



NEC3 Term Service Contract (TSC3)

Provision of Civil Maintenance Services at Komati Power Station for a period of 24 months

**Between ESKOM HOLDINGS LIMITED
(Reg No. 2002/015527/06)**

and (Reg No.)

**for Provision of Civil Maintenance Services at Komati
Power Station for a period of 24 months**

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CONTRACT No.

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Part one - Data provided by the *Employer*

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

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
		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
		X18: Limitation of liability
		X19: Task Order
		Z: Additional conditions of contract
	of the NEC3 Term Service Contract April 2013 ¹ (TSC3)	
10.1	The <i>Employer</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state-owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	011 803 3008
	Fax No.	011 803 3009
10.1	The <i>Service Manager</i> is (name):	Samuel Dooka
	Address	R35 Road Between Middelburg and Bethal Komati Power Station Private Bag Blink pan 2250

¹ Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902 www.ecs.co.za

	Tel	013 295 9679
	Fax	08612928061
	e-mail	DookaSC@eskom.co.za
11.2(2)	The Affected Property is	Komati Power Station
11.2(13)	The <i>service</i> is	Civil Maintenance
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 makes reference.
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	3 working days
2	The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the Contractor in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The <i>Contractor</i> submits a first plan for acceptance within	Not applicable
3	Time	
30.1	The <i>starting date</i> is.	
30.1	The <i>service period</i> is	24 months
4	Testing and defects	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
5	Payment	
50.1	The <i>assessment interval</i> is	Between the 25th day of each successive month.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	4 weeks.
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365-day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of

		such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and (ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption “Money Rates” in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.
6	Compensation events	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 <i>Employer's</i> risks	Not applicable
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	as stated for “Format TSC3” available from Dhevlen Bisetty at 011 800 2714 Email: Bisett@eskom.co.za Moses Mmutle at 011 800 4062 Email: CMmutleM@eskom.co.za Krishan Chaithoo at 011 800 4455 Email: ChaitK@eskom.co.za (See Annexure A for basic guidance).
83.1	The <i>Employer</i> provides these additional insurances	as stated for “Format TSC3” available from Dhevlen Bisetty at 011 800 2714 Email: Bisett@eskom.co.za Moses Mmutle at 011 800 4062 Email: CMmutleM@eskom.co.za Krishan Chaithoo at 011 800 4455 Email: ChaitK@eskom.co.za (See Annexure A for basic guidance)

83.1	The <i>Contractor</i> provides these additional insurances:	Not applicable
83.1	The minimum amount of cover for insurance against loss and damage caused by the <i>Contractor</i> to the <i>Employer's</i> property is	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available from Dhevlen Bisetty at 011 800 2714 Email: Bisett@eskom.co.za Moses Mmutle at 011 800 4062 Email: CMmutleM@eskom.co.za Krishan Chaithoo at 011 800 4455 Email: ChaitK@eskom.co.za
83.1	The insurance against loss of or damage to the <i>works</i> , Plant and Materials is to include cover for Plant and Materials provided by the <i>Employer</i> for an amount of	Total contract value
83.1	The minimum amount of cover for insurance in respect of loss of or damage to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor's</i> Providing the Service for any one event is:	Whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i>.
83.1	The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract for any one event is:	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor's</i> common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rands)..
9	Termination	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.
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than	2 weeks.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i>	the person selected from the ICE-SA Division (or its successor body) of the

		South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.
W1.4(2)	The <i>tribunal</i> is:	arbitration
W1.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.
	The place where arbitration is to be held is	[Gauteng] South Africa
	The person or organisation who will choose an arbitrator - if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.
12	Data for secondary Option clauses	
X1	Price adjustment for inflation	
X1.1	The <i>base date</i> for indices is	
X2	Changes in the law	There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.
X18	Limitation of liability	
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	R0.0 (zero Rand)
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or	the amount of the deductibles relevant to the event described in the "Format TSC3"

	damage to the <i>Employer's</i> property is limited to	insurance policy available from Dhevlen Bisetty at 011 800 2714 Email: Bisett@eskom.co.za Moses Mmutle at 011 800 4062 Email: CMmutleM@eskom.co.za Krishan Chaithoo at 011 800 4455 Email: ChaitK@eskom.co.za
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	The greater of - the total of the Prices at the Contract Date - and - the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles in the <i>Employer's</i> assets and works / maintenance policies available from Dhevlen Bisetty at 011 800 2714 Email: Bisett@eskom.co.za Moses Mmutle at 011 800 4062 Email: CMmutleM@eskom.co.za Krishan Chaithoo at 011 800 4455 Email: ChaitK@eskom.co.za
X19	Task Order	
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	days of receiving the Task Order
Z	The additional conditions of contract are	Z1 to Z11 always apply.
Z1	Cession delegation and assignment	
Z1.1	The <i>Contractor</i> does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the <i>Employer</i> .	
Z1.2	Notwithstanding the above, the <i>Employer</i> may on written notice to the <i>Contractor</i> cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry.	
Z2	Joint ventures	
Z2.1	If the <i>Contractor</i> constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the <i>Employer</i> for the performance of this contract.	

Z2.2	Unless already notified to the <i>Employer</i> , the persons or organisations notify the <i>Service Manager</i> within two weeks of the Contract Date of the key person who has the authority to bind the <i>Contractor</i> on their behalf.
Z2.3	The <i>Contractor</i> does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the <i>Employer</i> having been given to the <i>Contractor</i> in writing.
Z3	Change of Broad Based Black Economic Empowerment (B-BBEE) status
Z3.1	Where a change in the <i>Contractor's</i> legal status, ownership or any other change to his business composition or business dealings results in a change to the <i>Contractor's</i> B-BBEE status, the <i>Contractor</i> notifies the <i>Employer</i> within seven days of the change.
Z3.2	The <i>Contractor</i> is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the <i>Service Manager</i> within thirty days of the notification or as otherwise instructed by the <i>Service Manager</i> .
Z3.3	Where, as a result, the <i>Contractor's</i> B-BBEE status has decreased since the Contract Date the <i>Employer</i> may either re-negotiate this contract or alternatively, terminate the <i>Contractor's</i> obligation to Provide the Service.
Z3.4	Failure by the <i>Contractor</i> to notify the <i>Employer</i> of a change in its B-BBEE status may constitute a reason for termination. If the <i>Employer</i> terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.
Z4	Confidentiality
Z4.1	The <i>Contractor</i> 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 <i>Contractor</i> , enters the public domain or to information which was already in the possession of the <i>Contractor</i> at the time of disclosure (evidenced by written records in existence at that time). Should the <i>Contractor</i> disclose information to Others in terms of clause 25.1, the <i>Contractor</i> ensures that the provisions of this clause are complied with by the recipient.
Z4.2	If the <i>Contractor</i> is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the <i>Service Manager</i> .
Z4.3	In the event that the <i>Contractor</i> is, at any time, required by law to disclose any such information which is required to be kept confidential, the <i>Contractor</i> , to the extent permitted by law prior to disclosure, notifies the <i>Employer</i> 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 <i>Contractor</i> 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 <i>service period</i> , requires the prior written consent of the <i>Service</i>

	<i>Manager</i> . All rights in and to all such images vests exclusively in the <i>Employer</i> .
Z4.5	The <i>Contractor</i> 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 <i>Service Manager</i> or the <i>Adjudicator</i> 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 <i>Contractor</i> undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the <i>service</i>. Without limitation the <i>Contractor</i>: • accepts that the <i>Employer</i> 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 <i>service</i>; and • undertakes, in and about the execution of the <i>service</i>, 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 <i>Contractor’s</i> direction and control, likewise observe and comply with the foregoing.
Z6.2	The <i>Contractor</i> , in and about the execution of the <i>service</i> , 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 <i>Contractor’s</i> 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 <i>Service Manager</i> in terms of core clause 51.1, the <i>Contractor</i> provides the <i>Employer</i> with a tax invoice in accordance with the <i>Employer’s</i> procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.
Z7.2	If the <i>Contractor</i> does not provide a tax invoice in the form and by the time required by this contract, the time by when the <i>Employer</i> 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 <i>Employer</i> in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.
Z7.3	The <i>Contractor</i> (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 <i>Employer's</i> 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 <i>Contractor</i> 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	<i>Employer's</i> limitation of liability
Z9.1	The <i>Employer's</i> liability to the <i>Contractor</i> for the <i>Contractor's</i> indirect or consequential loss is limited to R0.00 (zero Rand)
Z9.2	The <i>Contractor's</i> entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the <i>Employer's</i> 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 <i>Contractor</i> or a third party, such party's employees, agents, or Subcontractors or Subcontractor's employees, or any one or more of all of these parties' relatives or friends,
Coercive Action	means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,
Collusive Action	means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,
Committing Party	means, as the context requires, the <i>Contractor</i> , or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,

Corrupt Action	means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,
Fraudulent Action	means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,
Obstructive Action	means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action and
Prohibited Action	means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.
Z 11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.	
Z 11.2 The <i>Employer</i> may terminate the <i>Contractor's</i> obligation to Provide the Service if a Committing Party has taken such Prohibited Action and the <i>Contractor</i> did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the <i>Employer</i> 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 <i>Employer</i> can terminate the <i>Contractor's</i> obligation to Provide the Service for this reason.	
Z 11.3 If the <i>Employer</i> terminates the <i>Contractor's</i> obligation to Provide the Service for this reason, the procedures and amounts due on termination are respectively P1, P2, P3 and P4, and A1 and A3.	
Z 11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the <i>Employer</i> does not have a contractual bond with the Committing Party, the <i>Contractor</i> ensures that the Committing Party co-operates fully with an investigation.	

Annexure A: Insurance provided by the Employer

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

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

Dheven Bisetty at 011 800 2714

Email: Bisett@eskom.co.za

Moses Mmutle at 011 800 4062

Email: CMmutleM@eskom.co.za

Krishan Chaithoo at 011 800 4455

Email: ChaitK@eskom.co.za

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:

Provision of Civil Maintenance Services

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	
	Value Added Tax @ 15% is	
	The offered total of the amount due inclusive of VAT is ²	
	Four million five hundred and ninety-six thousand seven hundred and sixty-seven rands fifty two cents only	

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:	Procurement Manager		
For the tenderer:			
Name & signature of witness	(Insert name and address of organisation)	Date:	
Tenderer's CIDB registration number:			

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

Appendices

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 original copy of this document, including the Schedule of Deviations (if any).

Signature(s):			
Name(s):			
Capacity:	Procurement Manager		
for the Employer:	Komati Power Station		
Name & signature of witness:	(Insert name and address of organisation)	Date:	

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

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

Note:

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

No.	Subject	Details
1		Not applicable
2		
3		
4		
5		
6		
7		

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

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

	For the tenderer:		For the Employer
Signature:			
Name:			
Capacity:			Procurement Manager

On behalf of:	<i>(Insert name and address of organisation)</i>		
Name & signature of witness			
Date:			

C1.2 Contract Data

Part two - Data provided by the *Contractor*

Notes to a tendering contractor:

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name):	
	Address	
	Tel No.	
	Fax No.	
11.2(8)	The <i>direct fee percentage</i> is	
	The <i>subcontracted fee percentage</i> is	
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	Scope of work
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are:	
	1 Name:	
	Job:	
	Responsibilities:	
A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	
11.2(19)	The tendered total of the Prices is	

PART 2: PRICING DATA

TSC3 Option A

Document reference	Title
C2.1	Pricing assumptions: Option A
C2.2	The <i>price list</i>

C2.1 Pricing assumptions: Option A

The *conditions of contract*

How work is priced and assessed for payment

Clause 11 in NEC3 Term Service Contract, June 2005 (TSC3) core clauses and Option A states:

Identified and defined terms	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
		(17) The Price for Services Provided to Date is the total of • the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and • where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

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

Function of the Price List

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

Link to the *Contractor's* plan

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

Preparing the *price list*

It will be assumed that the tendering contractor has read Pages 14, 15 and 73 of the TSC3 Guidance Notes before preparing the *price list*. Items in the *price list* may have been inserted by the *Employer* and the tendering contractor should insert any additional items which he considers necessary. Whichever party provides the items in the *price list* the total of the Prices is assumed to be fully inclusive of everything necessary to Provide the Service as described at the time of entering this contract.

- 1 As the *Contractor* has an obligation to correct Defects (core clause 42.1) and there is no compensation event for this unless the Defect was due to an *Employer's* risk, the lump sum Prices and rates must also include for the correction of Defects.
- 2 If the *Contractor* has decided not to identify a particular item in the *price list* at the time of tender the cost to the *Contractor* of doing the work must be included in, or spread across, the other Prices and rates in the *price list* in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.
- 3 There is no adjustment to lump sum prices in the *price list* if the amount, or quantity, of work within that lump sum item of service later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event. See Clause 60.1.
- 4 Hence the Prices and rates tendered by the *Contractor* in the *price list* 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.
- 5 The *Contractor* does not have to allow in his Prices and rates for matters that may arise as a result of a compensation event. It should be noted that the list of compensation events includes those arising as a result of an *Employer's* risk event listed in core clause 80.1.

Format of the *price list*

(From page 73 of 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*

ITEM NR	DESCRIPTION	UNIT	QUANTITY	Rate	Amount
100	PRELIMINARIES and GENERALS				
	Office supply				
	Site Establishment (Once Off)	Sum	1	.	
	Site De-establishment (Once off)	Sum	1		
	Health & Safety Requirements	Sum	1		
	Equipment required	Sum	1		
	PPE	Per Year	2		
	Medicals	Per Year	2		
	Vehicle LDV	Monthly	24		
	Training	Monthly	24		
	Stationery	Monthly	24		
	Beverages	Monthly	24		

200	Side Crew Labour-Normal time				
	Site Crew Labour – Normal Time		No. of Personnel	Average Hours	Amount
	Site Supervisor	Hour	1	173	
	Planner	Hour	1	173	
	Artisan Plumbing	Hour	2	173	
	Artisan Bricklayer	Hour	1	173	
	Artisan Carpenter	Hour	1	173	
	Painter	Hour	2	173	
	Artisan Assistants	Hour	4	173	
	Travelling	Per Km	1		

300	Overtime Rates Only (After hours and Saturday)				
	Overtime Rates Only (After hours & Saturday)	Unit	Rate	Average Hours/month	Amount
	Site Supervisor	Hour			
	Planner	Hour			
	Artisan Plumbing	Hour			
	Artisan Bricklayer	Hour			
	Artisan Carpenter	Hour			
	Painter	Hour			
	Artisan Assistants	Hour			

400	Overtime Rates Only (After hours & Sunday)	Unit	Rate	Average Hours/monthly	Amount
	Site Supervisor	Hour			
	Planner	Hour			
	Artisan Plumbing	Hour			
	Artisan Bricklayer	Hour			
	Artisan Carpenter	Hour			
	Painter	Hour			
	Artisan Assistants	Hour			
500	Standby Allowance	Unit	Rates	Quantity	Amount
	Artisan Plumbing	Monthly		24	
	Artisan Bricklayer	Monthly		24	
	Bricklayer	Monthly		24	
	Painter	Monthly		24	
	Artisan Assistants	Monthly		24	

	Subtotal 500				
	Total (100+200+500)				

PART 3: SCOPE OF WORK

Document reference	Title
	This cover page
C3.1	<i>Employer's Service Information</i>
C3.2	<i>Contractor's Service Information</i>

C3.1: EMPLOYER'S SERVICE INFORMATION

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Description of the service

1.1 Executive overview

The sole purpose of this contract is to provide Civil Maintenance at Komati Power Station. The Contractor will be expected to conduct preventative maintenance as per maintenance strategy from and corrective maintenance based on notifications that will be raised to maintain the plant and ensure the smooth operation of the plant. The contractor will be expected to have specific number of competent people on site on a permanent basis to execute maintenance work. The contractor will also be expected to attend daily meetings to discuss plant related issues and any other issues regarding this contract. The contractor will also be expected to work together with different contractors, share all necessary information that will be required for the smooth running of the plant.

1.2 Employer's requirements for the service

The scope is the provision of Civil Maintenance Komati Power Station for a period of two years

1. Description of the service

Routine inspections, repairs to the civil infrastructure on an as when required basis.

1.1 Carry out Schedule Maintenance, Corrective Maintenance, and Inspections on the following parts of plant:

Supervisor: with the following but not limited to roles:

The planned scope of work is for the provision of maintenance on the civil systems and infrastructure. The *Contractor* is thus responsible for maintenance on the civil buildings.

1. Cladding & Roof Sheeting

Description

The Works entails inspection, and repairs to all building roof sheeting and cladding.

The remedial actions are as follows. In most cases, the actions described are general maintenance functions.

Maintenance to station buildings and all workshops including cleaning of gutters, roofing, plumbing, glazing, carpentry, tiling and painting. Drain Septic tanks

1. Treatment and repainting of sheeting / gutters / down pipes.
2. Realignment of gutters and down pipes.
3. Clearing of debris: gutters and hail guards.
4. Replacement of washers / bolts / screws.
5. Resealing of side and end laps.
6. Replacement of badly effected elements / defective materials.
7. Introduction of duckboards.

All inspections shall be done on a daily to identify defects

2. Building Gutters & Down pipes

Description:

The Works entails inspection and repairs to the brickwork, roof, floors, carpentry and fixtures.

It is anticipated that general maintenance would be required as follows:

- Painting
- Flooring upgrades/ repairs
- Door replacements
- Glazing repair
- Ceiling repairs
- Cleaning of all gutters and down pipes
- Carpentry and joinery repairs

All inspections shall be done on a weekly basis to identify defects.

3. Roads & Culvers

Description:

The Works entails inspection, cleaning and repairs to the road surface and culverts.

- The remedial measures for roads can be divided into maintenance activities referred to as short- term holding actions and rehabilitation long term actions.
- The short-term action will essentially be a holding action to preserve the pavement in its present condition until funds are available for a rehabilitation option. Rehabilitation or upgrading will include reconstruction activities and is aimed at restoring the pavement to its original or newly determined capacity.
- The following short-term holding activities are recommended as a minimum i.e. Pothole repairs and crack sealing;

Inspection Frequency

All inspections shall be done on a weekly basis to identify defects.

4. Surface Drains

Description

The Works entails inspection, cleaning and repairs to all silt traps, dissipater structures and surface drains i.e., clean water, central, dirty water.

All inspections shall be done on a monthly basis to identify defects.

5. Sub face Drains

Description

The Works entails inspection, cleaning and repairs to all sub-surface drains. Typical remedial actions are as follows. In certain cases, these remedies are general maintenance functions.

Cracking and spilling of concrete.

If drain outlets are blocked, clean as required.

Where relevant, investigations should be undertaken to determine whether the clean storm water can be separated from the dirty water system to reduce the risk of the two mixing and causing a discharge of contaminated water into the environment. Management plans should be formulated for the routine operation of the station drains and storm water reticulation system. Contingency plans for any environmental incidents, which may result from abnormal conditions (arising from natural or station related activities), should be prepared.

Supervisor—to do the following but not limited to:

Minimum qualification Trade in civils and 3 years related experience.

Technical and Plant knowledge in relation to the Scope of Work.

Supervision of jobs at hand in the plant

Reporting on status of plant. Guiding the subordinates in carrying out activities and ensuring that it is done to the best quality and reasonable timing.

Ensure the execution plans, PM's and CMs are executed timely, effectively and safely.

Supervisor to be able to identify risks on job lead in formulation of the risk assessment.

Supervisor to be aware of all safety procedures related to his area of responsibility.

Artisans: — to do the following but not limited to:

Artisan with Civil qualification and 3 years related experience.

To be trainable to be able to use overheads cranes and lifting requirement form straight lifts.

Artisan Assistant—to do the following but not limited to:

To assist artisan with executing tasks should have basic knowledge of civil work including equipment and tools.

Planner: — to do the following but not limited to:

Minimum qualification Trade in civils and 3 years related experience in SAP.

Attend Works Management meetings and to give feedback pertaining planning and execution.

Ensure the execution plans, PM's and CMs are executed timely, effectively, and safely.

The employer will provide the following:

Workshop facilities

Any specialized tools required to execute certain specialized jobs

The *Employer's* computerised maintenance management system (SAP) is used for all planned maintenance, defects, and history recording etc. The *Employer* will provide Plant Safety Regulations training to the *Contractor*.

The scope of work covers only Civil work, should there be any Electrical and/or Control and Instrumentation (C & I), and relevant departments will be liaised with.

Employer will provide crane, forklifts and any other specialized equipment required transporting heavy equipment to and from the plant.

Employer will provide rigging services for any complex rigging activities else the contractor to do rigging for any basic rigging activities

1.3 Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
CM	Corrective Maintenance
NCR	Non-Conformance Report
LAR	Limited Access Register
ENG	Engineering Civils
IBI	Integrated Business Improvement
PM	Preventive Maintenance
QCP	Quality Control Plan
WM	Work Management
WP	Work Package
SAP	Systems, Applications and Products in Data Processing
SAP PM	SAP Plant Maintenance
SAP QIM	SAP Quality Issue Management
TECO	Technical Completion 9 of Work Orders) in SAP

The following definitions are used in this Service Information:

Definition	Description
Call horizon	A period when routine maintenance plans are called in SAP (PM work orders ready to be processed).
Critique	Work is reviewed individually and, in the aggregate, to establish needed improvements to the work.
Emergent work	Priority 1 work is emergency work. An emergency has a direct or an indirect impact on production, human safety, the environment, equipment, and/or costs, the determination of which is guided by the Work Prioritisation Procedure. Work of this nature will interrupt scheduled work and must commence immediately. The execution of emergency work will continue uninterrupted either the risk has been mitigated or the work has been completed.
Execution	Work is performed, and after testing, plant equipment is returned to service.
Notification	A document created by SAP PM to capture technical history to functional locations or equipment of a corrective action as a result of maintenance, modification, or inspection and testing activities on the station's systems and components. This document notifies the responsible section of an identified defect where maintenance is required.
Maintenance	A combination of all technical, administrative, and managerial actions during the life cycle of an item intended to retain it in, or restore it to, a state in which it can perform the required function.
Maintenance activities	Maintenance activities do not only refer to activities performed by the Maintenance Group; they also include activities performed by other groups, for example, Performance and Testing, Operating, and Risk Management Groups, where predictive or preventive maintenance activities are specified in the Maintenance Strategies.
Planning	The process of determining the resources, methods, and processes needed to perform maintenance work efficiently and effectively. Note: planning is different from scheduling. The short definition of planning is to decide what, how, and when.
Preparation	Stakeholders review scoped work to ensure that it can be supported and performed as scheduled.
Preventive maintenance	Maintenance carried out at predetermined intervals or according to prescribed criteria and intended to reduce the probability of failure or the degradation of the functioning of an item.
Routine work management	The combination of technical, administrative, and managerial actions aimed at ensuring that all work is properly identified, planned, scheduled, assigned, executed, and completed in pursuit of the work management objectives. The process by which maintenance work activities, whether preventive maintenance or corrective maintenance, that require plant coordination and/or scheduling integration are implemented.
Scheduling	The process of determining what jobs are worked on, when, and by whom based on the priority and resource/equipment availability. Note: this process should take place before the job is executed. The short definition of scheduling is when and by whom.
Scoping	Multiple sources are reviewed to determine what work should be performed in a given period, usually a work week, for online work or for a system.
Work management	The process by which maintenance, modifications, surveillances, testing, engineering support, and any work activities that require plant coordination or schedule integration are implemented.

Work order	A document generated in the CMMS (SAP PM) to plan, schedule, control, implement, and record the costs of maintenance, modifications, surveillances, or inspection and testing activities on the station's systems and equipment. It is typically printed as a shop paper for use in the field when work is performed.
Work package	A collection of maintenance documents such as the work order, work instruction, and any other supporting material (drawings, diagrams, manuals, weld process sheets, operating experience, safety analysis, permits, etc.) used to control and record work in the plant from the time of work identification to the satisfactory completion of the corrective and/or preventive maintenance action and return to service of the plant.
Work priority	An established predefined set of criteria to denote the level of urgency and importance of plant and equipment deficiencies.
Work request	The document initiated to identify plant deficiencies or to request other work.

2 Management strategy and start up.

2.1 The *Contractor's* plan for the service

The *Contractor* to produce a method statement on how they will carry out civil maintenance. The Method Statement should include the resources to be used when executing maintenance, tool and equipment how will the *Contractor* manage the technical risks that will emanate while executing maintenance. The *Contractor* to identify technical risk and come up with the mitigating factors that will be used for managing the risks.

The *Contractor* submits a programme of durations to the *Service Manager*, the *Service Manager* reviews the programme and agrees with the *Contractor* on durations and the *Contractor* adheres to the agreed programmes. Should the *Service Manager* not agree with the *Contractor* regarding the durations on the programme, the *Contractor* reviews the programme and re-submits the programme according to the *Service manager* and the *Contractor's* agreement.

The *Contractor* submits the programme of durations to the *Service Manager* within 24 hours for every activity planned except for emergent work. In the case of Emergent work, the *Contractor* submits the programme of durations to the *Service Manager* within 3 hours of the breakdown.

The *Contractor* adheres to the *Employer's* maintenance planning system (SAP). All defects and potential failures will be recorded on the *Employer's* maintenance planning system (SAP). Defects are listed and corrective actions planned according to priority. Where a Permit to Work is required the work will be planned in conjunction with the relevant Production Manager.

The *Contractor's* is expected to make use of software project management tools to assist them in the planning and scheduling of their workload and have the functionality to provide the *Employer* with a project plan, in a schedule of work for day-to-day activities.

The *Employer's Supervisor* shall meet with the *Contractor* on a daily basis to discuss the activity list that must be performed. The *Contractor* shall be required to perform these activities in accordance with all relevant information, guidelines and restrictions contained in each work package, and report back to the Supervisor on a daily basis.

Completion of each activity shall consist of the closing of the completed activity on the *Employer's* Computerised Maintenance Management System, and the receipt by the *Employer* of the written record of the activity as completed by the *Contractor*.

2.2 Management meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	as and when the risk emanated, dates and times will be communicated	Service manager's Office on MT Join Microsoft Teams Meeting	Contractor, Service Manager, Eskom Supervisor, Contractor Supervisor
Overall contract progress and feedback	Monthly (dates and time will be communicated)	Service Manager's Office on MT Join Microsoft Teams Meeting	<i>Employer, Contractor and Eskom Contract Supervisor</i>
Toolbox talk	Mon-Fri at 07H00	Site Workshop on MT	<i>All Contractors</i>
Check in meeting	Mon-Fri at 07H30	Auxiliary Boardroom on MT Join Microsoft Teams Meeting	Site Manager and Eskom Supervisors
Group Safety Meeting	Monthly (dates and time will be communicated)	Bonisang 1 on MT Join Microsoft Teams Meeting	Contractor Safety Officer, Contract SHE Rep and Site Manager
Executive SHEQ Meeting	Monthly (dates and time will be communicated)	Bonisang 1 on MT Join Microsoft Teams Meeting	Contractor Safety Officer, Contract SHE Rep and Site Manager

The *Contractor* should be flexible to attend any other ad hoc meetings that will be scheduled by the *Service Manager*, should the Contractor be in a position not to attend the meeting he/she should send the Contractor Representative preferable the Contractor Supervisor

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

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

2.3 Contractor's management, supervision and key people

The *Contractor* maintains all year round the agreed base crew. The Contractor supervises the base crew. Changes to the base crew are negotiated with the *Service Manager* and must be confirmed in writing. The base crew shall have all applicable hand tools required for the works, and shall be certified to work on the applicable Plant and Equipment. The base crew is negotiated and agreed with the *Service Manager*. The number and mix of which may change from time to time with co-operation between the Parties. The base crew generally performs assigned inspections, planned and corrective maintenance and supplies maintenance documentation as per the *Employer's* Maintenance Management System (SAP).

The base crew may (to differing degrees) be involved in the following additional duties and/or activities:

- The writing and/or revising of station plant and work-related instructions and procedures.
- The writing and/or revising of related quality control documents and programs.
- Condition and performance monitoring.
- Trouble shooting and problem solving.
- The Contractor provides standby services outside normal working hours. Call outs for emergency work associated with the plant identified in the scope. The stand-by requirements and the call out response time shall not exceed one hour after receiving a call to the time when the standby person reports on site
- An agreed minimum number of persons on the permanent base crews, must be authorised Responsible Persons, to take out plant permits as per Eskom's Plant Safety Regulations, and such authorisation shall be maintained through the term of this contract.
- During periods of lower work assignments, the Base Crew may execute other work assignments e.g. plan future, perform general maintenance, etc.

The *Contractor's* employees may be required to sign an ethics and non-disclosure agreement prior to providing the Work required by this contract.

The *Contractor's* base crew normal working hours are to (as closely as possible) match those of the *Employer's* maintenance department working hours (minimum 40 hours per week).

The *Contractor's* supervisor(s) of the base crew will be required to perform at least, but not limited to, the following duties:

- Report daily to the relevant *Employer's Service Manager (or Delegate)*, or
- Liaise with the *Employer's* various groups other than maintenance (such as Engineering and Operating etc.) regarding identified potential problems, modifications etc., as required.
- Obtain authorisation as a Responsible Person, in terms of Eskom's Plant Safety Regulations.

2.4 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 *Contractor* is given in Part 1 Agreements and Contract Data, document C1.3, Sureties.

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

2.5 Documentation control

Communications will be always filed and kept on site, as it is crucial to have the correct communication structures. These communication documents should always adhere to the NEC 3 Term Service Contract communication requirements.

Contractor Document Submission Schedule (CDSS)

Document Name/Description	Date/Time documents to be submitted
Baseline risk assessment	A month before start of the work
QCP's	Every time any work can commence, particularly work that emanates from the Scope Submitted by Engineering, corrective work will require check sheets of work done in the absence of Eskom Supervision.
<i>Contractor's</i> Safety file	a Month before start of work
Inspection report	24 hours after inspection activities are completed
Technical report and data pack	Within 7days of completion of the services

2.6 Invoicing and payment

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

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

- Name and address of the *Contractor* and the *Service Manager*.
- The contract number and title.
- *Contractor's* VAT registration number.
- The *Employer's* VAT registration number 4740101508.
- Description of service provided for each item invoiced based on the Price List.
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT;
- (add other as required)

All invoices and payments will be managed in conjunction to invoice submission and payment PCM: 240-66204115, Procedure 32-1084 and Procedure 32-1088.

2.7 Contract change management

Any change of the *Contractor's* company ownership should be communicated through to the *Service Manager*. Failing to do this may lead to contract termination with legal consequences.

The correct processes and procedures will be communicated through to the *Contractor* by the *Service Manager*.

If the *Employer's Service Manager* Change the *Contractor* will be notified by the *Employer* as soon as possible to ensure that the *Contractor* follow the correct communication channels.

2.8 Records of Defined Cost to be kept by the Contractor

In order 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.

The *Contractor's* Site Manager will complete the site daily log and this will be submitted to the *Service Manager* for his signature before 12 am of the following morning barring weekends. The Friday and weekend logs will be submitted before 12 am Mondays. The log will include but not be limited to the following:

- Date and day.
- Weather.
- Site Conditions.
- Work Done.
- People who are employed by the *Contractor*
- Work sub-contracted by the *Contractor*
- Any incidents during that period.

Any communication and documentation during this service agreement to be filed in the contract file. This file is always in the possession of the *Service Manager*.

2.9 Insurance provided by the Employer

As stated in Contract Data and as per Annexure A within this Service Agreement.

2.10 Training, workshops and technology transfer

The *Service Manager* may request a detailed workshop or bar charts, which fit into the logic and time, span of the accepted programme, and reflects the required manufacturing completion dates.

The *Contractor* should create a programme for training on the plant for the *Employer's* nominated employees if required from the *Service Manager*.

This training should be relevant for the *Employer's* employees to perform front line fault-finding or maintenance.

The *Employer will provide* SAP related and Plant Safety Regulations training, The *Employer* will only be liable for the training costs of initial courses. If the *Contractor's* employees fail the course, the cost to repeat the course will be for the *Contractor's* own account. The same applies if an employee of the *Contractor* resigns / re-allocates, the *Contractor* will train a new employee at his cost, inclusive of the employee's normal labour costs for the duration of the course.

The *Contractor* is to ensure a sufficient number of employees trained to compensate for the unavailability of employees.

The following Training are a requirement and is a must for the Contractor to have Prior Start with work

- SAP Training for the planner and Supervisor
- Working on heights
- Risk Assessment
- Safety Rep

The Contractor to ensure that all training Certificates are valid and to ensure that re-training is done to his/her employees prior the current certificate expire.

The Contractor should Maintain Training Records at all times

The *Contractor* to Ensure his / her employees get refresher training on an as and when required basis.

All the employees of the *Contractor* must attend a Safety Induction Course, free of charge, 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.

It will be the responsibility of the *Contractor* to carry all cost for the training that will be covered in this contract.

The *Contractor* should be able to provide training for any other work that might emanate on this contract due to unforeseen circumstances.

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

2.11.1 Equipment

The *Contractor* is to hand over a serviceable plant to the *Employer* by the end of this contract.

2.11.2 Information and other things

The *Contractor* has the right to use Equipment, Plant, and Materials as stated in this Service Information provided by the Employer to provide the service.

At the end of the service period, the *Contractor* returns all Equipment and surplus materials to the Employer. Provides items of equipment for the Employer's use as stated in the Service Information and provides information and other things as stated in the Service Information.

2.12 Management of work done by Task Order

The *Contractor* performs work in accordance with the prior issue of a Task Order from the *Service Manager* or his delegate and completes it within the period as agreed to between the parties.

The *Contractor* also performs plant maintenance work; work on related outages after the issue of a Task Order. If requested the *Contractor* also develops procedures applicable to the performance of designated tasks and submits the procedures to the *Service Manager* for acceptance. All works provided comply with the standard specifications, procedures and Site regulations.

Should the *Contractor* be unable to supply the resources required to complete a Task Order within the period specified, he immediately notifies the *Service Manager* to this effect in writing. The notification includes recommendations as to how the work can be completed.

A Task Order includes:

- A detailed description of the work in the Task
- A priced list of items of work in the Task in which items taken from the Price List are identified.
- The starting and completion dates for the Task
- Conditions of the service agreement is in accordance with the Task Order issued

No Task Order is issued after the end of the service period.

When any emergencies do arise, it is required from the Contractor to adhere to the following terms:

- The Contractor will be informed of emergencies when the Service Manager first becomes aware of it.
- Response time within 1 hour for any communication when the Contractor acknowledges the emergency.
- Provide a programme within 8 hours after Task Order provided to the Contractor
- Mobilise within 5 hours after Task Order have been accepted by both parties.

Health and safety, the environment and quality assurance

2.13 Health and safety risk management

The Contractor undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the service. Without limitation the Contractor: accepts that the Employer may appoint him as the "Principal Contractor" (as defined and provided for under the Construction Regulations 2003 (promulgated under the Occupational Health & Safety Act 85 of 1993) ("the Construction Regulations") for the Affected Property; warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations.

All applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the service; and undertakes, in and about the execution of the service, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the Contractor's direction and control, likewise observe and comply with the foregoing.

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.

2.14 Environmental constraints and management

All service providers appointed to render any services within Eskom Komati Power Station are required to comply with the station's Environmental Management System requirements.

NB: Before commencing with any work, the service providers are required to visit the station's environmental section for evaluation. The station's environmental practitioner will evaluate the services to be rendered by the service provider and therefore allocate relevant legal and other requirements documents, which the Contractor shall comply with during the works.

The service provider shall then commence with the works but paying inordinate attention towards implementing the relevant legal and other requirements measures as agreed in the register. Failure to comply with this agreement may ultimately lead to the termination of this contract. This requirement shall also be clearly stipulated in the NEC contracts between Eskom Komati Power Station and any service

It should always be noted that Komati Power Station is ISO14001 certified and therefore promotes Integrated Environmental Management (IEM) philosophy, which aims to achieve a desirable balance between conservation and development. All activities taking place within Komati Power Station must consider section 28 of the National Environmental Management Act (107 of 1998) which makes provision for the duty of care approach. The contractor's team must commit to review and to continually improve environmental management, with the objective of improving overall environmental performance. The *Contractor* must consult with Komati Environmental section on a regular basis for on-going assistance and advice.

The EMS shall clearly cover the following areas as per ISO 14001:

- Environmental policy
- Environmental legal and other requirements
- Risk Assessments/Aspects & Impacts Register
- Improved management of monitoring and measurement documentation (e.g. devices calibration certificates)
- Provision of necessary resources (e.g., computers, adequate human resource) and allocation of roles and responsibility (through clear appointments) to achieve effective implementation of the EMS. Continuous commitment towards complying with operational controls such as work instructions, operational procedures, etc. (provided either by the Contractor or by Service Manager) as well as emergency preparedness and response procedures/plans.

The contractor shall continually evaluate the compliance to legal requirements (e.g. sewage treatment plant permits and other applicable legislation); this should also be documented within the monthly environmental site inspections reports.

- Komati Power Station's procedure for non-conformity, corrective action and preventive actions shall be followed in case of the environmental incidents.

- Contingency plans.

Environmental Management Programmes

- Environmental Management Programmes shall be established and maintained to ensure that objectives and targets are achieved.

Audits

Audits covering various Environmental aspects, Safety, Operational, IBI and Maintenance Management at the plant shall be carried out within an acceptable interval to ensure compliance with statutory requirements and Eskom's policies, Directives, procedures etc.

2.15 Quality assurance requirements

The *Contractor* shall be required to demonstrate by means of a Contract Quality Plan (CQP) that this organisation is so structured that all the requirements of the specification will be properly monitored and controlled. The Contract Quality Plan (CQP), which must include the Quality Control Plan (QCP), is to be drafted in accordance with QM-58 and the Supplier Contract Quality Requirement Specification (QM58). The Quality documents are to be submitted for approval to the *Service Manager* within thirty (30) days after a contract has been awarded to the Contractor.

No work may commence unless the Contract Quality Plan and Quality Control Plan documents have been approved in writing and a copy submitted to the *Service Manager*. The Contractor, in conjunction with the *Service Manager* must sign off all Quality Control documents after completing all work as per the agreed scope. The Contractor to submit a copy of the final signed off documents/data packages to the *Service Manager* within one (1) week after completion of work.

The *Contractor* shall be required to read and fully understand the contents of the Supplier Contract Quality Requirement Specification (QM58) and a copy is to be kept in possession or on premises.

The *Contractor* shall comply with all Employer's requirements as set out in QM-58 (Supplier Contract Quality Specification).

The *Contractor* further ensures that the subcontractor's programmes comply with the requirements of the Service Information.

The *Contractor* notifies the *Service Manager* of any changes to the Quality System and obtains agreement prior to implementation on existing orders and contracts, or sub orders and subcontracts.

The Supplier Contract Quality Requirement Specification (QM58) shall remain applicable in the event of the contract being extended or modified for reasons permitted.

By signature and acceptance of this contract the Contractor acknowledges and agrees to comply with and adhere to Eskom's policies and procedures (current and/or latest revisions) including the Supplier Contract Quality Requirement Specification (QM58).

3.3.1 Contract Quality Management Plan Requirement

The *Contractor* prepares a contract quality management plan that, where appropriate, indicates the following:

- Indicates the interface with the *Contractors* quality system and applicable documents such as procedures and work instructions
- Establishes communication channels between the *Contractor* and the *Service Manager* in respect of quality and the integration of such with the prescribed contract communication channels
- Indicates how specific subcontractors will be monitored
- Identifies items or activities for which quality control plans will be prepared
- Identifies the specifications, drawings and acceptance criteria for material for which quality control plans are not required
- Identifies the areas or processes requiring special controls
- Identifies the *Contractor's* Management Representative and personnel responsible for the control of quality activities and their relationship to the *Contractor's* management structure
- Identifies the documents, which are to be submitted to the *Service Manager*
- Indicates the *Contractor's* quality monitoring programme\

The *Contractor* periodically updates the contract quality management plan to reflect changes in any of the above details. The frequency of such updates is determined by the *Service Manager* but will not be greater than one year.

3.3.2 Quality Control Plan

The *Contractor* or Subcontractor's quality control plans cover inspection and test proposals for items or activities to be supplied as part of the service.

The quality control plan indicates the following as appropriate:

- The identification of the item.
- A list of the sequence of operations including inspections and tests.
- The identification of the specification, drawings or procedures for each operation.
- The acceptance criteria with reference to the appropriate technical specification, in-house, national or international standard and relevant clause number.
- The inspections and tests the Contractor has nominated for hold and witness points.
- Provision for inspections and tests nominated by the *Service Manager*.
- Provision for inspection status indication.
- Inspection and test records which are generated by the Contractor.
- Competence of the people-Level II welding inspector, Coded welders, N3 Fitters /Boilermakers
- Personnel qualifications from approved training and accredited institute
- ITPs and welding procedures
- Material certificates
- Organogram indicating the quality person and his/her duties
- Adhere to the QM58
- Follow the Eskom welding rulebook

The quality control plans are reviewed by the *Service Manager* to allow for insertion of his specific requirements, including hold and witness points, prior to commencement of work. The Contractor does not commence work until the *Service Manager* accepts.

3 Procurement

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

3.1 People

3.1.1 Minimum requirements of people employed

It is the Contractor's sole responsibility to ensure all its employees have permits to perform work in the Republic of South Africa.

Key persons may be mutually agreed upon between the Parties. Such key persons can only be replaced by mutual agreement between the *Contractor* and the Employer's *Site Service Manager*.

In the absence of any of the *Contractor's* key persons for any reason the *Contractor* shall ensure that provision of the works is not affected by making available suitably qualified replacements

3.1.2 BBEE and preferencing scheme

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 *Service Manager* within seven days of the change.

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*.

Where, as a result, the *Contractor's* B-BBEE status has decreased since the starting date the Employer may either re-negotiate this contract or alternatively, terminate the Contractor's obligation to provide the service.

Failure by the Contractor to notify the Employer of a change in its B-BBEE status may constitute a reason for termination will be dealt with according to the NEC3 TSC penalty/termination clauses

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

N/A

3.2 Subcontracting

3.2.1 Preferred subcontractors

TSC3 does not make use of nominated subcontracting, but the *Employer* may list which subcontractors or suppliers the *Contractor* is required to enter into subcontracts with. This is usually only required where specialist services need to be obtained from a particular supplier or group of suppliers in order to comply with operational standards.

3.2.2 Subcontract documentation, and assessment of subcontract tenders

Specify any constraints on how the *Contractor* is to prepare subcontract documentation, whether use of the NEC system is compulsory or not (compulsory is recommended) and how subcontract tenders are to be issued, received, assessed (using a joint report?) and awarded.

3.2.3 Limitations on subcontracting

N/A

3.2.4 Attendance on subcontractors

N/A

3.3 Plant and Materials

3.3.1 Specifications

Plant and Materials are defined as items intended to be included in the Affected Property. This will refer to replacement of worn or defective parts, routine replacement as part of regular preventative maintenance and supply of spare parts.

The *Contractor* will be expected to maintain the plant in accordance to the Maintenance Strategy defined by the System Engineer. The Maintenance Strategy will be made available to the *Contractor* when required, development of PM's will be the sole responsibility of Eskom Representative and should assistance be required for the *Contractor*, it will be discussed and agreed with the contractor in writing.

The Employer will be responsible for the procurement of spares and ensuring that spares are available to the contractor when required. The *Contractor* will inform the Employer of the spares that are required and are not available at stores' *Contractor* will work together with the Employer for maintaining the minimum and maximum quantities at stores.

The *Contractor* will be responsible for drawing off and collection of spares from the stores in order to use them in the plant. Proper process of drawing off spares will be followed. at the end of each month the contractor will be responsible for producing report to the *Service Manager* of the Spares used in the plant for that particular month.

3.3.2 Correction of defects

Defects that emanate from the previous work that was done by the Contractor will be the sole responsibilities of the contractor. The contractor to make use of the Quality processes to ensure that there are no re-works or defects that comes out of the previous work that was done on a particular plant area.

Should there be defects that needs to be corrected, the contractor submit the programme of duration to correct these defects together with the budget quote for the works. an early waring will be issued either by the *Service Manager* or the *Contractor*, informing each other of the defect and the duration and the cost involved for the correction of these defects.

The contractor will be responsible for producing a Quality plan to the Service Manager detailing how he is going to ensure that quality work is done on plant.

3.3.3 Contractor's procurement of Plant and Materials

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

3.3.4 Tests and inspections before delivery

The *contractor* will together with the Employer be responsible for Quality checking of items (spares) delivered at stores. Material management will inform the Employer of items delivered at stores and the Employer will together with the *Contractor* go to stores withing 24 hours to Quality check the spares delivered. Both Employer and the Contractor should keep copies of the accepted items

Should the spares be correct, the *Contractor* and the Employer will accept spares delivered at stores and sign relevant documentation.

Should the spares be incorrect, the *Contractor* together with the Employer will reject the incorrect spares delivered and fill in required documentation (rejection form) and hand over documentation to Materials management. Both the Employer and the *Contractor* should keep copies of the rejected items.

The Service Manager might at times require the *Contractor* to be part of the Test run or QC items/spares at the Supplier's premises. The *Contractor* ensures the availability of his/her delegate to travel together with the Employer's representative to go and Quality check and/or test run of the spares at the supplier's premises.

3.3.5 Plant & Materials provided "free issue" by the Employer

The Employer will supply material and Spares. Unless otherwise agreed to the contrary, the *Employer* does not supply accommodation and feeding facilities for the *Contractor*, the *Contractor's* employees or their families.

The *Employer's* computerised maintenance management system (SAP) is used for all planned maintenance, defects, and history recording etc.

The Workshop, complete with:

- Storeroom, Offices, Ablution facilities, Kitchen and Tearoom.
- Work benches
- Overhead Crane
- Compressed Air supply
- 220V and 380V power supplies
- Potable water
- Common ablution facilities
- Telecommunication connection and telephone (instrument), usage costs for the *Contractor's* account
- LAN connection points

- Desktop computer hardware (number to be agreed upon) loading with the *Employer's* supplied software.
- Office Equipment
- Radios: the contractors need to motivate their specific hand-held radio requirement to the *Service Manager*, who, if approved, will issue an agreed number of radios to the *Contractor*.
- Office furniture
- Equipped kitchen
- Tearoom furniture
- Change room lockers

The *Employer* does not guarantee continuity of water and electricity supply and no claims for standing time as a result of water shortages or power failure will be considered.

A written request, indicating the *Contractor's* requirements is submitted to the *Supervisor/Service Manager* as soon as possible after the Contract Date.

3.3.6 Cataloguing requirements by the *Contractor*

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

Working on the Affected Property

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

3.4 *Employer's site entry and security control, permits, and site regulations*

Security Arrangement in concordance with Komati Power Station Reference PAB20028

- a) The *Contractor* applies for permits at the Security gate, prior to the starting date.
- b) All *Contractors'* personnel will be issued with a temporary access permit, which will contain the following information:
 - Name.
 - ID Number.
 - Company.
 - Validity date.
- c) In order to assist Protective Services with the using of permits and the identification of the personnel on site, the *Contractor* is to supply a list of all personnel that he intends using on site, at least 24-hours prior to entry of the Security Area. The list, identified with the *Contractor's* name, is to contain the following information:
 - Employee name.
 - Employee ID number.
 - *Employer's Service Manager* Signature.
 - Copy of the first page of the ID book of every employee of the *Contractor*.
- d) The *Contractor* personnel will be required to be always in possession of their contractor's permit. All *Contractors'* permits must be submitted to Protective Service when the relevant personnel leave the site after completion of the works. The *Contractor's* visitors and all personnel always conform to the security arrangements in force at the time.
- e) No unauthorized vehicles are allowed on site. Only Contractor's vehicles with displayed contract vehicle permit disks will be allowed on site. Contract vehicle Permit Applications should be directed to the Employer's Representative.
- f) The Contractor is restricted to the working areas associated with his place of work. The Contractor is forbidden to enter any other areas and must ensure that his employees abide by these regulations.
- g) Lost or damaged permits may be re-issued at a cost to be paid to the Employer by the Contractor.
- h) Road signs and the speed limit on site are adhered to. Vehicles may only be parked in designated areas.
- i) Personnel and vehicles entering and leaving the Site are subject to routing searches.

- j) Cameras including cell phones with camera facilities must be declared and handed in at the Security reception.
- k) No firearms, Ammunition or explosives are allowed on the Power Station premises.
- l) No recruiting of casual Labour may be done on the Power Station premises, including the immediate area outside the Power station security gate.

The *Employer* provides electrical power from an existing distribution point to the *Contractor* for the purpose of construction. The *Contractor* is responsible for all connections and cable from the supply point. 220V supply is available, however continuous supply is not guaranteed.

The *Employer* supplies, free of charge, reasonable quantities of potable water required for the purposes of this contract from the existing taps. The *Contractor* provides, at his own cost, all connection fittings, pipe work, temporary plumbing, and pumps necessary to lead the water from the *Employer's* points of supply to the various points where it is required. The *Contractor* further maintains and removes these on completion of the contract.

A Medical Station, Fire Protection and Rescue Service are available on site during normal working hours at a cost to be agreed to with the various services and through consultation with the *Service Manager*.

Outside the *Employer's* office hours, the *Employer's* First Aid Service is available on standby. The *Employer* is entitled, however, to recover the cost incurred for the use of the above facilities from the *Contractor*.

The *Contractor* must ensure that all his personnel attend a Health and Safety Induction Course presented by the Power station free of charge prior to commencement with the Works. This is a three (3) hour course and is valid for the duration of one (1) year at the Power Station.

Employer's Health and Safety Requirements:

In carrying out obligations to the *Employer* in terms of this contract; in providing the *works*; in using Plant, Materials and Equipment; and while at the Site for any reason, the *Contractor* complies and procures and ensures the compliance by its employees, agents, Subcontractors and mandatories with:

The provisions of the Occupational Health and Safety Act 85 of 1993 (as amended) and all regulations in force from time to time in terms of that Act ("the OHSA"); and The Eskom "Safety, Health and Environmental Requirements for Contractors" document attached to the Works Information (as amended from time to time) and such other Eskom Safety Regulations as are applicable to the Works and are provided in writing to the *Contractor* (collectively "the Eskom Regulations"). The *Employer* may amend the Eskom Regulations from time to time and all amendments will be provided in writing to the *Contractor*.

The *Contractor* complies with the provisions of the latest written version of the Eskom Regulations with which it has been provided; and the health and safety plan prepared by

the *Contractor* in accordance with the SHEQ Requirements. (The OHSA and the Eskom Regulations are collectively referred to as the “SHEQ Requirements”).

The Contractor, always, considers itself to be the “Employer” for the purposes of the OHSA and shall not consider itself under the supervision or management of the Employer with regard to compliance with the SHEQ Requirements, the Contractor shall furthermore not consider itself to be a subordinate or under the supervision of the Employer in respect of these matters.

The Contractor is at all times responsible for the supervision of its employees, agents, Subcontractors and mandatories and takes full responsibility and accountability for ensuring they are competent, aware of the SHEQ Requirements and execute the Works in accordance with the SHEQ Requirements.

The *Contractor* ensures that all statutory appointments and appointments required by any Eskom Regulations are made and that all appointees fully understand their responsibilities and is trained and competent to execute their duties. The Contractor supervises the execution of their duties by all such appointees.

The Employer, or any person appointed by the Employer, may, at any stage during the currency of this contract:

- Conduct health and safety audits regarding all aspects of compliance with the SHEQ Requirements, at any off-site place of work, or the site establishment of the Contractor.
- refuse any employee, Subcontractor or agent of the Contractor access to the premises if such person has been found to commit an unsafe act or any unsafe working practice or is found not to be qualified or authorised in terms of the SHEQ Requirements.
- Issue the Contractor with a stop order should the Employer become aware of any unsafe working procedure or condition or any non-compliance with any provision of the SHEQ Requirements.
- The Contractor immediately reports any disabling injury as well as any threat to health or safety of which it becomes aware at the Works or on the Site to the Project Manager.
- The Contractor appoints a person, qualified in accordance with the SHEQ Requirements, as the liaison with the Eskom Safety Officer for all matters related to health and safety, this person shall be contactable 24 hours a day.

The Contractor confirms that it has been provided with sufficient written information regarding the health and safety arrangements and procedures applicable to the Works to ensure compliance by it and all employees, agents, Subcontractors or mandatories with the SHEQ Requirements while providing the Works in terms of this contract. As such, the Contractor confirms that this contract and the relevant Eskom Regulations referred to in this contract constitute written arrangements and procedures between the Contractor and the Employer regarding health and safety for the purposes of section 37(2) of the OHSA.

The Contractor agrees that the Employer is relieved of all of its responsibilities and liabilities in terms of Section 37(1) of OHSA in respect of any acts or omissions of the Contractor, and the Contractor's employees, agents or Subcontractors, to the extent permitted by the OHSA.

The Contractor hereby indemnifies the Employer and holds the Employer harmless in respect of any and all loss, costs, claims, demands, liabilities, damage, penalties or expense that may be made against the Employer and/or suffered or incurred by the Employer (as the case may be) as a result of, any failure of the Contractor, its employees, agents, Subcontractors and/or mandatories to comply with their obligations in terms of this clause 18, and/or the failure of the Employer to procure the compliance by the Contractor, its employees, agents, Subcontractors and/or mandatories with their responsibilities and/or obligations in terms of or arising from the OHSA.

3.5 People restrictions, hours of work, conduct and records

The *Contractor* maintains all year round the agreed base crew. The base crew is supervised by the *Contractor*. Changes to the base crew are negotiated with the *Service Manager* and must be confirmed in writing.

The base crew shall have all applicable hand tools required for the works and shall be certified to work on the applicable Plant and Equipment. The base crew is negotiated and agreed with the *Service Manager*. The number and mix of which may change from time to time with co-operation between the Parties. The base crew generally performs assigned inspections, planned and corrective maintenance and supplies maintenance documentation as per the *Employer's* Maintenance Management System (SAP).

The base crew may (to differing degrees) be involved in the following additional duties and/or activities:

- The writing and/or revising of station plant and work-related instructions and procedures.
- The writing and/or revising of related quality control documents and programs.
- Condition and performance monitoring.
- Trouble shooting and problem solving.
- Plant checks and plant stand-by making for return to service requirements.
- The Contractor provides standby service outside normal working hours. Call outs for emergency work associated with the plant identified in the scope. The stand-by requirements and the call out response time shall not exceed one hour after receiving a call to the time when the standby person reports on site
- An agreed minimum number of persons on the permanent base crews, must be authorised Responsible Persons, to take out plant permits as per Eskom's Plant Safety Regulations, and such authorisation shall be maintained through the term of this contract.
-
- During periods of lower work assignments, the Base Crew may execute other work assignments e.g. plan future outages, review maintenance instructions, perform general maintenance, etc.
- Major maintenance tasks, overhauls, outages and project specific work may require additional resources on a temporary basis. The *Contractor* supplies these additional temporary resources after a Task Order for the project or work is issued to this effect

The *Contractor's* employees may be required to sign an ethics and non-disclosure agreement prior to providing the Work required by this contract.

The *Contractor's* base crew normal working hours are to (as closely as possible) match those of the *Employer's* maintenance department working hours (minimum 40 hours per week).

The *Contractor's* supervisor(s) of the base crew will be required to perform at least, but not limited to, the following duties:

- Liaise with the *Employer's* various groups other than maintenance (such as Engineering and Operating etc.) about identified potential problems, modifications etc., as required.
- Obtain authorisation as a Responsible Person, in terms of Eskom's Plant Safety Regulations.

Overtime

Overtime shall be approved by the *Service Manager* or his Delegate prior to the commencement of such overtime. For emergency work, where overtime is required, written approval shall be given within 24 hours after giving the notification to work. The *Service Manager* or Supervisor (completion of the overtime).

Overtime hours shall be governed by the Basic Conditions of Employment Act. The *Contractor* shall comply with all local and statutory labour laws (LRA, BCEA, UIF, etc.) and agreements and shall promptly attend to any labour grievances that may arise.

3.6 Health and safety facilities on the Affected Property

The *Contractor* complies with the Occupational Health and Safety Act, 1993, (the Act) the Employers Plant Safety Regulations GGR 0992, and all Safety procedures issued by the *Employer* (*Procedure 235-554*). All Responsible Persons in terms of the Plant Safety Regulations are required to be in possession of arc flash protection suites. The cost for the suites will be for the *Contractor's* account and should be included in the Contractor's offer. Washing of the suites will be in accordance with the *Employer's* procedure:

The *Contractor* employs only people who have received sufficient training to ensure that they comply with the Act.

The *Contractor* appoints a person who liaises with the *Employer's* designated Safety Officer. The appointed person, on the request of the *Service Manager*:

- Undertakes safety audits at the Site and on the *Contractor's* employees.
- Refuses any employee, Sub-Contractor or agent of the *Contractor* access to the Site if such person is 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.
- issues the *Contractor* with a work stop order should he become aware of any unsafe working procedure or conditions of non-compliance with the Act, Regulations and Procedures by the *Contractor*, Sub-Contractors or agents.

The *Contractor* attends the *Employer's* safety meetings (monthly for base crew and weekly during outages).

The *Employer* follows an accident prevention policy that includes the investigation of all accidents involving personnel and property. This is done with the intention of introducing control measures to prevent a recurrence of the same incidents. The *Contractor* is expected to co-operate fully to

achieve this objective. The *Employer's* must be informed immediately of any injuries or damage to property or equipment.

3.7 Environmental controls, fauna & flora

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

3.8 Cooperating with and obtaining acceptance of Others

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

- 1) The cross reference from core clause 25.1 about cooperation generally as well as details about Others with whom the *Contractor* may be required to share the Affected Property. See clause 11.2(9) for the definition of Others.
- 2) Requirements for liaison with and acceptance from statutory authorities or inspection agencies.

3.9 Records of *Contractor's* Equipment

The *Contractor* will at all times keep record of his equipment on site with relevant inspections carried out. Inspection reports should be accessible by the *Service Manager* at any given time when he deems necessary.

All equipment or tools signed in by the *Contractor* should strictly adhere to the gate access rules and procedures.

All Equipment including hired should be inspected and approved before accepted on site.

The *Contractor* will keep records of all hired Equipment to execute the Service Information

3.10 Equipment provided by the *Employer*

It is the responsibility of the *Contractor* to provide his Equipment list to the Service Manager with all calibration certificates where required.

The Employer provides Equipment as stated in the Service Information, anything not stated in the Service Information the *Contractor* have to provide and already accounted for in the Price List.

3.11 Site services and facilities

3.11.1 Provided by the *Employer*

The Employer will provide in the way of water, waste disposal, ablutions, fire protection and lighting (etc.) on the Affected Property. Power will be provided by the Employer the Contractor needs to ensure his own cabling, connections, DB Boards and CoC certificates of installations and connections.

Refuse Disposal

The Employer provides special colour coded bins for refuse disposal. These bins are emptied by the Employer free of charge.

The Contractor ensures that all workers under his control strictly adhere to the correct use of refuse bins as stated in the Plant.

Supply of Electricity

- Employer will make available to the Contractor 220/230-volt electrical supply free of charge from the closest existing point of supply.
- The Contractor is to make provision for the necessary extensions and plug points.
- All Electrical boards must be inspected and tested before connecting to a power supply and then a CoC must be issued by the Employer
- The Contractor will adhere to the Electrical Installation Regulations of 1992

Medical Facilities

- The *Contractor* provides a First Aid service to his employees and subcontractor. In the case where these prove to be inadequate, like in the event of a serious injury, the Employer's Medical Centre and facilities are available.
- Outside the Employer's office hours, the Employer's First Aid Services are only available for serious injuries and life threatening situations.
- The Employer is entitled, however, to recover the costs incurred, in the use of the above Employer's facilities, from the Contractor.

Toilet Facilities

The Employer provides the Contractor access to toilet facilities.

3.11.2 Provided by the Contractor

The Contractor shall provide his tool for work and People / Resources required to execute Maintenance Work.

The Contractor will be responsible to provide Special tool, Skill and equipment required for the execution of work.

Item description	Specification	Quantity	Frequency
Jack Hammer		1	At all times
Hilti Drill machine		1	At all times
Road Cutter		1	As and when required
Compacter		1	As and when required
Drain Rots 2mx75		100	At all times

3.12 Control of noise, dust, water and waste

All waste introduced to and/or produced on Employer's Premises by the *Contractor* for this order must be handled in accordance with the minimum requirements for the Handling and Disposal of hazardous waste in terms of Government Legislation as proclaimed by the Department of Water

Affairs and Forestry 1994 Ref.: BN0621-16296-5. (A copy of this document is available at the Power Station for reference purposes).

The Employer shall provide sufficient storage containers, labelled depicting general or hazardous waste and store in a designated storage area. No hazardous waste may be stored for a period of more than 90 days on the Komati Power Station's premises

Ensure that all hazardous waste is disposed of at a licensed Class H disposal site. A copy of the hazardous waste disposal certificate must be submitted to the Service Manager.

Ensure that the Contractor's site does comply with the general good housekeeping practices. Redundant material will be removed to allocated sites. No scrap shall be stored in the Contractor's yard. Scrap is to be disposed to the scrap bins allocated by the Employer. The Contractor shall be responsible to familiarize themselves with different types of waste bins.

3.13 Hook ups to existing works

Any work performed at heights, must adhere to the correct safety standards, procedures and specifications stated in the Health and safety risk management of Komati Power Station.

3.14 Tests and inspections

3.14.1 Description of tests and inspections

The Contractor gives at least 2 hours in advance notification to the Supervisor or the Authority for inspection/test and hold or witness points, which require their attendance.

The Contractor confirms readiness for inspection at least 2 hours prior to the test.

The Contractor ensures that all work has been fully inspected, accepted and documented prior to requesting any inspection by the Supervisor.

The Contractor and the Employer provide materials, facilities and samples for tests and inspections as stated in the Service Information.

3.14.2 Materials facilities and samples for tests and inspections

The Contractor shall ensure that surfaces to be protected are inspected in order to evaluate extent of surface preparation for which he will be responsible. All inspection arrangements with Komati Power Station Engineering Department will be made 24 hours in advance.

4 List of drawings

4.1 Drawings issued by the Employer

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

Drawing number	Revision	Title
		Not applicable