NEC3 Term Service Contract (TSC3)

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

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

for **Conveyor Splicing for Ash, Coal, and Dust plant for the period of Five years as and when required at Lethabo Power Station.**

Contents:		**No of pages**
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:		No of pages
C1.1	Form of Offer and Acceptance	[●]
	[to be inserted from Returnable Documents at award stage]	
C1.2a	Contract Data provided by the *Employer*	[●]
C1.2b	Contract Data provided by the *Contractor*	[●]
	[to be inserted from Returnable Documents at award stage]	
C1.3	Proforma Guarantees	[●]

C1.1 Form of Offer & Acceptance

Offer

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract for the procurement of:
Conveyor Splicing for Ash, Coal and Dust plant for the period of Five years as and when required at Lethabo Power Station.

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

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

Options A	The offered total of the Prices exclusive of VAT is	**R [●]**
	Sub total	**R [●]**
	Value Added Tax @ 15% is	**R [●]**
	The offered total of the amount due inclusive of VAT is[1]	**R [●]**
	(in words) **[●]**	

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

Signature(s) .....

Name(s) .....

Capacity .....

For the tenderer:

.....
(Insert name and address of organisation)

Name & signature of witness .....

Date .....

Tenderer's CIDB registration number: .....

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

Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)	.....	.....
Name(s)	.....	.....
Capacity	.....	.....
for the Employer	.....	.....
Name & signature of witness	*(Insert name and address of organisation)*	Date .....

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

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

Note:

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

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

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

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

	For the tenderer:	**For the Employer**
Signature	.....	.....
Name	.....	.....
Capacity	.....	.....
On behalf of	*(Insert name and address of organisation)*	*(Insert name and address of organisation)*
	.....	.....
Name & signature of witness	.....	.....
Date	.....	.....

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 *conditions of contract* are the core clauses and the clauses for main Option:	
		A: Priced contract with price list
	dispute resolution Option	**W1: Dispute resolution procedure**
	and secondary Options	
		X1: Price adjustment for inflation
		X2 Changes in the law
		X17: Low service damages
		X18: Limitation of liability
		X19: Task Order
		Z: *Additional conditions of contract*
	of the NEC3 Term Service Contract April 2013[2] (TSC3)	
10.1	The *Employer* 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 *Service Manager* is (name):	**Regina Mokoena**
	Address	**Lethabo Power Station**
	Tel	**+27 16 457 5271**
	Fax	**N/A**
	e-mail	**MokoenBR@eskom.co.za**

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

11.2(2)	The Affected Property is	**Lethabo Power Station**
11.2(13)	The *service* is	**Conveyor Splicing for Ash, Coal and Dust plant for the period of Five years as and When required at Lethabo Power Station**
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information is in	**Part 3: Scope of Work and all documents and drawings to which it refers.**
12.2	The *law of the contract* is the law of	**the Republic of South Africa**
13.1	The *language of this contract* is	**English**
13.3	The *period for reply* is	
2	**The *Contractor*'s main responsibilities**	(If the optional statement for this section is not used, no data will be required for this section)
21.1	The *Contractor* submits a first plan for acceptance within	
3	**Time**	
30.1	The *starting date* is.	**TBC**
30.1	The *service period* is	**The contract is valid for a period of five (5) years and/or up to the contract value is depleted, which-ever comes first.**
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 *assessment interval* is	
51.1	The *currency of this contract* is the	**South African Rand**
51.2	The period within which payments are made is	**30 days After completion of a task order**
51.4	The *interest rate* is	**the publicly quoted prime rate of interest (calculated on a 365-day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and** **(ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate**

		quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted *mutatis mutandis* every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.
6	**Compensation events**	**There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data**
7	**Use of Equipment Plant and Materials**	**There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data**
8	**Risks and insurance**	
80.1	These are additional *Employer*'s risks	**no**
9	**Termination**	**NEC3 Contract will be used.**
10	**Data for main Option clause**	
A	**Priced contract with price list**	
20.5	The *Contractor* prepares forecasts of the final total of the Prices for the whole of the *service* at intervals no longer than	**4 weeks.**
11	**Data for Option W1**	
W1.1	The *Adjudicator*	**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 *Adjudicator nominating body* 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 *tribunal* is:	**arbitration**
W1.4(5)	The *arbitration procedure* 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	**Republic of 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**	**The prices shall be fixed and firm for the first 12 months of the contract and thereafter Contract Price Adjustment (CPA) will apply as follows**
X1.1	The *base date* for indices is	**[●].**
	The proportions used to calculate the Price Adjustment Factor are:	**proportion** / **linked to index for** / **Index prepared by** **15%** / **Material** / **PPI SEIFSA TABLE 12** **70%** / **Labour** / **SEIFSA TABLE C3** **Transport** **15%** / **Fixed**
X2	**Changes in the law**	**No data is required for this Option**
X17	**Low service damages**	**2% of the task order value per day up to the maximum 15% of the total task order value**
X17.1	The *service level table* is in	**[●]**

X18	**Limitation of liability**	
X18.1	The *Contractor*'s liability to the *Employer* for indirect or consequential loss is limited to	**R0.0 (zero Rand)**
X18.2	For any one event, the *Contractor*'s liability to the *Employer* for loss of or damage to the *Employer*'s property is limited to	**the amount of the deductibles relevant to the event**
X18.3	The *Contractor*'s liability for Defects due to his design of an item of Equipment is limited to	**The greater of** **The total of the Prices at the Contract Date and the amounts excluded and unrecoverable from the *Employer*'s insurance (other than the resulting physical damage to the *Employer*'s property which is not excluded) plus the applicable deductibles**
X18.4	The *Contractor*'s total liability to the *Employer*, 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 *Contractor's* total liability for the additional excluded matters is not limited.** **The additional excluded matters are amounts for which the *Contractor* is liable under this contract for** • **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 *Employer*'s property, Plant and Materials),** • **death of or injury to a person and** • **infringement of an intellectual property right.**
X18.5	The *end of liability date* is	**[●] months after the end of the *service period*.**
X19	**Task Order**	
X19.5	The *Contractor* submits a Task Order programme to the *Service Manager* within	**5 days of receiving the Task Order**
Z	**The *additional conditions of contract* are**	**Z1 to Z14 always apply.**

Z1 Cession delegation and assignment

Z1.1 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer.*

Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry.

Z2 Joint ventures

Z2.1 If the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Employer* for the performance of this contract.

Z2.2 Unless already notified to the *Employer*, the persons or organisations notify the *Service Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Contractor* on their behalf.

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

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

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

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

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

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

Z4 Confidentiality

Z4.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in

existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.

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

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

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

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

Z5 Waiver and estoppel: Add to core clause 12.3:

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

Z6 Health, safety and the environment: Add to core clause 27.4

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

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

Z6.2 The *Contractor*, in and about the execution of the *service*, complies with all applicable environmental laws and regulations and rules, guidelines and procedures otherwise

provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.

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

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

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

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

Z8 Notifying compensation events

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

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

Z9 *Employer's* limitation of liability

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

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

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

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

Z11 Ethics

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

Affected Party means, as the context requires, any party, irrespective of whether it is the *Contractor* or a third party, such party's employees, agents, or Subcontractors or Subcontractor's employees, or any one or more of all of these parties'

relatives or friends,

Coercive Action means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,

Collusive Action means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,

Committing Party means, as the context requires, the *Contractor*, or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,

Corrupt Action means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,

Fraudulent Action means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,

Obstructive Action means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action, and

Prohibited Action means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

Z11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z11.2 The *Employer* may terminate the *Contractor*'s obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Contractor*'s obligation to Provide the Services for this reason.

Z11.3 If the *Employer* terminates the *Contractor*'s obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.

Z11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Contractor* ensures that the Committing Party co-operates fully with an investigation.

Z12 Insurance

Z_12_.1 Replace core clause 83 with the following:

Insurance cover

83

83.1 When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.

83.2 The *Contractor* provides the insurances stated in the Insurance Table A

from the *starting date* until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

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

Z 12.2 Replace core clause 86 with the following:

Insurance by the *Employer* 86

86.1 The *Employer* provides the insurances stated in the Insurance Table B

INSURANCE TABLE B

Insurance against or name of policy	**Minimum amount of cover or minimur 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

Z13 Nuclear Liability Not applicable

Z13.1 The *Employer* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.

Z13.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against any and all liabilities which the *Contractor* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.

Z13.3 Subject to clause Z13.4 below, the *Employer* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Contractor* or any other person, or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.

Z13.4 The *Employer* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.

Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 Asbestos Not applicable

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 *Employer*'s Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
SANAS	means the South African National Accreditation System.
TWA	means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.

Z14.2 Upon written request by the *Contractor*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Contractor* may perform Parallel Measurements and related control measures at the *Contractor*'s expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.

Z14.3 The *Employer* manages asbestos and ACM according to the Standard.

Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.

Z14.5 The *Contractor*'s personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.

Z14.6 The *Contractor* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.

Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer*'s expense, and conducted in line with South African legislation.

C1.2 Contract Data

Part two - Data provided by the *Contractor*

Notes to a tendering contractor:

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

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

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

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

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 *price list* is in	
11.2(19)	The tendered total of the Prices is	**R**

Part 2: Pricing Data

TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The *price list*	**[●]**

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 *price list* unless later changed in accordance with this contract.

(17) The Price for Services Provided to Date is the total of

- the Price for each lump sum item in the Price List which the *Contractor* has completed and
- where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the *Contractor* 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 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 because of a compensation event.

Format of the *price list*
(From the example given in an Appendix within the TSC3 Guidance Notes)

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

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

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

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

C2.2 the price list

The total of the Prices

Part 3: Scope of Work

Conveyor Splicing for Ash, Coal, and Dust plant for the period of Five years as and when required at Lethabo Power Station.

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

C3.1: Employer's service Information

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Otherwise insert list of contents manually.

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2.5 Invoicing and payment **Error! Bookmark not defined.**
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5.5 Cooperating with and obtaining acceptance of Others **Error! Bookmark not defined.**
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1. Description of the *service*

1.1 Executive overview

Conveyor Splicing for Ash, Coal, and Dust plant for the period of Five years as and when required at Lethabo Power Station.

Scope of Work

The Contractor must perform maintenance of conveyor splicing in a manner that enables in service of the plant continuously, so as not to constrain any operation of the plant. The Contractor must always see to it that the maintenance service provided is of a good quality, and they must further be capable of working successfully, independently without being monitored by Eskom employees. Whenever Works Instructions and QCP's are provided by the Employer –they must make use of them to the fullest, any re-work/low quality that may arise due to not using these documents whenever they are provided, will result in the X17.1 Clause being applied.

The equipment must be maintained according to the philosophies and recommendations of the equipment manufactures and /or Eskom. The Contractor must always ensure compliance to Eskom standards and procedures.

The Contractor's responsibilities include but not limited:

- Planned work
- Emergency breakdown
- Commissioning activities as and when required

Maintenance of conveyor splicing works includes but not limited inspection, removal, and repairs, and housekeeping on the following equipment's:
Maintenance of conveyor splicing at all Ash, coal and dust Plant conveyor system. On conveyor belts: WC11/21, WC12/22, WC13/23, WC14/24, WA25/15, WA26/16, WC18/28, WC19/29, WZ11/21, WC36, WC41, WC16, WF31, WF41, WF51, WF61, WF81and WF71, JPCA and B from Unit 1 to Unit 6 (Japanese conveyor) and coal plant conveyor T8A to T8F, T1A and T1B, Unit 1 to Unit 6 Shuttle and T7A to T7F

Splicing to be done according to the following Standards:

- Conveyor belting — Splicing of steel cord reinforced conveyor belting SANS 485:2009
- Conveyor belting — Step splicing for multi-ply textile-reinforced rubber covered conveyor belting Part 1: Hot-splicing method SANS 484-1:2009.
- Conveyor belting — Step splicing for multi-ply textile-reinforced rubber covered conveyor belting Part 2: Cold-splicing method SANS 484-2:2009.

The following are the conveyor sizes.

Steel-cord splicing sizes
UP TO 450mm
901mm TO 1050mm
1051mm TO 1200mm

1201mm TO 1350mm
1351mm TO 1500mm
1500 Heat Resistance
1501mm TO 1650mm
1510mm TO 1800mm
1800mm TO 2200mm Finger splice
Ply splicing sizes
1060mm TO 1200mm
1210mm TO 1350mm
1360mm TO 1500mm
1510mm TO 1800mm
1810mm TO 2200mm

NB The contractor must bring the energy supply when doing splicing (mobile generator with 380V and Two 220V plugs, no mobile generator will be supplied by the employer.

Requirements-Two teams of splicers
Each team consist of the following- team leader, trained splicer, fire watch and assistance.
Two double caps.

The Contractor to ensure after completion of each task, housekeeping is done and removal of waste to designated area.

The Contractor must provide labour, Personal Protective Equipment (PPE) and tools to perform the tasks as per the individual skills to perform conveyor splicing.

The Contractor must ensure attendance of all maintenance, production, SHEQ or any other meeting requirements arranged by Employer at the designated venues.
The Contractor plan maintenance schedules in co-operating with the Employer.

The Contractor's employees must be able to do standby work, planned and unplanned overtime as and when required in line with the law and contractual requirements.

The Contractor must be responsible for transporting of his/her employees to and from work, tools, and spares to and from plant.
Respond time is 2hrs from call-out.
In each team a team leader must be capable of undergoing authorised supervisor and panel interview as it is a requirement to be authorised after 12 months of plant exposure, the employer will provide the training.

The Contractor must comply with the competency level as indicated in technical evaluation.

Failure to meet any part of the scope requirements results to non-conformance registered (NCR) for the Supplier to make a corrective action and the Employer can terminate the contract after three of similar NCR within the period of six months.

1.2 Employer's requirements for the *service*

1.1 DATA BOOKS:

Data book must include as a minimum:

- Completed check sheets.
- Inspection reports as listed in Scope of Work.
- Photos.

Details of Tasks

Maintenance of conveyor splicing at all Ash, coal and dust Plant conveyor system. On conveyor belts: WC11/21, WC12/22, WC13/23, WC14/24, WA25/15, WA26/16, WC18/28, WC19/29, WZ11/21, WC36, WC41, WC16, WF31, WF41, WF51, WF61, WF81and WF71, JPCA and B from Unit 1 to Unit 6 (Japanese conveyor) and coal plant conveyor T8A to T8F, T1A and T1B, Unit 1 to Unit 6 Shuttle and T7A to T7F
Splicing to be done according to the following Standards: T2A to T6A and T2B to T6B T9A-F to T14A -F

- Conveyor belting — Splicing of steel cord reinforced conveyor belting SANS 485:2009
- Conveyor belting — Step splicing for multi-ply textile-reinforced rubber covered conveyor belting Part 1: Hot-splicing method SANS 484-1:2009.
- Conveyor belting — Step splicing for multi-ply textile-reinforced rubber covered conveyor belting Part 2: Cold-splicing method SANS 484-2:2009.

Requirements-Two teams of splicers
Each team consist of the following- team leader, trained splicer, fire watch and assistance.
Two double caps.

The supplier must be able to provide a guarantee of at least Ten months or more on the work performed on new conveyor, should any splicing done not meet the guarantee the supplier will be responsible for re-doing.
The splicing at his own cost(expense)
The supplier must notify the employer prior performing the task on any defects found on the conveyor that might affect his guarantee, then the employer inspects and give concession on the guarantee. Respond time is 2hrs from call-out.
In each team a team leader must be capable of undergoing authorised supervisor and panel interview as it is a requirement to be authorised after 12 months of plant exposure, the employer will provide the training.

Failure to meet any part of the requirements it results to Non-Compliance (NCR) for the supplier to rectify or make corrective action and the Employer can terminate the contract with the supplier after Three similar NCR issued within a period of Six months.

The following are the conveyor sizes.

Steel-cord splicing sizes
UP TO 450mm
901mm TO 1050mm
1051mm TO 1200mm
1201mm TO 1350mm
1351mm TO 1500mm
1500 Heat Resistance
1501mm TO 1650mm
1510mm TO 1800mm
1800mm TO 2200mm Finger splice
Ply splicing sizes
1060mm TO 1200mm
1210mm TO 1350mm
1360mm TO 1500mm
1510mm TO 1800mm
1810mm TO 2200mm

The Contractor to ensure after completion of each task, housekeeping is done and removal of waste to designated area.

1.2 All test certificates if applicable.

- The *works* are to be completed in accordance with the specifications in all respects and ready for take-over by the *Employer's* Representative except for the following work which may be done after the Completion Date, the dates stated which are to be shown on the *Contractor's* programme.

RISK	**MITIGATING FACTORS**	**LEVEL (HIGH/MEDIUM/LOW)**
Delays: Failure to complete the works as per agreed program.	Delay damages to be imposed on the delayed key date as per the contract data and in line with the approved schedule at 2% per day up to a maximum of 15% per task order. This also applies all defects notifications that will be issued during execution.	Medium
Safety: Non- compliance to all legal requirements.	The successful contractor shall be expected to have OHS system that is aligned to the clients. The contractor shall be expected to conduct task risk assessment and pre-job briefs every time before performing work.	High

	The contractor must ensure that they align themselves with the requirements of PTW wherever it is issued. Strict adherence to the PPE requirement by the contractor. The contractor shall prepare a safety file for approval by Safety Risk Management before work commences. Adherence to vehicle maintenance plans and daily/pre-trip inspections Strict adherence to travelling task risk assessment. The contractor to ensure that the employees are trained and competent on the activities to be done	
Quality Quality requirements categorisation.	Category 2 - Quality Requirements to be met	Medium
Quality Management Documents Requirements	A fully detailed Quality Control Plan (QCP) for acceptance within three (3) weeks of the Contract Date, which details all the aspects of the quality management system to be applied. It includes the methods that will be utilized to ensure quality assurance, control and improvement of the identified activities as stated in the Scope of Works	Medium
Inspections	The service provider is required to conduct sufficient inspections and tests to satisfy that all requirements of the SOW are met, and the results of inspections and tests are made available to the client.	Medium
Non-Conformance and Defects	NCR's and defects notifications are issued, the Service provider will acknowledge the receipt within 48 hours and proposes corrective and preventive actions to the client as per the contract response period. The corrective and preventive actions will include the implementation and completion dates.	Low
Preservation and transportation Requirements	The service provider is to ensure that all products are preserved in their appropriate manner as described in their specifications or in Eskom's Preservation, Shipping and Transportation procedures as applicable. The service provider ensures that all storage requirements for products are properly implemented to preserve the products against adverse conditions, deterioration, damage, etc. Storage and preservation procedures for the different products must be submitted to the client for review and acceptance. The client may request to inspect the stored products at any given point during the storage period of the product.	Medium
Method Statement	The service provider to submit a detailed	Low

	Construction Method Statements for each activity of his work, together with activity durations, to the client for review and acceptance prior to starting any work	
Documentation control	All documents and records management should be performed according to Technical Document and Record Management Work Instruction (240-76992014). The Project Manager ensures that the service provider is provided with the latest revision	Medium
Environment Incorrect waste disposal	Contractor to be familiarized with Lethabo Environmental statement of commitment (PS010) SHE File to be approved by the Environmental department. Contractor to be ISO14001:2015 compliant. Upon commencement of work contractor shall submit: • An Aspect and Impact Register that complies with the ISO 14001:2015 standard. • Contractor shall submit an Environmental Management Plan (EMP) associated with environmental risks related to the project, EMP shall comply with the ISO 14001 standard. • Contactor shall familiarise him/herself with the Environmental procedures related to the activity. • Self-audits during work execution will be conducted weekly whereby environmental risks are identified. Environmental awareness to be conducted through toolbox talks. All waste generated during execution of work, must be disposed through proper pathways. Contractor shall report all incidents or risks whilst on the job to the Eskom Project leader who will inform the environmental department. Contractor shall comply to the following environmental procedures: ○ LBE23003 Environmental non-conformance; investigation and reporting ○ LBE22005 Environmental spill management procedure ○ LBE22004 Environmental waste management procedure	Medium

3. Specifications

			Applicable
DOCUMENT NO.	**REV.**	**TITLE**	**YES/NO**
PS053	1	Intellectual Property	N
LBA 00030	2	Safety with which *Contractor*s are to conform at Lethabo Power Station	Y
LBA 00040	0	Lethabo Environmental Procedure	Y
LBA 00049	0	Procedure for Commissioning of New/Modified Plant	N
LBA 00054	1	Hazardous waste storage and removal procedure	Y
LBA00060		Change Management Procedure	N
LBA 00067	0	Health, Safety and Environmental Specification for *Contractor*s	Y
LBA 00085	1	Master Permit to Work for declared major outages	Y
LBA 00108	0	*Contractor*'s site administration	Y
LBA00121		OHS Act Auth & Appointments	Y
LBA00135	0	Control & Prevention of asbestos exposure at Lethabo	N
LBA00155		SHEQ Risk Assessments	Y
LBA00172		The use and control of solvents and degreasers	Y
LBA00180		Lethabo Hot Work Permit	Y
LBQ24003		Purchasing-Procurement	Y
LBQ25006		Managing Contract Quality	Y
LBQ35005		Compiling & Implementing Quality Control Plans	Y
LBT 00015	0	New or Modifications to Electrical Plant Requirements	N
LBT 00017	0	Limited Access Register Procedure	Y
GGR0992		Plant Safety Regulations for Lethabo Power Station	Y
36 – 698		Quality Requirements For Engineering And Construction Works In Gx	Y
39-29		Framework for developing SHE spec's for construction that is specific	Y

Constraints on how the *Contractor* Provides the Works

4.1 Use of standard forms

The *Contractor* shall use the following standard form and all the forms shall be requested from the *Employer* when needed:

- DCC 333 - *Employer's* Assessment
- DCC 367 – Event Register
- DCC 368 – Completion Certificate
- DCC 370 – Access Certificate
- DCC 371 – Notification of Defect
- LFM 1007 – Quality Control for *Contractor*

4.2 Invoicing and payment

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

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

- Name and address of the *Contractor*.
- The contract number and title.
- *Contractor*'s VAT registration number.
- The *Employer*'s VAT registration number 4740101508.
- The total Price for Work Done to Date which the *Contractor* has completed.
- Other amounts to be paid to the *Contractor*.
- Less amounts to be paid by or retained from the *Contractor*.
- The change in the amount due since the previous payment being the invoiced amount - excluding VAT, the VAT and including VAT.
- The original copy of an invoice shall be sent to the *Employer*'s accounts payable section (APS).

The *Contractor* attaches the detail assessment of the amount due to each tax invoice showing the Price for Work Done to Date for each item in the Price List for work which he/she has completed.

4.4 Records of Defined Cost

- To substantiate the Defined Cost of compensation events, the *Employer* may require the *Contractor* to keep records of amounts paid by him for people employed by the *Contractor*, Plant and Materials, work subcontracted by the *Contractor* and Equipment. [See clause 11.2(5) and 63.2].
- The *Contractor* shall keep all the original invoice and these invoices shall be supplied to the *Employer* shall the need arise.

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

- Refer to conditions of tendering.

4.6 BBBEE and preferencing scheme

- Refer to conditions of tendering.

4.7 Others

N/A

5. Requirements for the programme & Planning

- The Employer will provide an outage programme to the Contractor for planning and implementation purposes, but it must be noted that the dates provided are subjected to change at any time.
- The Contractor shall submit a program, compiled in Microsoft Project or Primavera, which will provide details of the list of activities and the duration of each activity.
- A list of activities and duration of each shall be made available after an instruction to commence work is supplied to the Contractor by the Employer's Representative.

- All activities and requirements for interfaces between the Contractor and Employer shall be listed in the program. The program will be updated weekly and will be used to manage all installation activities. The Contractor is to provide a detailed report, within twenty-one (21) days, on any completed project work.

Procurement strategy

2.1 Task Order process (Option A2 only)

- The *Employers'* Representative, or his delegate, issues a unique Task Order for General Service and overhaul of Turbine High Pressure & High Temperature and General valves on unit 1-6 during opportunity maintenance and as and when required over a period of 3 years.

2.2 Intentions of the *Employer* before Completion

- The *Employer* reserves the right to carry out any checks, on quantities and categories of the personnel supplied per Task Order.
- The *Employer* reserves the right to carry out any checks, or conduct any physical inspections or tests, on the service provided.

2.3 Particulars to be included on the *Supplier*'s Tax Invoice

- The *Employers'* Contract number
- The *Employers'* Task Order number
- The *Suppliers'* VAT number
- Duration and description of the Task for which the services were rendered
- Quantities and categories of expenses per Task Order

3 Material provided by the *Employer* for the *services.*

- The Supplier is responsible for time keeping of the personnel on Site and supplies the original to the *Employer* on completion of the Task Order.
- The Supplier is responsible for keeping record of the quantities of Equipment and consumables on Site and supplies the original to the *Employer* on completion of the Task Order.
- Any material provided by the *Employer* is restricted to copying as required for the purpose of providing the Services.

4 Access provided by the *Employer* to a person, service, facility place or thing, including restrictions if any

4.1 Services and equipment supplied by the *Employer*

- Under no circumstances is the *Supplier* or his employees allowed to connect up to any piped services or electrical supply without the permission of the *Employer*.

4.1.1 Supply of Electricity

- 220V, 30A and 380V, 60A power supplies are available. All installations or equipment connected to a supply of electricity provided free of charge by the *Employer* must comply with all relevant safety regulations and requirements. Failure to comply with the safety requirements may lead to immediate disconnection.

- No guarantees of power supply quality are given, and power supply breaks of some duration may occur without warning, and it shall not be grounds for additional time or compensation.

4.1.2 Water

- The *Employer* makes available free of charge, potable water as required for the purpose of this Contract.

4.1.3 Roads

- All traffic is limited to using existing roads.
- The *Employer* recovers any costs from the *Supplier* that is incurred from damage caused to underground services, structures, etc., because of the *Supplier* not using the prescribed routes.

4.1.4 First Aid Centre

- Incidents and accidents must be reported and to the *Employer* within 24 hours.
- First aid must be made available by the *Supplier*. Alternatively use can be made of the Lethabo medical centre at a fee. The availability of the *Supplier's* own first aid does not relieve the *Supplier* of his obligation to report and investigate the incident.
- Any incident or accident is at the *Supplier's* cost if reasonable skill and care has not been taken by the *Supplier*.

4.1.5 Telecommunications

- The *Supplier* arranges with the *Employer* for the use of telecommunication services.

4.2 Plant & Materials

- **The *Employer* may at his own discretion supply any Plant and or Materials as required by the *Supplier* to Provide the Services.**

4.3 Services Provided by the *Supplier*

4.3.1 Electrical Equipment / Appliances, Lighting and Power

- Any electrical equipment or appliances supplied to Site must comply with all relevant safety regulations and requirements and be maintained in safe and proper working condition.
- The *Employer* has the right to stop the *Supplier's* use of any electrical equipment or appliance, which in the *Employer*'s opinion does not conform to the foregoing.

4.3.2 Security

- The *Supplier* is responsible for security of all personnel tools and equipment on S*ite.* This includes fencing off, night watch and access control if required.
- All these measures must be in accordance with any relevant regulations and standards and subject to the *Employer*'*s* approval.

4.3.3 Accommodation and transportation of Employees

- The *Supplier* is responsible for the provision of accommodation or meals for all personnel on Site. The cost thereof to be included in his Price.
- The *Supplier* is responsible for the provision of transportation for all personnel to Site, from Site and on Site. The cost thereof to be included in his Price.

4.3.4 Offices, Workshops and Stores

- The *Supplier* provides, erect, and maintain for his own use, **any additional office accommodation and stores he requires** for and Equipment Hire, together with drainage, lighting, heating, and hot and cold-water services as required.
- The *Supplier* is also responsible for all security and access arrangements that he considers necessary for any additional office accommodation and stores he requires
- The *Supplier* provides at his own cost, all connection fittings, pipework, temporary plumbing, and pumps necessary to lead the water from the point of supply to the various points where it is required, maintain same and remove on *completion*. Such fittings must be compatible with the *Employer's* fittings so that galvanic corrosion of pipework is prevented.

4.3.5 Sanitary Facilities

- The *Employer* makes available to personnel, the reasonable use of sanitary facilities on Site.
- The *Supplier* provides service, maintain, and remove on *completion* any additional facilities that are required.

C4 Site Information

4.4.1 Health, Safety and Environmental Requirements

Requirements of OSHACT no.5 of 1993 must be always adhered to during the site installation work. Waste material should be disposed off using the Lethabo waste procedure. Construction and regulation requirements must be always adhered to. The installation contractor SHE coordinator must compile a SHE files that will be audited by Safety Risk Management before site work commences. Prior to commencement of site installation work, the contractor

- The *Supplier* and his subcontractors always ensure compliance with safety regulations imposed by any Act of Parliament, ordinance or any regulation or by-law of any local or statutory authority.

Occupational Health and Safety Act (Act of 1993-Section 37)

- The *Supplier* shall comply with:

  a) The Occupational Health and Safety Act, 1993, and all Regulations made there under.
  b) All Eskom Safety and Operating Procedures listed.
  c) Lethabo site procedure LBA 00055 Rev 2.
- 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 authorized in terms thereof and who have received sufficient 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 Eskom Safety Officer responsible for the premises relevant to this contract. The person so appointed shall, on request:
- Eskom may, at any stage during the currency of this agreement, be entitled to:
  a) do safety audits at the *Supplier's* premises, its workplaces and on its employees.
  b) refuse any employee, sub-contractor, 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 qualified in terms of the Act.
  c) issue the *Supplier* with a work stop order or a compliance order should Eskom become aware of any unsafe working procedure or conditions or any non-compliance with the Act, Regulations and Procedures referred to in the above by the *Supplier* or any of its employees, sub-contractors, or agents.

- No extension of time will be allowed because of any action taken by Eskom in terms of the above and the *Supplier* shall have no claim against Eskom as a result thereof. Furthermore, no amendments to the Act or Regulations or reasonable amendment to Eskom's Safety and Operating Procedures will entitle the *Supplier* to claim any additional costs incurred in complying therewith from Eskom.

Safety 4.4.4 Local Safety Procedures

The *Supplier* adheres to all local procedures. A list of local procedures is available from the *Employer* on request.

4.4.5 Incidents / Accidents

- Incidents and accidents must be reported and to the *Employer* within 24 hours.
- First aid must be made available by the *Supplier*. Alternatively use can be made of the Lethabo medical centre at a fee. The availability of the *Supplier's* own first aid does not relieve the *Supplier* of his obligation to report and investigate the incident.

4.4.6 Fire Prevention

- Fire prevention and protection requirements to which Contractors must comply, are detailed in LBA 00030.

4.4.7 Protective Equipment and Clothing

- The *Supplier* supplies his own personal protective equipment to personnel with logos on as necessary.
- The *Supplier* is also responsible to inspect and maintain such equipment as required in terms of the OHSACT and local procedures.

4.4.8 Inspection of Equipment

- The *Supplier's* equipment is inspected by an authorised Eskom employee on arrival at the site.

- A list of all lifting equipment and electrical equipment must be submitted to the *Employer* at least 2 days prior to the occupation date. This list must indicate the unique number and description of the equipment and any certificates that are required.

14. Requirements for the program

- The *Contractor* shall submit a program, compiled in Microsoft Project or similar program, which will provide details of the list of activities and the duration of each activity.
- A list of activities and duration of each shall be made available after an instruction to commence work is supplied to the *Contractor* by the *Employer's Representative*.
- All activities and requirements for interfaces between the *Contractor* and *Employer* shall be listed in the program.
- The program shall be updated weekly and will be used to manage all installation activities.
- **The *Contractor* submits a bar chart program one week after award of the contract showing the following:**
  - **The early start and early completion date of each activity.**
  - **The late start and late completion of each activity.**
  - **Planned completion.**
  - **The order and planning of operations which the *Contractor* plans to do in order to provide *the works*.**
  - **The *Contractor* prepares and submits an update, seven days after the start date, showing actual progress and the effect upon the remainder of the activities to be completed.**

14.1 Use of standard forms

The *Contractor* shall use the following standard form and all the forms shall be requested from the *Employer* when needed:

- DCC 333 - *Employer's* Assessment
- DCC 367 – Event Register
- DCC 368 – Completion Certificate
- DCC 370 – Access Certificate
- DCC 371 – Notification of Defect
- LFM 1007 – Quality Control for *Contractor*

14.2 Invoicing and payment

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

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

Name and address of the *Contractor*.
The contract number and title.
Contractor's VAT registration number.
The *Employer*'s VAT registration number 4740101508.
The total Price for Work Done to Date which the *Contractor* has completed.
Other amounts to be paid to the *Contractor*.
Less amounts to be paid by or retained from the *Contractor*.

The change in the amount due since the previous payment being the invoiced amount - excluding VAT, the VAT and including VAT.
The original copy of an invoice shall be sent to the *Employer*'s accounts payable section (APS).

14.3 Records of Defined Cost

- To substantiate the Defined Cost of compensation events, the *Employer* may require the *Contractor* to keep records of amounts paid by him for people employed by the *Contractor*, Plant and Materials, work subcontracted by the *Contractor* and Equipment. [See clause 11.2(5) and 63.2].
- The *Contractor* shall keep all the original invoice and these invoices shall be supplied to the *Employer* shall the need arise.

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

- Refer to conditions of tendering.

16. BBBEE and preferencing scheme

- Refer to conditions of tendering.

17. Others

- The *Contractor* shall use one-way traffic method during construction.
- The 2-way radios and stop & go signs or robots shall be used.
- All road construction signs shall be in place.
- The work shall be conducted only during the day.
- No work shall be conducted during the rainy day, the attached weather forecast shall be used as base for planning.
- Regular auditing of the *Contractor's* SHE file and works by the *Employer* shall be conducted. Failure to comply shall result in work stoppage subsequently termination of contract.
- The *Contractor* shall provide the competent construction supervisor as per construction regulations.
- This supervisor shall have a minimum of a Civil Engineering National Diploma and a minimum three-year roads experience.
  The *Contractor* shall have the Snr. Civil Engineer with a four-year degree and a minimum of three years roads experience. This Engineer shall inspect the works at least once a week and he/she shall be available to hold the meetings with the *Employer* if the need arises.

18. Standard Specifications

DOCUMENT NO.	REV.	TITLE	ATTACHED
LBA 00030	2	Safety with which contractors are to conform at Lethabo Power Station	Y
LBA 00040	0	Lethabo Environmental Procedure	Y
LBA 00049	0	Procedure for Commissioning of New/Modified Plant	Y
LBA 00054	1	Hazardous waste storage and removal procedure	N

LBA 00067	0	Health, Safety and Environmental Specification for Contractors	Y
LBA 00085	1	Master Permit to Work for declared major outages	Y
LBA 00108	0	Contractor's site administration	N
LBT 00015	0	New or Modifications to Electrical Plant Requirements	N
LBT 00017	0	Limited Access Register Procedure	N
GGR0992		Plant Safety Regulations for Lethabo Power Station	N
LBA0060		Change Management Procedure	N
ESKASAAU 7	0	Quality Requirements for the Procurement of Assets, Goods and Services	N
LBA00135	0	Control & Prevention of asbestos exposure at Lethabo	N
PS053	1	Intellectual Property	N
LBA00172		The use and control of solvents and degreasers	N

19. NEMA Clauses

National Environmental Management Act (Act No.107 of 1998)
In carrying out his obligation as the mandatory to the Employer for this contract in terms of the National Environmental Management Act No. 107 of 1998, the Supplier ensures that he complies with the Act when Providing the Services or using plant, materials, or equipment.

19.1 Permit to Work System

- NO work shall be carried out without a "PERMIT TO WORK"
- The *Contractor*'s Responsible Person must satisfy himself that all sources of possible danger are isolated. Details of the Permit to Work system can be found in the Plant Safety Regulations for Lethabo Power Station, Eskom OPR 3305.
- A Master Permit to Work is used on declared major outages, details can be found in local procedure LBA 00085. Permit changes are made during the dead time,
- Plant with a prohibitive sign attached may only be operated by appointed Eskom personnel. Any *Contractor* employee found tampering with such plant will be permanently removed from Site.

19.2 Safety Induction Course

- All the employees of the *Contractor* must attend a safety induction course before they will be allowed to work on the Site. It is the responsibility of the *Contractor* to ensure that all employees have attended the safety induction.
- A list of employees requiring safety induction must be submitted at least 2 days in advance of arrival on site with the date and time of arrival so that the safety induction can be arranged.

19.3 IBI Awareness Techniques

- "To prevent incidents and ensure continuous improvement of Lethabo Power Stations business performance in all areas affecting safety, reliability and production, it is expected of all CONTRACTORS service personnel, to attend a three(3) hour training session on Integrated Business Improvement Awareness, which has to be done as soon as work has commenced;
  This is to ensure familiarisation and use of error-prevention tools/techniques inclusive of, Pre and Post-job briefs, Risk Assessments, Self checks(STAR principle), Job observations, Effective communications e.g.3- way, Questioning attitude, Procedural adherence, Hand overs and other related topics.

- A monthly IBI scorecard to be completed indicating the use of error prevention tools/ techniques;
  The assigned employee fulfilling the role of IBI representative must attend the IBI representative's forum fortnightly, on Tuesdays, duration one hour.

- An IBI representative appointed by the Contractor/Supplier/Consultant to attend the IBI Representative Forum One (1) hour every Tuesday (forth nightly).

- IBI Awareness training will be provided by Lethabo Power Station personnel, free of charge, course bookings can be arranged by contacting Rabie Heymans on extension 5094".

19.4 Transportation of passengers: open LDV's:

No *Eskom employee* or *Contractor* 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 *Eskom* and *Contractor* employees – therefore the following will be enforced:

- All passengers must be transported in a closed vehicle with proper and adequate seating, fitted with safety belt for the number of passengers to be transported. NO passengers may be transported on the back of a light delivery vehicle (LDV) whether open or closed.
- Tools and equipment must be properly secured.
- Only authorised drivers may transport passengers.
- Proof must be submitted on request in terms of valid roadworthiness of the Vehicle/s.
- The above must apply to onsite and off-site transportation of passengers.

19.5 Eskom Life Saving Rules:

Five Life Saving Rules have been developed that will apply to all Eskom 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 on Eskom business and/or on Eskom premises: unless the driver and all passengers are wearing seat belts.

- **Rule 4:** Be sober (no person is allowed to work under the influence of drugs and alcohol.

- **Rule 5:** Use a permit to work – where an authorization limitation exists, no person shall work without the required permit to work.

19.6 Local Safety Procedures

- The *Contractor* adheres to all local procedures. A list of local procedures is available on request from the *Employer*

19.7 Incidents / Accidents

- Incidents and accidents must be reported and investigated as detailed in LBA 00030. All incidents must also be reported to the *Employer* within 24 hours.

- First aid must be made available either by the *Contractor* or use can be made of the Lethabo medical centre at a fee. The availability of the *Contractor's* own first aid does not relieve the *Contractor* of his obligation to report and investigate the incident in accordance with Lethabo Procedure.

19.8 Fire Prevention

- Fire prevention and protection requirements to which *Contractor*s must comply are detailed in LBA 00030.

19.9 Protective Equipment and Clothing

- The *Contractor* supplies his own personal protective equipment to personnel as necessary to carry out the works and the Contractor shall ensure that all overalls for his staff have clearly identifying company Logo's. Cost to be stipulated in the Price List – health and Safety Cost.
- The *Contractor* is also responsible to inspect and maintain such equipment as required in terms of the OHSACT and local procedures.

19.10 Inspection of Equipment

- The *Contractor's* equipment is inspected by an authorized Eskom employee on arrival at the site.

- The following documentation is required to accompany the equipment where applicable: copies of all test certificates and maintenance records.
- Lifting equipment and electrical equipment must be marked with a unique number, code, or colour code for identification. If the equipment is found to be in an unsatisfactory condition or if insufficient maintenance has been carried out on the equipment, then it will not be approved for use on Site. A list of all lifting equipment and electrical equipment must be submitted to the *Employer* at least 2 days prior to the occupation date. This list must indicate the unique number and description of the equipment.
- Training of operators must comply with the Works Information and statutory requirements.

19.11 Documentation

The *Contractor* is responsible to have the following documentation available on site in accordance with LBA 00030:

- A copy of the OHSACT.
- Copies of all site accident report forms as required by the OHSACT.
- Copies of minutes of health and safety meetings held on site.
- Copies of inspection reports produced by the accident prevention officer.

20. Environmental Policy and Waste Handling

Lethabo Environmental Policy LBPS010 must be adhered to.

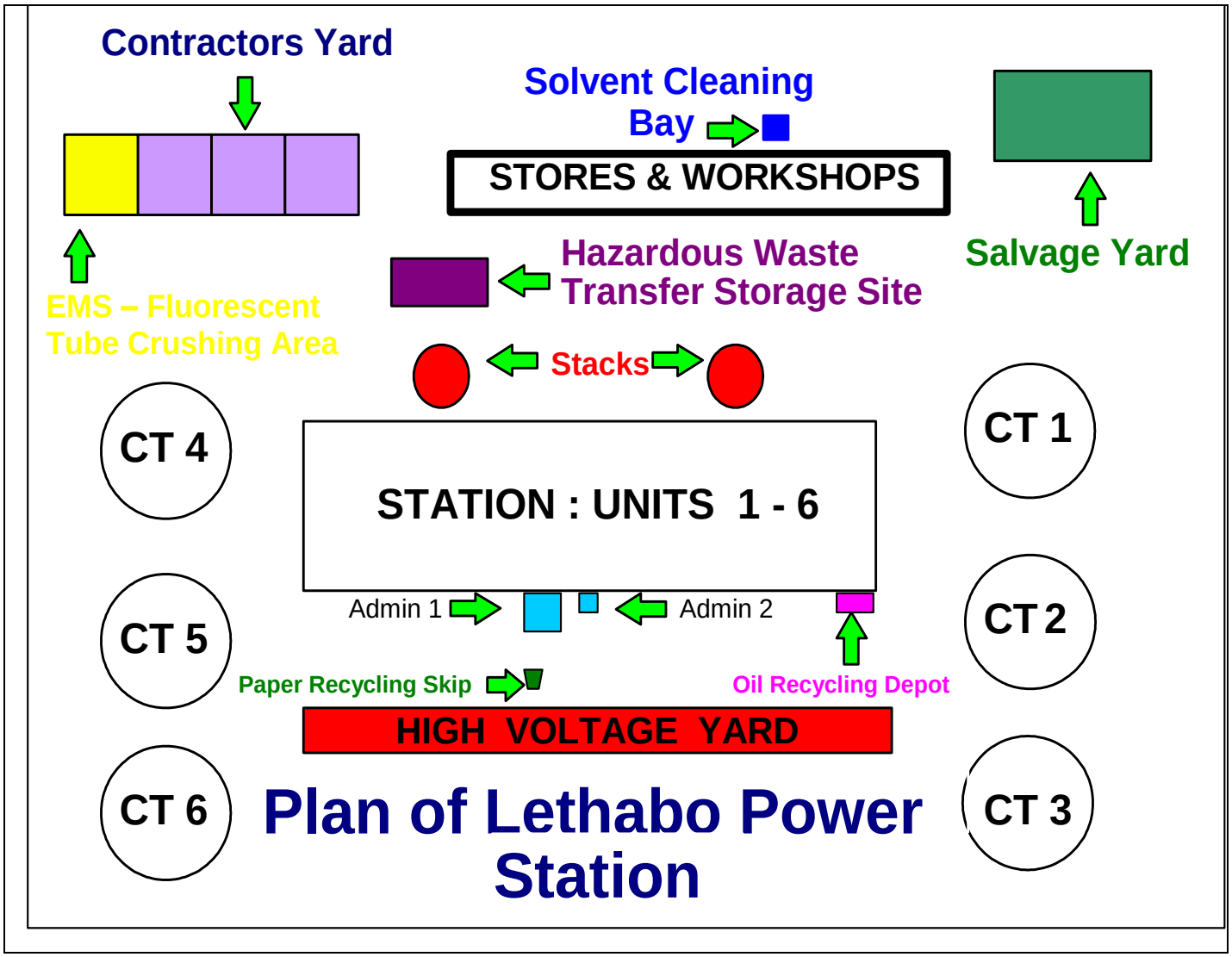
20.1 Disposal of Waste

Waste shall be removed promptly to the designated deposit areas. No stockpiling will be permitted.

- Domestic waste to the white waste bins
- Production waste in the marked bins i.e., coal and ash only
- Paper and cans to their respective recycling bins
- Contact Civil Engineering for the disposal of building rubble
- Scrap metal, Wood & Rubber, Redundant Valves, Pipes, Equipment etc. to be placed in the marked bins in the new Salvage Yard. Solvents and cloths used to the Cleaning Bay.

Accommodation of Employees

- The *Contractor* is responsible for the provision of accommodation or meals of his own personnel, and the cost thereof to be included in his *Price*.
- The *Contractor* is responsible for the provision of transportation for all Personnel to site, from site and on Site.



20.2 Access

- The *Employer* provides access to the *Suppliers'* personnel and equipment.
- If the *Employer* can not provide access, then the *Supplier* makes his own assessment of, and allows in his rates for those access problems due to confined and restricted areas, existing structures and equipment, etc., which may be encountered.
- No extra payment or claim of any kind will be allowed on account of difficulties of access for the requirements of working adjacent to or in the same area as other *Suppliers* operations.

20.3 Access to and Departure from the Site

- The *Supplier* allows in his price and program for delays at the security gate.
- The *Employer* reserves the right for its Security personnel to search persons or vehicles entering or leaving the premises.
- This includes briefcases and toolboxes.

20.4 Equipment or Material Access and Removal

- The *Supplier* ensures that all equipment and materials brought through the security gate is signed in at the main security gate on an OV18 form.
- If the equipment or material is to be removed the same day then the OV18 form will need to be produced at the gate when leaving the site.
- If the equipment or material is removed after this time then a Non Returnable Gate Release needs to be obtained from the *Employer*.
- The *Supplier* is not allowed to remove any equipment or materials from site without producing the relevant OV18 forms or the equipment lists

20.5 Access for and Interface with other Contractors

- The *Employer* provides access for, and interface with, other *Suppliers* to the *Suppliers'* personnel and equipment
- If the *Employer* can not provide access and interface, then the *Supplier* makes his own assessment of the problems and difficulties which may be encountered
- No extra payment or claim of any kind will be allowed on account of providing reasonable access to, and interfacing with others.

20.6 Materials delivered to the *Employer* by the *Supplier* as part of Providing the Services.

- Before access is given to the Site, the *Supplier* is to provide a list of all equipment as supplied by the *Supplier*.

20.7 Restrictions on the use of materials provided by the *Supplier*.

- Any Material provided by the Supplier is restricted to use and copying as required for of this Contract only.

20.8 Form of the programme and procedure for submitting and revising it

- The *Supplier* is to provide the *Employer* on completion of the Task Order a report in the form of a database or manually.

20.9 Drawings

- The *Employer* supply to the *Supplier* on request, any drawings that may be required to provide the Services.

20.10 Site Information

The Site is at Lethabo Power Station situated ± 18 km South of Vereeniging on the Viljoensdrif - Deneysville Road, Free State. Access to the site will by via the main security gate only. The *Employer* informs the *Supplier* of the access procedures, and it should be expected that such procedures may change depending on the prevailing security situation.