) (f) of the Preferential Procurement Policy Framework Act (PPPFA).

TABLE 1: SUPPLIER DEVELOPMENT AND LOCALISATION COMPLIANCE MATRIX FOR SUPPLIERS AND CONTRACTORS				
Criteria	Weight (%)	Total Target (%)	Proposed Target (%)	Total Overall Weighted Score
Local Content to South Africa	50.00%	100.00%		
Skills Development	50.00%			
Total Score	100.00%			
Total Supplier Development and Localisation Score				

1.2. Transformation – BBEE Retention or Improvement Plan

Transformation remains an area of focus, where ERI continuously strives to align itself with national transformation imperatives to unlock growth, drive industrialisation, create employment and contribute to skills development.

ERI encourages its suppliers to constantly strive to improve their B-BBEE rating. Whereas Respondents will be allocated points in terms of a preference point system based on its B-BBEE scorecard, ERI also requests that Respondents submit B-BBEE improvement plan. Respondents will therefore be requested to indicate the extent to which they will maintain (only if the Respondent is a Level 1) or improve their B-BBEE status over the contract period. Respondents with a B-BBEE recognition status below Level 1 contributor, are obliged to submit their B-BBEE Improvement Plan within thirty days of concluding a contract with ERI, to improve their B-BBEE recognition status by at least one level for every of contracted year or twelve months.

1.3. Skills Development

Considering the overall budget, duration of the contract, opportunities for growth in this industry and the industries annual contribution to skills development levies, the successful supplier is obliged to develop skills through a one-year bursary offer valued at R per student at a registered and accredited South African university.

The skills development initiative will not be part of the weighting criteria however as a condition for contract award, the successful supplier shall offer a one-year bursary valued at R per student to an assigned beneficiary at a registered and accredited South African university, for every R4.8 million invoiced of the cumulative contract amount.

Training of candidates

The successful supplier shall offer a one-year university bursary in favour of a student within the Local Municipality where the service will be consumed for every R invoiced of the cumulative contract amount. The skills development commitment shall be carried out within one month of reaching or exceeding the R threshold.

Reporting

Abnormal load escorting and security “AS AND WHEN” required basis for a period of 60 months.

At task order stage successful supplier will be required to submit a plan to ERI for approval as part of the implementation schedule, which sets out the following in detail:

- Details of South African university including year of study and full-time programme.

1.4. Job Creation

To be completed by the tenderer

Number of jobs to be created as a direct result of this contract	
Number of jobs to be retained as a direct result of this contract	

- The successful supplier must indicate in the table above the number of jobs to be created and / or retained as a direct result of this contract.
- The expectation will be that the successful supplier has a core team, which will be made up of specialised skills that may not be sourced in the areas surrounding the site. It will be required that at least **50%** of all semi-skilled and **100%** of all unskilled labour that will be utilised in executing the works, will be within Local Municipality where the service will be consumed

1.5. Socio Economic Development

The successful supplier shall spend 1% of its annual NPAT or 0.1% of Annual Revenue/ Allocated budget/ Gross receipts/ Discretionary spend, to fund the Corporate Social Investment initiative(s) aimed at empowering black communities residing within the 40-kilometre radius of the allocated site.

2. Monitoring and reporting of SDL&I commitments

- The successful supplier shall on a quarterly basis submit a report to ERI in accordance with the SDL&I Data Collection Template on its compliance with the SDL&I obligations.
- ERI shall review the quarterly report submitted by the successful supplier within 60 (sixty) days of receipt of the reports and notify the successful supplier in writing if its SDL&I obligations have not been met.
- Upon notification by ERI that the successful supplier has not met its SDL&I obligations, the successful supplier shall be required to implement corrective measures to meet those SDL&I obligations before the commencement of the following quarter, failing which the SDL&I penalty clause shall be invoked.

3. SDL&I Penalty

- At the end of each quarter, ERI will apply a penalty of 2.5% of the invoiced amount excluding VAT for the successful supplier’s failure to meet SDL&I obligations during that period. Every contract shall be accompanied by the SDL&I implementation schedule which must be completed by the successful supplier and returned to the SDL&I representative for acceptance **before** contract award. This will be used as a reference document for monitoring, measuring and reporting on the supplier’s progress in delivering on the successful supplier stated SDL&I commitments.

3.5 Subcontracting

3.5.1 Preferred subcontractors

The *Contractor* shall demonstrate that they are procuring some of their goods and services from companies that are owned by Black Youth Owned, Black People Living with Disabilities, Black Woman Owned and Black Owned in this order of preference.

3.5.2 Subcontract documentation, and assessment of subcontract tenders

The *Contractor* shall, during the course of the contract, provide some form of proof about the status of the *subcontractors* are dealing with i.e. Share Holders Agreement, Memorandum of Understanding between the two contracting parties (Principal and *subcontractors*), Certified Copies of IDs, etc.

3.5.3 Limitations on subcontracting

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The *Employer* may require that the *Contractor* must subcontract certain specialised work, or that the *Contractor* shall not subcontract more than a specified proportion of the whole of the contract.

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Abnormal load escorting and security "AS AND WHEN" required basis for a period of 60 months.

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement ('Agreement') is entered into between the Employer and the Contractor.

WHEREAS, the Employer and the Contractor (the Parties) desire to exchange certain confidential information; and consider further business dealings with each other.

WHEREAS, the parties desire to evidence their agreements governing the exchange of certain confidential information as set forth below.

Now therefore, for good and valuable consideration, including the mutual agreements hereinafter recited, the parties hereby agree as follows:

1. The parties contemplate an exchange, either orally, in writing or by inspection, of certain confidential proprietary information possessed or owned separately by them and not readily available or otherwise known to the public and which may be helpful in evaluating further business dealings. Such confidential information (the 'Subject Information') may include but not be limited to the parties' inventions, trade secrets, know-how, technical information on products and manufacturing processes, and information concerning their business assets, financial condition, operations, plans and prospects.
2. The purpose of the exchange of Subject Information is to enable the parties to evaluate the Subject information for the purpose only of considering further business dealings with each other.
3. The parties each agree that they shall maintain in secrecy in accordance with the terms of this Agreement all of the Subject Information each party receives (the 'Receiving Party') from the other party (the 'Proprietor') and shall not disclose or use other than for the purpose specified herein the Subject Information without the written consent of the Proprietor of the Subject Information. All Subject Information communicated from one party to the other shall be deemed to be proprietary and confidential to the Proprietor whether marked or identified as such or not.
4. The duty of care to safeguard Subject Information shall be the same as that which the parties each use to safeguard their own respective proprietary and confidential information.
5. The Receiving Party of Subject Information shall not be obligated to maintain Subject Information received from its Proprietor in secrecy or refrain from using it to the extent that any such information is or rightfully becomes publicly available information other than through a breach of this Agreement, or which the Receiving Party later obtains lawfully from anyone else who is not known by the Receiving Party to be obligated under any secrecy agreement with Proprietor to maintain the information in secrecy. The Receiving Party also shall not be obligated to maintain in secrecy any information it receives from the Proprietor which it can demonstrate was already in its possession when the information was disclosed to the Receiving Party by the Proprietor.
6. The Receiving Party shall promptly return to its Proprietor any Subject Information in tangible form it has received from the Proprietor immediately upon the Proprietor's request, without retaining any copies, summaries, analyses or extracts thereof. All documents, memoranda, notes and other writings prepared by the parties, or their advisors, based on the Subject Information of each other, shall be destroyed, and such destruction shall be certified in writing by an authorised officer supervising such destruction.

Abnormal load escorting and security "AS AND WHEN" required basis for a period of 60 months.

7. If a party, with the written consent of the Proprietor of Subject Information, discloses any Subject Information received from its Proprietor to any third party, it shall do so only under a secrecy agreement having a scope similar to and which is consistent with this Agreement, and the disclosing party shall be primarily responsible for any compromise of the secrecy of Subject Information by such third party
8. Each party agrees that it shall not, while and for so long as it is obligated to maintain Subject Information in secrecy, use for its own benefit, or for the benefit of others or exploit, commercialise, develop, test promote, sell, lease, market or otherwise dispose of any products or services using, incorporating or relying on Subject Information received from its Proprietor without the written consent of the Proprietor.
9. The obligations of the party receiving Subject Information pursuant to this Agreement shall be effective with respect of each item of Subject Information for a term of five (5) years from the date of submission of the Subject Information to the Receiving Party by its Proprietor, unless the Proprietor agrees otherwise in writing.
10. For purposes of this Agreement, each party shall include (to the extent applicable) the officers, directors, employees, agents, representatives, attorneys, joint ventures, partnerships, affiliates, subsidiaries, and divisions of the party, and any other entity or entities which such party controls or which controls it, and, further, shall include any transferee, successor and assign of the assets of the party.
11. This Agreement shall be construed (both as to validity and performance) and enforced in accordance with, and governed by, the laws of Republic of South Africa.
12. Neither this Agreement nor the exchange of Subject Information between the parties shall create or be relied on by either party as a basis for creating any license between the parties under any patent, or other industrial or intellectual property rights of the Proprietor of the Subject Information, or any other license between the parties in the absence of any express written license agreement between them

IN WITNESS WHEREOF, and intending to be legally bound, this Agreement has been executed by the parties as of and effective from the date first written above