NEC3 Supply Contract (SC3)

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

and
(Reg No. _____)

for **SUPPLY AND DELIVERY OF HEATER ELEMENTS TO LETHABO POWER STATION FOR A FIVE (5) YEAR PERIOD ON AN "AS AND WHEN REQUIRED" BASIS**

Contents:

		No of pages
Part C1	Agreements & Contract Data	2
Part C2	Pricing Data	23
Part C3	Scope of Work	36

CONTRACT No.

PART C1: AGREEMENTS & CONTRACT DATA

Contents:		No of pages
C1.1	Form of Offer and Acceptance	3
C1.2a	Contract Data provided by the *Purchaser*	6
C1.2b	Contract Data provided by the *Supplier*	18
C1.3	Proforma Guarantees	20

C1.1 Form of Offer & Acceptance

Offer

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

The Supply and Delivery of Heater Elements to Lethabo Power Station for a Five-Year Period on an "as and when required" basis.

The tenderer, identified in the Offer signature block, has

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

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

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

Note: This agreement is concluded on an "as and when required" basis. Accordingly, the contract price indicated above is an estimate only and shall not be interpreted as a fixed or guaranteed amount of work or payment.
This Offer may be accepted by the Purchaser by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the *Supplier* in the *conditions of contract* identified in the Contract Data.

Signature(s) .....

Name(s) .....

Capacity .....

For the tenderer: .....

(Insert name and address of organisation)

Name & signature of witness .....

Date .....

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

Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)			
Name(s)			
Capacity			
for the Purchaser	**Eskom Holdings SOC Ltd, Megawatt Park, Maxwell Drive, Sandton, Johannesburg, 2199**		
Name & signature of witness		Date	

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

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

	For the tenderer:	**For the Purchaser**
Signature		
Name		
Capacity		
On behalf of	*(Insert name and address of organisation)*	**Eskom Holdings SOC Ltd, Megawatt Park, Maxwell Drive, Sandton, Johannesburg, 2199**
Name & signature of witness		
Date		

C1.2 SC3 Contract Data

Part one - Data provided by the *Purchaser*

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

Clause	Statement	Data
1	**General**	
	The *conditions of contract* are the core clauses and the clauses for Options	
		X1: Price adjustment for inflation
		X2 Changes in the law
		X7: Delay damages
		X13: Performance bond
		X17: Low performance damages
		Z: *Additional conditions of contract*
	of the NEC3 Supply Contract (April 2013) [2]	(If the December 2009 edition is to be used delete April 2013 and replace by December 2013)
10.1	The *Purchaser* is (name):	**Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa**
	Address	**Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg**
	Tel No.	**011 800 8111**
	Fax No.	**N/A**
10.1	The *Supply Manager* is (name):	
	Address	**Lethabo Power Station Private Bag X 415 Vereeniging 1830**
	Tel	**+27 16 457 5267**
	Fax	**N/A**
	e-mail	
11.2(13)	The *goods* are	**Heater Elements**
11.2(14)	The following matters will be included in the Risk Register	• **Unavailability of Access to site due to road**

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

		closure. • **Unavailability of personnel or resources to offload** • **Industrial action onsite**
11.2(15)	The Goods Information is in	**Part 3: Scope of Work and all documents and drawings to which it makes reference.**
11.2(15)	The Supply Requirements as part of the Goods Information is in	**Annexure A to this Contract Data**
12.2	The *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	**Two (2) working days after notification**
2	**The *Supplier's* main responsibilities**	**Data required by this section of the core clauses is provided by the *Supplier* in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data.**
3	**Time**	
30.1	The *starting date* is.	**Date of last signature of the contract as agreed by both parties**
30.1	The *delivery date* of the *goods* and *service*s is:	***goods and services*** / ***delivery date***
		1 **Heater Elements** — **As stipulated on the purchase order**
		Supplier to also keep minimum spares (consignment stock) for items that are not kept at the supplier's warehouse and for items with long lead times. The minimum quantities will be as agreed by both parties
30.2	The *Supplier* does not bring the *goods* to the Delivery Place more than one week before the Delivery Date.	**To be agreed by both parties as and when event arise**
31.1	The *Supplier* is to submit a first programme for acceptance within	**One (1) week after kick-off meeting**
32.2	The *Supplier* submits revised programmes at intervals no longer than	**One (1) week.**
4	**Testing and defects**	
42	The *defects date* is	**Fifty-two (52) weeks after Delivery of each purchase order.**
43.2	The *defect correction period* is	**The Supplier corrects notified Defects within 1**

		week of the defect being notified to the Supplier by the Supply Manager or his/her delegate or such longer period as is reasonable under the circumstances and agreed by the Parties. **Purchaser shall provide access to the Supplier to collect the defected goods for correction or replacement. Supplier shall be liable for Supplier's own costs incurred as a result of such action only**
	and the *defect correction period* for	**Five (5) working days**
5	**Payment**	
50.1	The *assessment interval* is	**Assessment will be done after five (5) days of every delivery.**
51.1	The *currency of this contract* is the	**South African Rand**
51.2	The period within which payments are made is	**Thirty days after assessment and receipt of undisputed contractor tax invoice** **ATTENTION**: Eskom's standard policy on payment term for all contracts valued above R50 000 0000 (Fifty Million Rand), including VAT, is 60 days. Bidders are requested to bear this payment term in mind when submitting bids and concluding contracts.
51.4	The *interest rate* is	**the publicly quoted prime rate of interest (calculated on a 365-day year) charged from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and**
6	**Compensation events**	**Refer to Clause 6 of the NEC3 SC**
7	**Title**	**Refer to Clause 7 of the NEC3 SC**
8	**Risks, liabilities, indemnities and insurance**	
80.1	These are additional *Purchaser's* risks	**1. Obsolete Goods** **2. Preservation** **3. Change in the works information**
88.1	The *Supplier's* liability to the *Purchaser* for indirect or consequential loss, including loss of profit, revenue and goodwill is limited to	**R0.0 (zero Rand)**
88.2	For any one event, the *Supplier's* liability to the *Purchaser* for loss of or damage to the *Purchaser's* property is limited to	**(1) for the *Purchaser's* existing and surrounding property in the care, custody and control of the *Supplier* the amount of the deductible (first amount payable) relevant to**

		the event and **(2) for all other existing *Purchaser's* property the applicable deductible as at contract date**
88.3	The *Supplier's* liability for Defects due to his design which are not notified before the last *defects date* is limited to:	**N/A**
88.4	The *Supplier's* total liability to the *Purchaser*, for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	**The value of the contract price**
88.5	The *end of liability date* is	**One (1) year after Delivery of the whole of the *goods* and *service*s per purchase order *goods* and *service*s.**
9	**Termination and dispute resolution**	
90.1		**NEC3 core clause 9 shall be applied for termination**
		If the amount due for the Supplier's payment of delay damages reaches the limits stated in this Contract Data for Option X7, the Purchaser may terminate the Supplier's obligation to Provide the Goods and Services using the same procedures and payment on termination as those applied for reasons R1 to R15 or R18 stated in the Termination Table.
94.1	The *Adjudicator* is	**the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).**
	Address	**To be known once the dispute arises**
	Tel No.	**To be known once the dispute arises**
	Fax No.	**To be known once the dispute arises**
	e-mail	**To be known once the dispute arises**
94.2(3)	The *Adjudicator nominating body* is:	**the Chairman of ICE-SA, a Division of the South African Institution of Civil Engineering, or its successor body (See www.ice-sa.org.za)**
94.4(2)	The *tribunal* is:	**Arbitration**
94.4(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.
94.4(5)	The place where arbitration is to be held is	**Johannesburg, South Africa**
	The person or organisation who will choose an arbitrator - if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is	**the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.**

10 Data for Option clauses

X1	**Price adjustment for inflation**	**Prices are fixed and firm for the first year and CPA will kick in for subsequent years as follows**
X1.1	The *base date* for indices is	**The base date is one month prior to the tender closing date.**
	The proportions used to calculate the Price Adjustment Factor are:	**proportion** / **linked to index for** / **Index prepared by** **%** / / **SEIFSA Table** **_%** / / **SEIFSA Table** **15%** / / **SEIFSA Table** **15%** / **non-adjustable** / **100%**
X2	**Changes in the law**	**Refer to clause X2 of the NEC3 SC**
X2.1	A change in the law of	**The Republic of South Africa**
X7	**Delay damages**	
X7.1	Delay damages for Delivery are	**Delivery of** / **amount per day** **Line item per purchase order per day until delivery, capped at 10% of the line-item purchase order value.** / **2% per day**
X13	**Performance bond**	
X13.1	The amount of the performance bond is	**10% of the Contract Value** **In the event the supplier is deemed financially unstable, the supplier shall submit a performance bond, issued by a bank, to be acceptable to the Supply Manager before the contract award**
X17	**Low performance damages**	

X17.1	The amounts for low performance damages are:	**Percentage per line item up to a maximum of 10%**	**Performance level**
		1% per day	**for delivery of incorrect specification (Material)**
		1% per day	**for not meeting quality standards including documents**
		1% per day	**for not keeping minimum spares (consignment stock) for items that are not kept at the supplier's warehouse and for items with long lead times. The minimum quantities will be as agreed by both parties**
Z	**The *additional conditions of contract* are**	**Z1 to Z15 always apply for Eskom**	

Z1 Cession delegation and assignment

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

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

Z2 Joint ventures

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

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

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

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

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

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

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

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

Z4 Confidentiality

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

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

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

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

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

Z5 Waiver and estoppel: Add to core clause 12.3:

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

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

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

Without limitation the *Supplier*:

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

safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Supplier's* direction and control, likewise observe and comply with the foregoing.

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

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

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

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

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

Z8 Notifying compensation events

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

Z9 *Purchaser's* limitation of liability

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

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

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

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

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

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

Z12 Ethics

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

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

Z12.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z12.2 The *Purchaser* may terminate the *Supplier*'s obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Supplier* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Purchaser* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Purchaser* can terminate the *Supplier*'s obligation to Provide the Services for this reason.

Z12.3 If the *Purchaser* terminates the *Supplier*'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.

Z12.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Purchaser* does not have a contractual bond with the Committing Party, the *Supplier* ensures that the Committing Party co-operates fully with an investigation.

Z13 Insurance

Z 13.1 Replace core clause 84 with the following:

Insurance cover

84

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

84.2 The *Supplier* provides the insurances stated in the Insurance Table A for events which are at the *Supplier*'s risk from the *starting date* until

the last *defects date* or a termination certificate has been issued.

INSURANCE TABLE A

Insurance against	**Minimum amount of cover or minimum limit of indemnity**
Loss of or damage to the *goods*, plant and materials	The replacement cost where not covered by the *Purchaser*'s insurance. The *Purchaser*'s policy deductible as at Contract Date, where covered by the *Purchaser*'s insurance.
Liability for loss of or damage to property (except the *goods*, plant and materials and equipment) and liability for bodily injury to or death of a person (not an employee of the *Supplier*) caused by activity in connection with this contract	**Loss of or damage to property** *Purchaser*'s property The replacement cost where not covered by the *Purchaser*'s insurance. The *Purchaser*'s policy deductible as at Contract Date, where covered by the *Purchaser*'s insurance. Other property The replacement cost **Death of or bodily injury** The amount required by the applicable law.
Liability for death of or bodily injury to employees of the *Supplier* arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law

Z _13.2 Replace core clause 87 with the following:

Insurance by the *Purchaser*

87

87.1 The *Purchaser* provides the insurances stated in the Insurance Table B

INSURANCE TABLE B

Insurance against or name of policy	**Minimum amount of cover or minimu 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	Per the insurance policy document

Business Interruption	
Nuclear Material Damage Terrorism	Per the insurance policy document

Z14 Nuclear Liability

Z14.1 The *Purchaser* 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.

Z14.2 The *Purchaser* is solely responsible for and indemnifies the *Supplier* or any other person against any and all liabilities which the *Supplier* 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 *Supplier* or any other person or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.

Z14.3 Subject to clause Z14.4 below, the *Purchaser* 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 *Supplier* or any other person, or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.

Z14.4 The *Purchaser* 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.

Z14.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z15 Asbestos

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

AAIA means approved asbestos inspection authority.

ACM means asbestos containing materials.

AL means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.

Ambient Air means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.

Compliance Monitoring means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.

OEL means occupational exposure limit.

Parallel means measurements performed in parallel, yet separately, to existing

Measurements 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 *Purchaser*'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.

Z15.1 The *Purchaser* ensures that the Ambient Air in the area where the *Supplier* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.

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

Z15.3 The *Purchaser* manages asbestos and ACM according to the Standard.

Z15.4 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.

Z15.5 The *Supplier*'s personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.

Z15.6 The *Supplier* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations.

Z15.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Purchaser* at the *Purchaser*'s expense, and conducted in line with South African legislation.

Annexure A: Supply Requirements

The Supply Requirements for this contract are as follows:

1. The requirements for the supply are	Supply and delivery of Heater Elements to Lethabo Power Station for a five (5) year period on an "as and when required" basis	
2. The requirements for transport are	Roadworthy delivery vehicle that is appropriate to deliver the material as per the scope of work to Lethabo Power Station	
3. The delivery place is	Lethabo Power Station Main Stores	
4. Actions of the Parties during supply	**Action**	**Party which does it**
	Giving notice of Delivery	Supplier
	Checking packing and marking before dispatch	Supplier
	Contracting for transport	Supplier
	Pay costs of transport	Supplier
	Arrange access to delivery place	Purchaser
	Loading the *goods*	Supplier
	Unloading the *goods*	Supplier
For international procurement	Undertake export requirements	Supplier
	Undertake import requirements	Supplier
5. Information to be provided by the *Supplier*	**Title of document**	
	Packing lists for cases and their contents	
	Copy of invoice for the *goods*	
	Delivery Note	
	Test results and maintenance manuals	
For international procurement	Licences, authorisations and other formalities associated with export of the *goods*	
	Air Waybill or Bill of Lading with associated landing, delivery and forwarding order	
	The Bill of Entry endorsed by the importation authority	
	Customs work sheets, showing tax, duties and surcharges which the law of the country into which the *goods* are being imported requires the importer to pay	
	Invoice from the importation clearing agent showing airline fees, landing charges, wharfage and dock dues as applicable	
	Specify other import documents required by authorised officials.	

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

C1.2 Contract Data

Part two - Data provided by the *Supplier*

Notes to a tendering supplier:

1. Please read both the NEC3 Supply Contract (SC3)[3] and the relevant parts of its Guidance Notes (SC3-GN)[4] in order to understand the implications of this Data which the tenderer is required to complete.
2. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data
3. Where a form field like this [ ] appears, data is required to be inserted relevant to the option selected. Click on the form field ***once*** and type in the data. Otherwise complete by hand and in ink.

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

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

[3] Either April 2013 or December 2009 Edition as stated by *Purchaser* in Contract Data part 1.
[4] Available from Engineering Contract Strategies Tel 011 803 3008, Fax 086 539 1902, or www.ecs.co.za

C1.3 Forms of Securities

Pro Formas for Bonds & Guarantees

For use with the NEC3 Supply Contract (SC3)

The *conditions of contract* stated in the Contract Data Part 1 may include the following Options:

Option X13: Performance bond

This Options require a bond or guarantee "in the form set out in the Goods Information".
Pro forma documents for these bonds and guarantees are provided here for convenience but are to be treated as part of the Goods Information.

The organisation providing the bond / guarantee does so by copying the pro forma document onto it's letterhead without any change to the text or format and completing the required details. The completed document is then given to the *Purchaser* within the time stated in the contract.

Pro forma Performance Bond – Demand Guarantee (for use with Option X13)

(to be reproduced exactly as shown below on the letterhead of the Bank providing the Bond / Guarantee)

Eskom Holdings SOC Ltd Bank reference No.
Megawatt Park
Maxwell Drive
Sandton
Johannesburg

Date:

Dear Sirs,

Performance Bond – Demand Guarantee for [insert name of *Supplier*] required in terms of contract [insert *Supplier*'s contract reference number or title]

1. In this Guarantee the following words and expressions shall have the following meanings:-

1.1	"Bank" means	[Insert name of Bank], [●] Branch, Registration No. [●]
1.2	"Bank's Address" means	[Insert physical address of Bank]
1.3	"Contract" means	the written agreement relating to providing the *goods* and *service*s, entered into between the *Purchaser* and the *Supplier*, on or about the [●] day of [●] 200[●] (Contract Reference No. [●]) as amended, varied, restated, novated or substituted from time to time;
1.4	"*Supplier*" means	[●] a company registered in accordance with the laws of [●] under Registration No [●].
1.5	"*Purchaser*" means	Eskom Holdings SOC Ltd a company registered in accordance with the laws of the Republic of South Africa under Registration Number [●]
1.6	"Expiry Date" means	the earlier of • the date that the Bank receives a notice from the *Purchaser* stating that all amounts due from the *Supplier* as certified in terms of the contract have been received by the *Purchaser* and that the *Supplier* has fulfilled all his obligations under the Contract, or • the date that the Bank issues a replacement Bond for such lesser or higher amount as may be required by the *Purchaser*.
1.7	"Guaranteed Sum" means	the sum of R[●], ([●] Rand)
1.8	"*goods* and *service*s" means	[insert details from Contract Data part 1]

2. At the instance of the *Supplier*, we the undersigned _____ and _____, in our respective capacities as _____ and _____ of the Bank, and duly authorized thereto, confirm that we hold the Guaranteed Sum at the disposal of the *Purchaser* as security for the proper performance by the *Supplier* of all of its obligations in terms of and arising from the Contract and hereby undertake to pay to the *Purchaser*, on written demand from the *Purchaser* received prior to the Expiry Date, any sum or sums not exceeding in total the Guaranteed Sum.

3. A demand for payment under this guarantee shall be made in writing at the Bank's address and shall:

   - be signed on behalf of the *Purchaser* by a Group Executive, Divisional Executive, Senior General Manager, General Manager or its delegate;
   - state the amount claimed ("the Demand Amount');

- state that the Demand Amount is payable to the *Purchaser* in the circumstances contemplated in the Contract.

4. Notwithstanding the reference herein to the Contract the liability of the Bank in terms hereof is as principal and not as surety and the Bank's obligation/s to make payment:

   - is and shall be absolute provided demand is made in terms of this bond in all circumstances; and
   - is not, and shall not be construed to be, accessory or collateral on any basis whatsoever.

5. The Bank's obligations in terms of this Guarantee:

   - shall be restricted to the payment of money only and shall be limited to the maximum of the Guaranteed Sum; and
   - shall not be discharged and compliance with any demand for payment received by the Bank in terms hereof shall not be delayed, by the fact that a dispute may exist between the *Purchaser* and the *Supplier*.

6. The *Purchaser* shall be entitled to arrange its affairs with the *Supplier* in any manner which it sees fit, without advising us and without affecting our liability under this Guarantee. This includes, without limitation, any extensions, indulgences, release or compromise granted to the *Supplier* or any variation under or to the Contract.

7. Should the *Purchaser* cede its rights against the *Supplier* to a third party where such cession is permitted under the Contract, then the *Purchaser* shall be entitled to cede to such third party the rights of the *Purchaser* under this Guarantee on written notification to the Bank of such cession.

8. This Guarantee:

   - shall expire on the Expiry Date until which time it is irrevocable;
   - is, save as provided for in 7 above, personal to the *Purchaser* and is neither negotiable nor transferable;
   - shall be returned to the Bank upon the earlier of payment of the full Guaranteed Sum or expiry hereof;
   - shall be regarded as a liquid document for the purpose of obtaining a court order; and
   - shall be governed by and construed in accordance with the law of the Republic of South Africa and shall be subject to the jurisdiction of the Courts of the Republic of South Africa.
   - will be invalid and unenforceable if any claim which arises or demand for payment is received after the Expiry Date.

9. The Bank chooses domicilium citandi et executandi for all purposes in connection with this Guarantee at the Bank's Address.

Signed at _____ on this _____ day of _____ 20__

For and on behalf of the Bank

Bank Signatories(s)		
Name(s) (printed)		
Witness(s)		
Bank's seal or stamp		

PART 2: PRICING DATA

NEC3 Supply Contract

Document reference	Title	No of pages
C2.1	Pricing assumptions	24
C2.2	The *price schedule*	**26**

C2.1 Pricing assumptions

How *goods* and *service*s are priced and assessed for payment

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

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

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

Function of the Price Schedule

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

Preparing the *price schedule*

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

It will be assumed that the tendering supplier has

- Read Pages 8, 11, 12 and Appendix 5 of the SC3 Guidance Notes before preparing the *price schedule;*
- Included in his Prices and rates for correction of Defects (core clause 43.1) as there is no compensation event for this unless the Defect is due to a *Supplier’s* risk;
- Spread the cost of doing work he chooses not to list as separate items in the *price schedule* across other Prices and rates in order to fulfil the obligation to Provide the Goods and Services for the tendered total of the Prices;
- Understood that there is no adjustment to lump sum prices in the *price schedule* if the amount, or quantity, of work within that lump sum item later turns out to be different to that which the *Supplier* estimated at time of tender. The only basis for a change to the Prices is as a result of a

compensation event per clause 60.1;
- Understood that the *Supplier* does not have to allow in his Prices and rates for matters that may arise as a result of a compensation event.

Format of the *price schedule*

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

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

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

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

C2.2 the *price schedule*

Material Number	Description	Unit	QTY	Rate	Lead Time
0054334	ELEMENT, HEATER: DIMENSIONS: DIA 56 MM X LG 1.68 M; POTENTIAL: 380 VAC; POWER: 12 KW; MATERIAL: NICR/INCONEL SHEATH; SUPPL P/N: E45054956	EA	100		
0054337	ELEMENT: DIMENSIONS: LG 41 M; MATERIAL: CU/SS; TYPE: THERMAL; REFERENCE NO: IH244; TYPE PYROTENAX; 4.25M COLD LEAD FIELD 1 AND 2; TYPE A; 380 V; POWER: 2.2 KW	EA	600		
0054340	ELEMENT, HEATER: DIMENSIONS: LG 250 MM; POTENTIAL: 230 VAC; POWER: 2 KW; MATERIAL: CR; DRAWING NO: 23.63/52796 REV 1; FOR BOILER MILL TRUNION LUBE OIL IMMERSION; A/CURRENT 50HZ; SIZE: POCKET LENGTH 260MM X ELEMENT LENGTH 240MM; 50MM BSP THREAD; SPECIFICATIONS ETS-0251	EA	1000		
0054360	ELEMENT: DIMENSIONS: DIA 35 X LG 280 MM; MATERIAL: NICR; TYPE: GEYSER; ELEMENT; TYPE: WNS; 11/4 BSP;INCONEL SHEATH; POTENTIAL: 200/220 VAC; POWER: 2 KW	EA	100		
0054362	ELEMENT: DIMENSIONS: DIA 34 X LG 330 MM; MATERIAL: METALLIC/CRNI; TYPE: GEYSER; REFERENCE NO: 526; ELEMENT; CONNECTION 1-1/4 BSP; MATERIAL: NICHROME, INCONEL SHEATH; POTENTIAL: 230 VAC; POWER: 4 KW	EA	100		
0646050	ELEMENT, HEATER: DIMENSIONS: DIA 450 MM X LG 2 M; TYPE: FUEL OIL PLANT STORAGE TANK; POTENTIAL: 380 VAC; POWER: 8 KW; MATERIAL: NICR; TEMPERATURE RATING: 500 DEG C; CURRENT: 12 A; 2 STUDS CONNECTION; DIMENSION: 5CM COLD SECTION; ELEMENT GRATINGS OF 1MM HORIZONTAL & 3MM VERTICAL SPACES IN BETWEEN AS PER DRAWING NO: 23.63/57081	EA	100		
0708181	ELEMENT, HEATER: DIMENSIONS: OD 25 X LG 675 MM; TYPE: CERAMIC; POTENTIAL: 220 V; POWER: 1 KW; RADIUS: 12.5 MM; MATERIAL: C520 CORDIERITE; TEMPERATURE RATING: 100 DEG C; SPECIFICATION: ISO 14617 11; CURRENT: 4.5 A	EA	400		
0773895	ELEMENT, HEATER: DIMENSIONS: LG 2000 MM; TYPE: BUNDLE; POTENTIAL: 380 V; POWER: 70 KW; MATERIAL: INCOLOY 800; 24 X ELEMENTS 11 2 X 4400 X 2917W X 380V X 300C/E X HP ON 50; THERMOCOUPLE POCKET 9 53 X 1 22WT X 1500 TUBE GASKET 490 X 390 X 40 X 3THK; ENCLOSURE 500 X 400 X 200 MB 5040D200 G	EA	6		

0773881	ELEMENT, HEATER: DIMENSIONS: LG 2000 X WD 150 MM; TYPE: BUNDLE; POTENTIAL: 380 V; POWER: 40 KW; MATERIAL: INCOLOY 800; HEATER ELEMENT BUNDLE TOTAL ELEMENTS 15 X 2666W; MILD STEEL ENCLOSURE 300 X 300 X 200 MB3030D200 G INSERTION RUBBER GASKET 250 X 250 X 3THK; EXTENSION COLLAR ELEMENTS 016 X 1 5WT X 160 TUBE THERMOCOUPLE POCKET 09 53 X 1 2WT X 1500 TUBE; FLANGE 200NB ASA 150LB BL RF; BAFFLE SUPPORTS 08 X 1815	EA	12		

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	1
C3.1	*Purchaser*'s Goods Information	
C3.2	*Supplier*'s Goods Information	
	Total number of pages	

C3.1: *PURCHASER'S* GOODS INFORMATION

Contents

Contents

Part 3: Scope of Work 3
C3.1: *Purchaser's* Goods Information 4
1. Overview and purpose of the *goods* and *service*s 5
2. Specification and description of the *goods* 5
2.1 Purchaser's design 5
2.2 Procedure for submission and acceptance of *Supplier*'s design 6
2.3 Use of *Supplier*'s design 6
2.4 Manufacture & fabrication 6
2.5 Factory acceptance testing (FAT) 6
2.6 Other tests and inspections and commissioning in place of use 6
2.7 Operating manuals and maintenance schedules 6
3. Supply Requirements 6
4. Specification of the *service*s to be provided 7
5. Constraints on how the *Supplier* Provides the Goods 7
5.1 Programming constraints 7
5.2 Work to be done by the Delivery Date 7
5.3 Marking the *goods* 7
5.4 Constraints at the delivery place and place of use 8
5.5 Cooperating with Others 8
5.6 Services & other things to be provided by the *Purchaser* or *Supplier* 8
5.7 Management meetings 8
5.8 Documentation control 8
5.9 Health and safety risk management 8
5.10 Environmental constraints and management 9
5.11 Quality 9
5.12 Invoicing and payment 9
5.13 Contract change management 10
5.14 Provision of bonds and guarantees 10
5.15 Records of Defined Cost, payments & assessments of compensation events to be kept by the Supplier 10
6. Procurement 10
6.1 Other requirements related to procurement 10
7. List of drawings 10
7.1 Drawings issued by the *Purchaser* 10
C3.2 *Supplier*'s Goods Information xii

1. Overview and purpose of the *goods* and *service*s

The supply and delivery of Heater Elements to Lethabo Power Station for a five (5) year period on an "as and when required" basis.

2. Specification and description of the *goods*

Material Number	Description	Unit
0054334	ELEMENT, HEATER: DIMENSIONS: DIA 56 MM X LG 1.68 M; POTENTIAL: 380 VAC; POWER: 12 KW; MATERIAL: NICR/INCONEL SHEATH; SUPPL P/N: E45054956	EA
0054337	ELEMENT: DIMENSIONS: LG 41 M; MATERIAL: CU/SS; TYPE: THERMAL; REFERENCE NO: IH244; TYPE PYROTENAX; 4.25M COLD LEAD FIELD 1 AND 2; TYPE A; 380 V; POWER: 2.2 KW	EA
0054340	ELEMENT, HEATER: DIMENSIONS: LG 250 MM; POTENTIAL: 230 VAC; POWER: 2 KW; MATERIAL: CR; DRAWING NO: 23.63/52796 REV 1; FOR BOILER MILL TRUNION LUBE OIL IMMERSION; A/CURRENT 50HZ; SIZE: POCKET LENGTH 260MM X ELEMENT LENGTH 240MM; 50MM BSP THREAD; SPECIFICATIONS ETS-0251	EA
0054360	ELEMENT: DIMENSIONS: DIA 35 X LG 280 MM; MATERIAL: NICR; TYPE: GEYSER; ELEMENT; TYPE: WNS; 11/4 BSP;INCONEL SHEATH; POTENTIAL: 200/220 VAC; POWER: 2 KW	EA
0054362	ELEMENT: DIMENSIONS: DIA 34 X LG 330 MM; MATERIAL: METALLIC/CRNI; TYPE: GEYSER; REFERENCE NO: 526; ELEMENT; CONNECTION 1-1/4 BSP; MATERIAL: NICHROME, INCONEL SHEATH; POTENTIAL: 230 VAC; POWER: 4 KW	EA
0646050	ELEMENT, HEATER: DIMENSIONS: DIA 450 MM X LG 2 M; TYPE: FUEL OIL PLANT STORAGE TANK; POTENTIAL: 380 VAC; POWER: 8 KW; MATERIAL: NICR; TEMPERATURE RATING: 500 DEG C; CURRENT: 12 A; 2 STUDS CONNECTION; DIMENSION: 5CM COLD SECTION; ELEMENT GRATINGS OF 1MM HORIZONTAL & 3MM VERTICAL SPACES IN BETWEEN AS PER DRAWING NO: 23.63/57081	EA
0708181	ELEMENT, HEATER: DIMENSIONS: OD 25 X LG 675 MM; TYPE: CERAMIC; POTENTIAL: 220 V; POWER: 1 KW; RADIUS: 12.5 MM; MATERIAL: C520 CORDIERITE; TEMPERATURE RATING: 100 DEG C; SPECIFICATION: ISO 14617 11; CURRENT: 4.5 A	EA
0773895	ELEMENT, HEATER: DIMENSIONS: LG 2000 MM; TYPE: BUNDLE; POTENTIAL: 380 V; POWER: 70 KW; MATERIAL: INCOLOY 800; 24 X ELEMENTS 11 2 X 4400 X 2917W X 380V X 300C/E X HP ON 50; THERMOCOUPLE POCKET 9 53 X 1 22WT X 1500 TUBE GASKET 490 X 390 X 40 X 3THK; ENCLOSURE 500 X 400 X 200 MB 5040D200 G	
0773881	ELEMENT, HEATER: DIMENSIONS: LG 2000 X WD 150 MM; TYPE: BUNDLE; POTENTIAL: 380 V; POWER: 40 KW; MATERIAL: INCOLOY 800; HEATER ELEMENT BUNDLE TOTAL ELEMENTS 15 X 2666W; MILD STEEL ENCLOSURE 300 X 300 X 200 MB3030D200 G INSERTION RUBBER GASKET 250 X 250 X 3THK; EXTENSION COLLAR ELEMENTS 016 X 1 5WT X 160 TUBE THERMOCOUPLE POCKET 09 53 X 1 2WT X 1500 TUBE; FLANGE 200NB ASA 150LB BL RF; BAFFLE SUPPORTS 08 X 1815	EA

2.1 Purchaser's design

The Supplier shall supply goods that fully comply with the specifications, drawings, standards, and requirements set out in the Contract Data and the Goods Information

The goods shall be new, of merchantable quality, free from defects in design, materials, and workmanship, and suitable for the intended purpose as described in the Contract

Any deviations from the specified requirements must be formally submitted for approval by the Purchaser before delivery.

The Supplier shall ensure that any materials or components used in the goods are compatible with Eskom's operational environment and meet Eskom's safety and environmental requirements

The Supplier shall package and mark the goods in accordance with best industry practices and any specific instructions provided by the Purchaser to prevent damage during transit and storage.

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

The Supplier shall supply goods that fully comply with the specifications, drawings, standards, and requirements set out in the Contract Data and the Goods Information

Any deviations from the specified requirements must be formally submitted for approval by the Purchaser before delivery.

2.3 Use of *Supplier*'s design

The *Purchaser* is allowed to use the designs, drawings and documents for the purpose of verifying goods supplied goods and the fulfilment of PQP/ CQP/QCP

2.4 Manufacture & fabrication

Not Applicable

2.5 Factory acceptance testing (FAT)

The *Supply Manager* will inform the *Supplier* on the purchase order if factory acceptance test is required before delivery. The factory acceptance test will be performed by the engineer from Eskom. The Supply Manager shall provide the information of engineer to witness factory acceptance test. The test procedure or plan must be shared with the *Supply Manager* for acceptance before the actual testing date.

2.6 Other tests and inspections and commissioning in place of use

All goods are to be tested, and quality checked by the *Supply Manager* engineers upon Delivery. The *Supplier* does not need to witness the test and quality checks.

2.7 Operating manuals and maintenance schedules

Where applicable; test certificates, material certificate, manuals, General Arrangement (GA) drawing/s, Approved Inspection Authority (AIA) stamp and signature provided as required. All documents must be obtained during or before delivery of goods.

Data capturing forms information must be supplied and must meet an acceptable level

3. Supply Requirements

The following are supplier's requirements:

a) The Heater Elements will be supplied to the "goods received" section of the Lethabo main store where they will be received by the material management section. The materials will be delivered with all of the required data books and certificates, where required.

Lethabo Stores Working Times:

Monday – Thursdays: 07h00 – 16h00
Fridays:07H00 – 12h00

b) Only once the spares have passed the Quality control checks and are booked into the system can payment be affected.

c) The Delivery and Transport Costs (including off-loading items) must be included in the quotation.

The following packaging requirements should be adhered to:

a) The material shall be packaged in such a manner that they can be transported and stored for an extended period of time without resulting in damage to the spares.

b) This includes damage due to moisture ingress, corrosion, vibration from the power station etc.

c) Where lifting gear is utilized to move the goods, the packaging should allow the lifting operation and ensure that the goods are not damaged in any way during the process.

d) It will also not be necessary to open packaging for any lifting or transport operation.

e) Where eyebolts are fitted to move the goods, these eyebolts should be fitted in such a way that they can be easily removed and replaced with the Purchaser's eyebolts, ensuring that the packaging stays intact.

f) Where possible the packaging should ensure that parts can be positively identified through the packaging. Where this is not possible, the packaging should allow opening and closing of the packaging and still maintain the packaging integrity afterwards.

g) Delivery packaging to have the following detail on it as a minimum (removable adhesive sticker if possible):

- Order number,
- A short description of the component
- Eskom stock number
- Manufacturing date, where possible

4. Specification of the *service*s to be provided

Refer to Lethabo Power Station scope of work for the supply and delivery of Heater Elements for a five (5) year period on an "as and when required" basis.

5. Constraints on how the *Supplier* Provides the Goods

5.1 Programming constraints

All Goods shall be delivered in accordance with Clause 30.1 of this Contract, and any delays or changes to the delivery date shall be dealt with in accordance with Clause 16.1 of this Contract.

5.2 Work to be done by the Delivery Date

Not applicable to this contract.

5.3 Marking the *goods*

The Supplier shall mark all goods clearly and durably in accordance with the Purchaser's requirements and applicable standards.

Each item shall be labelled with at least the following information:

- Purchase Order number
- Supplier's name or identification
- Item description and part number or stock code
- Batch or serial number (where applicable)
- Date of manufacture or packing

The marking shall be legible, resistant to damage, and positioned so as not to impair the function or appearance of the goods.

Any deviations from these marking requirements must be approved in writing by the Purchaser prior to delivery

5.4 Constraints at the delivery place and place of use

The Supplier shall adhere to Eskom speed limit of 40 km/h while driving on site. The preferred delivery times are Monday to Thursday between 07:00-16:00 and Friday between 07:00-12:00. However, for urgent delivery, the Supplier will communicate with the Supply Manager to agree on the time and date of delivery.

The Supplier shall adhere to Eskom Life Saving rules.

5.5 Cooperating with Others

The Supplier cooperates with the Lethabo Power Station stores personnel during Delivery.

The Supplier co-operates with the Purchasers team in ensuring that the goods are delivered in accordance with all requirements.

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

a) The Supplier provides offloading people to assist with offloading at receiving.

NB: The Supplier offloading team names must be part of the valid approved safety file

5.7 Management meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	When the need arises	TBC	Purchaser, Supplier, and Cross functional team members
Overall contract progress and feedback	When the need arises	TBC	Purchaser, Supplier, and Cross functional team members

Meetings of a specialist nature may be convened as specified elsewhere in this Goods Information or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the manufacture of the *goods*. Records of these meetings shall be submitted to the *Supply 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.

5.8 Documentation control

All contractual communications will be in the form of properly compiled letters or forms attached to e-mails and not as a message in the e mail itself.

The manufacturing data books shall be submitted in hardcopy and soft copy format.

5.9 Health and safety risk management

a) The Supplier complies with Section 10 of Occupational Health and Safety Act (Act No.85 of 1993) when manufacturing any goods for this Contract.
b) The Supplier shall comply with Site health and safety requirements for Lethabo Power Station when delivering goods
c) Site Delivery safety requirements to be adhered to - And can be obtained through the Purchaser's Manager In line with the SHE specification

d) The Supplier submits safety file for approval before access is granted
e) The Supplier maintains the safety file validity in line with Site requirements
f) The mode of transport for Delivery should comply with Site requirement in line with issued SHE specification
g) Supplier to update their safety file yearly and each time they make changes on their staff or personnel
h) The Supplier ensures that when changing a team member, the new team gets inducted and all process of safety file approval is adhered to- before gaining access to site

5.10 Environmental constraints and management

The Supplier shall comply with the environmental criteria and constraints when doing deliveries at Lethabo Power Station premises regarding:

a) The vehicle used for Delivery; by ensuring that there are no oil spillages, and the vehicle emission is not emitting beyond limits
b) The material used for supporting the goods being delivered are correctly disposed and are without harm to environment. The Supplier must comply with Site Environmental management plan (EMP) and other requirement.
c) The Supplier complies with Environmental aspect and impact register
d) The Supplier complies with all Site environmental management procedures, especially the waste management and oil spillages.

5.11 Quality

Supplier must ensure that product is packaged and transported in such a way that it safe, well stacked and preserved.

To ensure conformance to Quality Management Systems Standards the following standards must be followed:

- ISO 9001:2015 Quality Management System requirements.
- ISO10005 – Quality Management System Guidelines for Quality Plans
- ISO10006 – Quality Management Systems Guidelines for Quality Management in Projects
- ISO10007 – Quality Management Systems Guidelines for

Configuration Management ISO31000 – Risk Management Principles &

Guideline.

5.12 Invoicing and payment

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

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

- Name and address of the *Supplier* and the *Supply Manager;*
- The contract number and title;
- *Supplier*'s VAT registration number;
- The *Purchaser*'s VAT registration number.
- Description of *goods* and *service*s provided for each item invoiced based on the Price Schedule;
- Total amount invoiced excluding VAT, the VAT and the invoiced amount

Including VAT; Procedure for invoice submission and payment

- All Electronic invoices must be sent in PDF format only.
- An Invoice that was printed and then scanned to PDF by the Vendor is not acceptable as this is not an original tax invoice by SARS definition but a copy.
- The following wording needs to appear on the invoice: "Your invoice is encrypted in order to comply with SARS requirements that invoices, and statements sent electronically are tamperproof."
- All queries and follow up on invoice payments should made by contacting the FSS Contact Centre: Tel: 011 800 5060 or email: fss@eskom.co.za.

5.13 Contract change management

The change management process to be followed as per the core clause 16.1. Any verbal instruction/communication must be backed with a written instruction; the use of minutes, letters or emails is accepted. Any communication must go through the *Purchaser*'s manager.

5.14 Provision of bonds and guarantees

The form in which a bond or guarantee required by the *conditions of contract* (if any) is to be provided by the *Supplier* is given in Part 1 Agreements and Contract Data, document C1.3, Sureties.

The *Purchaser* may withhold payment of amounts due to the *Supplier* until the bond or guarantee required in terms of this contract has been received and accepted by the person notified to the *Supplier* by the *Supply Manager* to receive and accept such bond or guarantee. Such withholding of payment due to the *Supplier* does not affect the *Purchaser*'s right to termination stated in this contract.

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

Early warning to be given by any of the Parties as soon either becomes aware of matters that could increase the total of total Prices, delay Completion etc. All the Compensation events will be implemented through the raising of an early warning. See NEC Core clause 16.1 and 63.1 and 63.2.

6. Procurement

6.1 Other requirements related to procurement: SDL&I

Objective criteria

7. List of drawings

7.1 Drawings issued by the *Purchaser*

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

Drawing number	Revision	Title

C3.2 *SUPPLIER*'S GOODS INFORMATION

This section of the Goods Information will always be contract specific depending on the nature of the *goods* and *service*s.
It is most likely to be required for supply contracts where the tendering supplier will have proposed specifications and schedules for the *goods* and *service*s, which once accepted by the *Purchaser* prior to award of contract now become obligations of the *Supplier* per core clause 20.1.

This section could also be compiled as a separate file.