



NEC3 Term Service Contract (TSC3)

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

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

for **Provision of Home-Work-Home transport for Medupi
Power Station from Lephalale Town, Onverwacht,
Marapong and surrounding areas for a period of 60
Months**

Contents:	No of pages
Part C1 Agreements & Contract Data	16
Part C2 Pricing Data	4
Part C3 Scope of Work	8

CONTRACT No. [Insert at award stage]

PART C1: AGREEMENTS & CONTRACT DATA

Contents:	No of pages
C1.1 Form of Offer and Acceptance	2
[to be inserted from Returnable Documents at award stage]	
C1.2a Contract Data provided by the <i>Employer</i>	16
C1.2b Contract Data provided by the <i>Contractor</i>	2
[to be inserted from Returnable Documents at award stage]	

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 Home-Work-Home transport for Medupi Power Station from Lephalale Town, Onverwacht, Marapong and surrounding areas for a period of 60 Months

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

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

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

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

Signature(s)

Name(s)

Capacity

**For the
tenderer:**

Name &
signature of
witness

(Insert name and address of
organisation)

Date

Tenderer's CIDB registration number:

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

Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)

Name(s) _____

Capacity _____

**for the
Employer**

(Insert name and address of organisation)

Name &
signature of
witness

Date

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

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

Note:

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

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

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

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

For the tenderer:**For the Employer**

Signature

Name

Capacity

On behalf
of*(Insert name and address of organisation)**(Insert name and address of organisation)*Name &
signature
of witness

Date

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

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

Clause	Statement	Data
1	General	
	The <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
		X4: Parent company guarantee
		X13: Performance Bond
		X17: Low service damages
		X18: Limitation of liability
		X19: Task Order
		Z: Additional conditions of contract
	of the NEC3 Term Service Contract April 2013 ² (TSC3)	
10.1	The <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.	[•]
	Fax No.	[•]
10.1	The <i>Service Manager</i> is (name):	Basetsana Mabula
	Address	Medupi Power Station
	Tel	014 763 8303
	Fax	

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

e-mail

11.2(2)	The Affected Property is	NA
11.2(13)	The <i>service</i> is	Provision of Home-Work-Home transport for Medupi Power Station from Lephalale Town, Onverwacht, Marapong and surrounding areas for a period of 60 Months
11.2(14)	The following matters will be included in the Risk Register	See 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	Immediately
2	The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the <i>Contractor</i> 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	2 weeks of the Contract Date
3	Time	
30.1	The <i>starting date</i> is.	TBC
30.1	The <i>service period</i> is	60 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	20th 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	2 Weeks
51.4	The <i>interest rate</i> is	<p>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</p> <p>(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</p>

		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	As stated in the contract
80.1	These are additional <i>Employer's</i> risks	1. Community Unrest 2. [•] 3. [•]
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	4 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). To be appointed when disputes arises
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	JHB South Africa
	The person or organisation who will choose an arbitrator	
	- if the Parties cannot agree a choice or	the Chairman for the time being or his nominee
	- if the arbitration procedure does not state who selects an arbitrator, is	of the Association of Arbitrators (Southern Africa) or its successor body.

12 Data for secondary Option clauses

X1	Price adjustment for inflation	Suggested below																		
X1.1	The <i>base date</i> for indices is	Base date is the month prior to tender closing date																		
	The proportions used to calculate the Price Adjustment Factor are:	<table> <tr> <th>proportion</th><th>linked to index for</th><th>Index prepared by</th></tr> <tr> <td>0.15</td><td>Fixed Portion</td><td>SEIFSA</td></tr> <tr> <td>0.25</td><td>Labour</td><td>Table C3</td></tr> <tr> <td>0.60</td><td>Transport</td><td>Table L-2A</td></tr> <tr> <td>[•]</td><td>non-adjustable</td><td></td></tr> <tr> <td>1.00</td><td></td><td></td></tr> </table>	proportion	linked to index for	Index prepared by	0.15	Fixed Portion	SEIFSA	0.25	Labour	Table C3	0.60	Transport	Table L-2A	[•]	non-adjustable		1.00		
proportion	linked to index for	Index prepared by																		
0.15	Fixed Portion	SEIFSA																		
0.25	Labour	Table C3																		
0.60	Transport	Table L-2A																		
[•]	non-adjustable																			
1.00																				
X4	Parent company guarantee	There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.																		
X13	Performance bond																			
X13.1	The amount of the performance bond is	R [•]																		
X17	Low service damages	Late coming of busses after arrival or pick-up time - penalty fees per bus:																		
X17.1	The <i>service level table</i> is in																			

No	Item	Employers Requirements/ Descriptions	Damages payable by contractor
1	Late coming of buses	All the buses should be at gate 2 not later than 06:55	R5 000 from monthly invoice will be deducted for a bus later than 30 mins.
2	Late coming of buses	All the buses should be at gate 2 not later than 06:55	R7 000 limited 10 % of the monthly invoice will be deducted for 30 mins thereafter.

X18	Limitation of liability	
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	R0.0 (zero Rand)
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to	the amount of the deductibles relevant to the event
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	The greater of <ul style="list-style-type: none"> the total of the Prices at the Contract Date 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
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	The total of the Prices other than for the additional excluded matters. The <i>Contractor's</i> total liability for the additional excluded matters is not limited. The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for <ul style="list-style-type: none"> Defects due to his design, plan and specification, Defects due to manufacture and fabrication outside the Affected Property, loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials), death of or injury to a person and Infringement of an intellectual property right.
X18.5	The <i>end of liability date</i> is	[•] months after the end of the <i>service period</i>.
X19	Task Order	One task order will be issued for the whole works and each task order will be issued for additional work.
Z	The <i>additional conditions of contract</i> are	Z1 to Z14

Z1 Cession delegation and assignment

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

Z2 Joint ventures

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

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

- Z3.1 Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor's* B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change.
- Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*.
- Z3.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor's* obligation to Provide the Service.
- Z3.4 Failure by the *Contractor* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Confidentiality

- Z4.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.
- Z4.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Service Manager*.
- Z4.3 In the event that the *Contractor* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Contractor*, to the extent permitted by law prior to

C1.2 Contract Data

Part two - Data provided by the *Contractor*

[Instructions to the contract compiler: (delete this notes before issue to tenderers with an enquiry)

Whenever a cell is shaded in the left hand column it denotes this data is optional and would be required in relation to the option selected. In the event that the option is not required select and delete the whole row.]

Notes to a tendering contractor:

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

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

Clause	Statement	Data
10.1	The <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:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job	

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

Responsibilities:

Qualifications:

Experience:

CV's (and further key person's data including CVs) are in .

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

C1.3 Forms of Securities

Pro formas for Bonds & Guarantees

For use with the NEC3 Term Service Contract (TSC3)

[Note to contract compiler:

Once it has been decided which securities are required for this contract delete from this file the ones not required, revise the notes below accordingly and delete this note.]

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

Option X4: Parent company guarantee
Option X13: Performance Bond

Each of these secondary Options requires a bond or guarantee “in the form set out in the Service Information”. Pro forma documents for these bonds and guarantees are provided here for convenience but are to be treated as part of the Service Information.

The *Contractor* shall guarantee his ASGI-SA Obligations by providing the *Employer* with an ASGI-SA Guarantee in the form provided here.

[Note to contract compiler: If there are no ASGI-SA Obligations in this contract, delete the above statement and the ASGI_SA bond]

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

Pro forma Parent Company Guarantee (for use with Option X4)

(to be reproduced exactly as shown below on the letterhead of the Contractor's Parent Company)

Eskom Holdings SOC Ltd
Megawatt Park
Maxwell Drive
Sandton
Johannesburg

Date:

Dear Sirs,

Parent Company Guarantee for Contract No

With reference to the above numbered contract made or to be made between

Eskom Holdings SOC Ltd

(the *Employer*) and

{Insert registered name and address of the Contractor}

(the *Contractor*), for

{Insert details of the works from the Contract Data}

(the *works*).

I/We the undersigned

on behalf of the *Contractor's*
parent company

of physical address

and duly authorised thereto do hereby unconditionally guarantee to the *Employer* that the *Contractor* shall Provide the Service in accordance with the above numbered Contract.

1. If for any reason the *Contractor* fails to Provide the Service, we hereby agree to cause to Provide the Service at no additional cost to the *Employer*.
2. If we fail to comply with the terms of this Deed of Guarantee, the *Employer* may itself procure such performance (whether or not the Agreement be formally determined). The *Employer* is to notify us and we shall indemnify the *Employer* for any additional cost or expense it incurs.
3. Our liability shall be as primary obligor and not merely as surety and shall not be impaired or discharged by reason of any arrangement or change in relationship made between the *Contractor* and the *Employer* and/or between us and *Contractor*; nor any alteration in the obligations undertaken by the *Contractor* or in the terms of the Agreement; nor any indulgence, failure, delay by you as to any matter; nor any dissolution or liquidation or such other analogous event of the *Contractor*.
4. The *Employer* shall not be obliged before taking steps to enforce the terms of this Deed of Guarantee to obtain judgement against the *Contractor* in any court or other tribunal, to make or file any claim in liquidation (or analogous proceedings) or to seek any remedy or proceed first against the *Contractor*.
5. This Deed of Guarantee shall be governed by and construed in accordance with the laws of the Republic of South Africa and we hereby submit to the non-exclusive jurisdiction of the High Court of South Africa.

Signed at _____

on this _____

day of _____

200_

Signature(s)	
Name(s) (printed)	
Position in parent company	
Signature of Witness(s)	
Name(s) (printed)	

Pro forma ASGI-SA Guarantee

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

Eskom Holdings SOC Ltd
Megawatt Park
Maxwell Drive
Sandton
Johannesburg

Reference No [●] [Drafting Note:
Bank reference
number to be inserted]

Date:

Dear Sirs

Pro-Forma ASGI-SA Guarantee: [Drafting Note: Name of Contractor to be inserted]

Project [] Contract Reference: [●] [Drafting Note: Contractor contract reference number to be inserted]

1. In this Guarantee the following words and expressions shall have the following meanings:-
 - 1.1 "Bank" - means [●], [●] Branch, (Registration No. [●]); [Drafting Note: Name of Bank to be inserted]
 - 1.2 "Bank's Address" - means [●]; [Drafting Note: Bank's physical address to be inserted]
 - 1.3 "Contract" – means the written agreement relating to the Project, entered into between the *Employer* and the *Contractor*, on or about the [●] day of [●] 200[●] (Contract Reference No. [●] as amended, varied, restated, novated or substituted from time to time; [Drafting Note: Signature Date and Contract reference number to be inserted])
 - 1.4 "*Contractor*" – means [●] a company registered in accordance with the laws of [●] under Registration Number [●]. [Drafting Note: Name and details of Contractor to be inserted]
 - 1.5 "*Contractor's ASGI-SA Obligations*" – means the *Contractor's ASGI-SA Obligations* under and as defined in the Contract.
 - 1.6 "*Employer*" - means Eskom Holdings SOC Ltd, a company registered in accordance with the laws of the Republic of South Africa under Registration Number 2002/015527/30.
 - 1.7 "Expiry Date" - means the [●] day of [●] 200[●]; [Drafting Note: anticipated date of issue of ASGI-SA Performance Certificate to be inserted.]
 - 1.8 "Guaranteed Sum" - means the sum of R [●] ([●] Rand);
 - 1.9 "Project" – means the
2. At the instance of the *Contractor*, we the undersigned _____ and _____, in our respective capacities as _____ and _____ of the Bank, and duly authorized thereto, confirm that we hold the Guaranteed Sum at the disposal of the *Employer*, as security for the proper performance by the *Contractor* of the *Contractor's ASGI-SA Obligations* and hereby undertake to pay to the *Employer*, on written demand from the *Employer* received prior to the Expiry Date, any sum or sums not exceeding in total the Guaranteed Sum.
3. A demand for payment under this guarantee shall be made in writing at the Bank's address and shall:
 - 3.1 state the amount claimed ("the Demand Amount");
 - 3.2 state that the Demand Amount is payable to the *Employer* in the circumstances contemplated in the Contract.
4. Notwithstanding the reference herein to the Contract the liability of the Bank in terms hereof is as

principal and not as surety and the Bank's obligation/s to make payment:

- 4.1 is and shall be absolute provided demand is made in terms of this bond in all circumstances; and
- 4.2 is not, and shall not be construed to be, accessory or collateral on any basis whatsoever.
5. The Bank's obligations in terms of this Guarantee:
- 5.1 shall be restricted to the payment of money only and shall be limited to the maximum of the Guaranteed Sum; and
- 5.2 shall not be discharged and compliance with any demand for payment received by the Bank in terms hereof shall not be delayed, by the fact that a dispute may exist between the *Employer* and the *Contractor*.
6. The *Employer* shall be entitled to arrange its affairs with the *Contractor* in any manner which it sees fit, without advising us and without affecting our liability under this Guarantee. This includes, without limitation, any extensions, indulgences, release or compromise granted to the *Contractor* or any variation under or to the Contract.
7. Should the *Employer* cede its rights against the *Contractor* to a third party where such cession is permitted under the Contract, then the *Employer* shall be entitled to cede to such third party the rights of the *Employer* under this Guarantee on written notification to the Bank of such cession.
8. This Guarantee:
- 8.1 shall expire on the Expiry Date until which time it is irrevocable;
- 8.2 is, save as provided for in **Error! Reference source not found.** above, personal to the *Employer* and is neither negotiable nor transferable;
- 8.3 shall be returned to the Bank upon the earlier of payment of the full Guaranteed Sum or expiry hereof;
- 8.4 shall be regarded as a liquid document for the purpose of obtaining a court order; and
- 8.5 shall be governed by and construed in accordance with the law of the Republic of South Africa and shall be subject to the jurisdiction of the courts of the Republic of South Africa.
- 8.6 Any claim which arises or demand for payment received after expiry date will be invalid and unenforceable.
9. The Bank chooses domicilium citandi et executandi for all purposes in connection with this Guarantee at the Bank's Address.

Signed at _____

Date _____

For and behalf of the Bank

Bank Signatory: _____

Bank Signatory: _____

Witness: _____

Witness: _____

Bank's seal or stamp

PART 2: PRICING DATA

TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The <i>price list</i>	[•]

C2.1 Pricing assumptions: Option A

How work is priced and assessed for payment

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

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

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

Function of the Price List

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

Link to the *Contractor's* plan

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

Preparing the *price list*

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

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

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

Format of the *price list*

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

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

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

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

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

C2.2 the *price list*

Item nr	Description	Unit	Expected Quantity	Rate	Price
	<u>Provision of 22-Seater Bus for day non shift workers (22 days a month)</u>				
	<u>Church street, Silvercharm, Waterkloof, Imbali, Kloppenheim, Ledibeng, Waterberg, Bella Rosa and Marapong</u>				
1	22-seater bus for day non workers	Monthly	9		
	<u>Provision of 14-Seater Bus for day shift workers (30 days a month)</u>				
	<u>Church street, Silvercharm, Waterkloof, Imbali, Kloppenheim, Ledibeng, Waterberg, Bella Rosa and Marapong</u>				
2	14-seater bus for shift workers	Monthly	9		
	<u>Provision of transport for workers with special need for non-shift workers</u>				
3	5-seater sedan	Day	1		
	<u>Provision of transport as an when required</u>				
4	14-Seater bus	km	300		
5	22-Seater bus	km	300		
	<u>Provision of 22-Seater Bus for day non shift workers (22 days a month)</u>				
	<u>Church street, Silver charm, Waterkloof, Imbali, Kloppenheim, Ledibeng, Waterberg, Bella Rosa and Marapong</u>				
1	22-seater bus for day non workers	Monthly	9		

The total of the Prices

ESKOM HOLDINGS SOC Ltd CONTRACT NUMBER _____
CONTRACT TITLE: PROVISION OF HOME-WORK-HOME TRANSPORT FOR MEDUPI POWER STATION FROM LEPHALALE TOWN, ONVERWACHT, MARAPONG AND SURROUNDING AREAS FOR A PERIOD OF 60 MONTHS

ESKOM HOLDINGS SOC Ltd CONTRACT NUMBER _____
CONTRACT TITLE: PROVISION OF HOME-WORK-HOME TRANSPORT FOR MEDUPI POWER STATION FROM LEPHALALE TOWN, ONVERWACHT, MARAPONG AND SURROUNDING AREAS FOR A PERIOD OF 60 MONTHS

C3.1: EMPLOYER'S SERVICE INFORMATION

Contents

Part 3: Scope of Work	2
C3.1: Employer's service Information	3
1 Description of the service.....	5
1.1 Executive overview	17
1.2 <i>Employer's</i> requirements for the <i>service</i>	5
1.3 Interpretation and terminology	5
2 Management strategy and start up.	6
2.1 The <i>Contractor's</i> plan for the <i>service</i>	6
2.2 Management meetings	6
2.3 <i>Contractor's</i> management, supervision and key people	7
2.4 Provision of bonds and guarantees	7
2.5 Documentation control.....	7
2.6 Invoicing and payment.....	8
2.7 Contract change management	8
2.8 Records of Defined Cost to be kept by the <i>Contractor</i>	8
2.9 Insurance provided by the <i>Employer</i>	8
2.10 Training workshops and technology transfer.....	8
2.11 Design and supply of Equipment.....	8
2.12 Things provided at the end of the <i>service period</i> for the <i>Employer's</i> use	9
2.12.1 Equipment	9
2.12.2 Information and other things	9
2.13 Management of work done by Task Order	9
3 Health and safety, the environment and quality assurance	10
3.1 Health and safety risk management	10
3.2 Environmental constraints and management	10
3.3 Quality assurance requirements	10
4 Procurement	11
4.1 People.....	11
4.1.1 Minimum requirements of people employed.....	11
4.1.2 BBBEE and preferencing scheme	11
4.1.3 Accelerated Shared Growth Initiative – South Africa (ASGI-SA).....	11
4.2 Subcontracting.....	11
4.2.1 Preferred subcontractors	11
4.2.2 Subcontract documentation, and assessment of subcontract tenders	11

4.2.3	Limitations on subcontracting	12
4.2.4	Attendance on subcontractors	12
4.3	Plant and Materials	12
4.3.1	Specifications	12
4.3.2	Correction of defects	12
4.3.3	<i>Contractor's</i> procurement of Plant and Materials	12
4.3.4	Tests and inspections before delivery	12
4.3.5	Plant & Materials provided "free issue" by the <i>Employer</i>	12
4.3.6	Cataloguing requirements.....	13
5	Working on the Affected Property.....	14
5.1	<i>Employer's</i> site entry and security control, permits, and site regulations.....	14
5.2	People restrictions, hours of work, conduct and records.....	14
5.3	Health and safety facilities on the Affected Property	14
5.4	Environmental controls, fauna & flora.....	14
5.5	Cooperating with and obtaining acceptance of Others.....	14
5.6	Records of <i>Contractor's</i> Equipment.....	14
5.7	Equipment provided by the <i>Employer</i>	14
5.8	Site services and facilities.....	15
5.8.1	Provided by the <i>Employer</i>	15
5.8.2	Provided by the <i>Contractor</i>	15
5.9	Control of noise, dust, water and waste	15
5.10	Hook ups to existing works	15
5.11	Tests and inspections	15
5.11.1	Description of tests and inspections	15
5.11.2	Materials facilities and samples for tests and inspections	15
6	List of drawings.....	16
6.1	Drawings issued by the <i>Employer</i>	16

Description of the service

Executive overview

Home-work-home transport for Medupi Generation Employees and a daily basis,

Employer's requirements for the service

Transporting employees to work and back to home on the agreed time;

Interpretation and terminology

If required include here definitions additional to those used in the *conditions of contract* which are required only for the purpose of making the Service Information easier to draft and read. Also list abbreviations used and provide a full interpretation of each one, for example:

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
OBL	Outside battery limits

Management strategy and start up.

The *Contractor's* plan for the *service*

In the TSC3 the *Contractor's* plan is his "design" for performing the *service* throughout the *service period*. Section 2 of the *conditions of contract* describes what the *Contractor* is to show in his plan both in the core clauses and some additional requirements in each of the main Options.

The extent of the *Contractor's* plan will depend on whether the *Contractor* is required to develop a plan in accordance with the *Employer's* broad outline of the *service* or whether the *Employer* has provided a plan for the *Contractor* to follow. Read the TSC3 Guidance Notes pages 21 and 22 for more information on the *Contractor's* plan.

Use this section to describe any particulars which must be taken into account by the *Contractor* in developing his plan as required by clause 21.2. For example information about the order and timing or method of carrying out particular items of work.

List technical reporting and scheduling requirements which are to be incorporated into the *Contractor's* plan.

Management meetings

The *conditions of contract* (e.g. Clause 16.2) and other sections of the Service Information (e.g. safety risk management) may require that a meeting shall be held. However the intention of all NEC contracts is that the Parties and their agents use the techniques of partnering to manage the contract by holding meetings designed to pro actively and jointly manage the administration of the contract with the objective of minimising the adverse effects of risks and surprises for both Parties.

Depending on the size and complexity of the *service*, it is probably beneficial for the *Service Manager* to hold a weekly risk register meeting (Clause 16.2). This could be used to discuss safety, compensation events, subcontracting, overall co-ordination and other matters of a general nature. Separate meetings for specialist activities such as planning and activities of a technical nature may also be warranted.

Describe here the general meetings and their purpose. Provide particulars of approximate times, days, location, and attendance requirements, stipulating that attendees shall have the necessary delegated authority to make decisions in respect of matters discussed at such meetings.

The following text could be used as a model for this section:

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:
Contract kick off meeting	Once off before commencement of the contract	Medupi Power Station or MS Teams	<i>Service Manager</i> , <i>Employer</i> Technical representative(s), <i>Contractor</i> representative(s)
SHEQ, SDL&I and HR/IR meeting	Monthly	Medupi Power Station or MS Teams	<i>Service Manager</i> <i>Contractor</i> representative(s)
Monthly Contractual meeting and KPI Feedback	Monthly	Medupi Power Station or MS Teams	<i>Service Manager</i> , <i>Employer</i> Technical representative(s), <i>Contractor</i> representative(s)

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

Contractor's management, supervision and key people

State any additional constraining requirements on *Contractor's* supervision and key people that are not already stated in other sections such as for Health and Safety. This section could be used to solicit an organogramme from the *Contractor* showing his people and their lines of authority / communication. This would be essential if the *Contractor* is a Joint Venture.

- a. The *Contractor* must submit an organogram fourteen calendar days after the *Contract* Start Date to the *Service Manager*.
- b. The *Contractor* shall utilise/provide skilled and suitably qualified staff with current experience in the following but not limited disciplines:
 - Occupational Health and Safety Act 85 of 1993
 - Project/Site Manager
 - Supervision
- c. All staff brought onto site in connection with this work scope should be able to fluently speak, understand and write in English.
- d. Proof of qualification is to be supplied by the *contractor* at the time of employing each employee indicated on the organogram.
- e. The *Contractor* ensures that all staff being brought onto Medupi site has a valid fitness certificate based on the specified plant man-job specification.
- f. The *Contractor* shall employ in and about the execution of the works only such persons that are careful, competent and efficient in their specific trades and callings and the *Employer* shall be at liberty to object to and require the *Contractor* to remove from the works forthwith any person employed by the *Contractor* in or about the execution of the works who, in the opinion of the *Employer*, misconducts himself or is incompetent or negligent in the proper performance of his/her duties and such person shall not again be employed for the works without the written permission of the *Employer*.
- g. Ensures proper behaviour of personnel under his/her supervision.
- h. Ensures training of all personnel under his/her supervision. The training required will include but not limited to Eskom safety training requirements, related plant training if deemed necessary.
- i. Ensures high morale of staff and competency.
- j. The *Contractor* shall employ only locals for unskilled work; The *Contractor* shall liaise with the *Employers Service Manager* for guidance on the local recruitment process to be followed
- k. The *Contractor* shall partner with the *Employer* and local communities by ensuring upliftment of the local communities through recruitment of locals. In instances where specialized skills are not available locally available such skills can be sourced non-locally.

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.

Documentation control

All contractual communications will be in the form of properly compiled letters or a message in the e mail itself. *The Contractor* to comply with the requirements of Eskom document Management system. All documents provided to the *Contractor* shall remain part of the *Employer* asset at the end of the contract.

Invoicing and payment

The Z clauses make reference to invoicing procedures stated here in this Service Information. Also include a list of information which is to be shown on an invoice.

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)

Add procedures for invoice submission and payment (e. g. electronic payment instructions)

Contract change management

This section is intended to deal with any additional requirements to the compensation event clauses in section 6 of the core clauses; such as the use of standard forms. Not the same thing as documentation control.

Records of Defined Cost to be kept by the Contractor

If Option C or E applies first read clause 52.2 and then state whether the *Contractor* is required to keep any other records. Include any other constraint which may be required in regard to format and filing of the records, and whether access for the *Service Manager* shall be provided in hard copy or electronically.

Could delete if Option A applies unless the *Employer* requires some form of control over the *Contractor's* record keeping for the purpose of compensation event management.

Insurance provided by the Employer

First read TSC3 Core Clause 86.1 and then add anything necessary for the management of insurance related issues such as a cross reference to where procedures for making claims can be found. Also provide contact details for persons capable of being able to answer any insurance related queries the *Contractor* may have, as well as to whom the information required by Marine Insurance (if any) may be addressed.

Training workshops and technology transfer

Describe type and frequency of any on job training workshops, as well as any obligation for technology transfer being included as part of the *service* or at the end of the *service period*.

Design and supply of Equipment

On some complex services (e. g. nuclear) it could be in the Parties best interests that some details of the design of Equipment are shared with the *Service Manager*, not necessarily for his acceptance but as an assurance that the Equipment will be able to allow the *Contractor* to Provide the Service efficiently and without delay. For example specialised handling Equipment for a particular maintenance operation. Clause 23.1 is always available to the *Service Manager* if this paragraph is not used.

Also the *Employer* may wish to exercise constraints or include witness and hold points during manufacture, assembly or delivery of such Equipment. Include these constraints here.

Draft in such a way that there is no doubt that the liability for such design supply and use of the Equipment remains with the *Contractor*.

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

Equipment

The *Employer* may wish to use some of the Equipment used by the *Contractor* after the end of the *service period*. Clause 70.2 requires that details of such requirement be stated in the Service Information. Complete here or if not applicable retain the heading and state 'None'.

Information and other things

Clause 70.2 requires that information and other things which the *Contractor* is to provide at the end of the *service period* be stated in the Service Information.

Management of work done by Task Order

Only use this heading if Option X19 applies to this contract.

In some cases all work may be done in terms of Task Orders in which case it may be logical to move this section closer to the start of this part 2 of the Service Information. In some cases only parts of the *service* may require to be handled by Task Order, for example a major repair which has become necessary during a continuous maintenance service contract.

Please read Option X19 before drafting requirements here as much of the procedure for the administration of Task Orders is already provided in X19, for example X19.2 specifies what a task Order should include

A Task Order format could be provided in an Annexure to this Service Information.

Many considerations can apply to Task Orders, such as availability of resources, arrangements for emergency work, Task Order reporting (work carried out and service results), assessment of additional Prices for *service* not included in the Price List etc.

Clause X19.6 requires information which should be included on a Task Order programme.

Further requirements for Task Orders include things to be provided by the *Employer* under a Task Order and the conditions under which the *Employer* or Others are to work.

Health and safety, the environment and quality assurance

Health and safety risk management

In addition to the requirements of the laws governing health and safety, Eskom may have some additional requirements particular to the *service* and the Affected Property for this contract. The text below provides for these being attached as an Annexure to this Service Information. PLEASE ALSO READ CORE CLAUSE 27.4 TOGETHER WITH Z7 IN THE ADDITIONAL CONDITIONS OF CONTRACT TO MAKE SURE THAT WHATEVER IS INCLUDED IN THE ANNEXURE FOLLOWS ON FROM THOSE CLAUSES.

The Divisional/Regional Safety Risk Manager or his representative having jurisdiction over the *service* must provide the relevant safety, health and environmental (SHE) criteria for incorporation into this Service Information. The SHE specification / scope must be signed off by the Divisional/Regional Safety Risk Manager or his representative confirming that the applicable safety criteria have been taken into account.

The Commodity Manager / Buyer must refer the tender to the Divisional/Regional Safety Risk Manager or his representative in order to evaluate against enquiry-specific safety criteria.

The Divisional Safety Risk Managers who will be responsible for the allocation of resources to assist P&SCM with the above processes are as follows:

- Generation: Roley McIntyre
- Transmission: Tony Patterson
- Distribution: Alex Stramrood
- Enterprises: Jace Naidoo
- Corporate: Kerseri Pather

The *Contractor* shall comply with the health and safety requirements contained in Annexure _____ to this Service Information.

Environmental constraints and management

Describe or cross refer to environmental constraints applicable to the *Contractor's* plan and his activities on the Affected Property and how they should be managed. Include here or cross refer to an Annexure to the Service Information.

The *Contractor* shall comply with the environmental criteria and constraints stated in Annexure _____

Quality assurance requirements

Specify minimum requirements for the *Contractor's* Quality Plan and Work Procedures or provide the *Employer's* Quality Plan if that is to be used. Make sure witness and hold points are identified generally and describe any particular requirements for QA outside the Affected Property. Indicate how the *Contractor's* QA documentation is to be submitted for acceptance and any conditions that need to be imposed relating to acceptance. State whether ISO compliance is a condition and if so which ISO standard shall apply.

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.

People

Minimum requirements of people employed

Specify any constraints relating to people employed to provide the Service; for example permits for foreigners, training (other than H & S), use of labour from designated areas and industrial relations.

BBBEE and preferencing scheme

Specify constraints which *Contractor* must comply with after contract award in regard to any Broad Based Black Economic Empowerment (B-BBEE) or preferencing scheme measures.

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

If the ASGI-SA requirements are to be included in this contract specify constraints which *Contractor* must comply with after contract award in regard to any ASGI-SA requirements. The ASGI-SA Compliance Schedule completed in the returnable tender schedules is reproduced here. If ASGI-SA does not apply, delete this paragraph.

The *Contractor* complies with and fulfils the *Contractor's* obligations in respect of the Accelerated and Shared Growth Initiative - South Africa in accordance with and as provided for in the *Contractor's* ASGI-SA Compliance Schedule stated below

[Insert the agreed ASGI-SA Compliance Schedule here]

The *Contractor* shall keep accurate records and provide the *Service Manager* with reports on the *Contractor's* actual delivery against the above stated ASGI-SA criteria. [Elaborate on access to and format of records and frequency of submission etc.]

The *Contractor's* failure to comply with his ASGI-SA obligations constitutes substantial failure on the part of the *Contractor* to comply with his obligations under this contract.

Subcontracting

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.

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.

Limitations on subcontracting

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

Attendance on subcontractors

State requirements for attendance on Subcontractors, if any

Plant and Materials**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. Quality is usually designed in or specified in the technical specifications. However to cover circumstances where quality may not be prescribed, this sub-paragraph could also be used to state an overarching default requirement – fitness for purpose etc.

Either specify here or provide a list of the applicable specifications and attach them as Annexure or state where they can be obtained from.

Correction of defects

State any constraints when dealing with defective Plant and Materials such as how repairs are carried out - can the item be fixed up or must it be replaced by a new one.

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*.

Tests and inspections before delivery

Core Clause 41.1 makes reference to the Service Information stating which Plant and Materials are to be inspected and tested before delivery. Specify any requirements particularly if such tests and inspections are to be carried out by agents of the *Employer* overseas.

Plant & Materials provided “free issue” by the *Employer*

List any Plant and Materials which are to be provided by the *Employer*.

State arrangements for collection by *Contractor* or delivery by others on behalf of the *Employer*, off loading, inspection, storage, care custody and control, return of unused Plant and Materials, etc. Always include a statement to the effect that 'all other Plant and Materials are to be provided by the *Contractor*'.

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.

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

Sites such as Koeberg Nuclear Power Station have very strict entrance requirements which tendering contractors need to allow for in their prices, and the *Contractor* has to comply with. State these or similar requirements here.

In addition to the above there may be other restrictions once on the site, plus rules relating to roads, walkways and the provision of barricades

People restrictions, hours of work, conduct and records

Restrictions and hours of work may apply on some sites. It is very important that the *Contractor* keeps records of his people working on the Affected Property, including those of his Subcontractors. State that the *Service Manager* shall have access to them at any time. These records may be needed when assessing compensation events.

Health and safety facilities on the Affected Property

Section 3 deals with contractual H & S requirements in addition to those of the OHSA Act. This section allows the *Employer* to state what measures are to be taken on the Affected Property by describing where First Aid facilities provided by the *Employer* are located and any other emergency arrangements. Do not use if already addressed in 2.3.

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.

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.

Records of *Contractor's* Equipment

This sub-paragraph is intended to address how records are to be kept of Equipment on Site including whether it is owned or hired. Include any constraints about scaffolding, rigs, heavy lifts and cranes, including removal from the Affected Property.

Equipment provided by the *Employer*

Provide details of equipment (e.g. overhead cranes) made available for use by the employer and set out conditions relating thereto.

Site services and facilities

Provided by the *Employer*

This is a mandatory cross reference form clause 25.2 in TSC3. State what the *Employer* will provide in the way of power, water, waste disposal, telecomms, ablutions, fire protection and lighting (etc) on the Affected Property. Give hook up locations and any constraints on how the hook up is to be done. Always conclude by stating that the *Contractor* shall provide everything else necessary for Providing the Service.

Provided by the *Contractor*

Describe what the *Contractor* is to provide in the way of accommodation, laboratories, storage, vehicles and office equipment for the *Service Manager* and any restrictions or minimum requirements concerning the *Contractor's* own facilities. Also state what happens to these facilities upon completion of the contract.

Control of noise, dust, water and waste

State requirements, if any.

Hook ups to existing works

State any constraints

Tests and inspections

Description of tests and inspections

Describe the tests and inspections to be carried out by the *Contractor* and the *Service Manager* and others [40.1].

Materials facilities and samples for tests and inspections

State what materials facilities and samples for tests and inspections the *Contractor* and the *Employer* are to provide, per core clause 40.2.

List of drawings

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.

[illegible]

C3: Scope of Work

C3.1 Service Information

Description of the service Executive overview

In providing the above service, it is important that the service provider provides:

Sedan Requirements 5 seater:

- Vehicle must not be older than 2 years
- Vehicle must have less than 90 000km
- Vehicle must have factory-fitted antilock brake system (ABS)
- Vehicle must have Factory-fitted front driver and passenger airbags
- Vehicle must have Factory-fitted power steering
- Vehicle must have Factory-fitted air conditioner
- Vehicle must have Factory-fitted audio system – radio/CD player
- Vehicle must have a fully equipped First Aid box
- Vehicle must have a fully serviced Fire Extinguisher
- Vehicle must have 2 x Emergency warning triangle
- Vehicle must have Three-point safety belts for every seat
- Vehicle must comply to the National Traffic Act Specifications

(14 Seater Mini Buses) Requirements:

- Vehicles that is not older than 2 years
- Vehicle must have less than 100 000KM
- Vehicle must have factory-fitted antilock brake system (ABS)
- Vehicle must have Factory-fitted front driver and passenger airbags
- Vehicle must have Factory-fitted power steering
- Vehicle must have Factory-fitted air conditioner
- Vehicle must have Factory-fitted audio system – radio/CD player
- Vehicle must have a fully equipped First Aid box
- Vehicle must have a fully serviced Fire Extinguisher
- Vehicle must have 2 x Emergency warning triangle
- Vehicle must have Three-point safety belts for every seat
- Vehicle must have No fold-up or jockey seats
- There must be a speed warning sign at the back of every minibus
- Yellow reflective tape that must be fitted as per the National Road Traffic Act specification on all mini buses
- The driver's seat must be adjustable. The driver's compartment must be partitioned as per the National Road Traffic Act specification
- The minibus must have at least two identified emergency exits for every 12 (twelve) passengers as per the National Road Traffic Act specification
- Vehicle must comply to the National Traffic Act Specifications

22Seater Midi-Buses Requirements

- Vehicles that is not older than 2 years
- Vehicle must have less than 150 000KM
- Vehicle must have factory-fitted antilock brake system (ABS)
- Vehicle must have Factory-fitted front driver and passenger airbags
- Vehicle must have Factory-fitted power steering
- Vehicle must have Factory-fitted air conditioner
- Vehicle must be fitted with an air conditioner for rear passengers
- Vehicle must have Factory-fitted audio system – radio/CD player
- All seats must be covered with cloth material
- Vehicle must have a fully equipped First Aid box
- Vehicle must have a fully serviced Fire Extinguisher
- Vehicle must have 2 x Emergency warning triangle
- Vehicle must have SABS Approved three-point safety belts for every seat
- Vehicle must have No fold-up or jockey seats
- There must be a speed warning sign at the back of every midi-bus
- Yellow reflective tape that must be fitted as per the National Road Traffic Act specification on all midi buses
- The driver's seat must be adjustable. The driver's compartment must be partitioned as per the National Road Traffic Act specification
- The minibus must have at least two identified emergency exits for every 12 (twelve) passengers as per the National Road Traffic Act specification
- Vehicle must comply to the National Traffic Act Specifications

Driver Requirements

- Drivers must be in possession of a Valid a National Driver's with PDP
- Drivers to have a minimum of Three years driving Experience
- Drivers must be in possession of a valid medical certificate

Contractor Requirements:

- Contractor must in possession of a Traffic Business Number Registration Certificate (BNRC)
- Contractor must be in possession of a Valid Operating Permit from traffic department for passenger transport in each service area he/she wishes tender for, or a sign letter from each Lephalale Taxi Association in which they wish to operate (the validity will be verified during the evaluation of the tender)
- Contractor must provide proof of cover for a passenger liability insurance

Note to the contractor

- The average number of days for day busses are 22 days per month
- The average number of days for Shift busses are 30 days per month
- Estimated number of kilometres: Eskom only provides the first pick-up point per bus not the number of kilometres. The service provider have to pick-up Eskom employees scattered around the areas provided and submit the monthly rate as per the price list.
- **NB! The supplier should be in position of all the vehicles he/she has tendered for before the commencement of the contract.**
- All vehicles must comply to the Eskom Vehicle safe standards (Airbag, ABS and seat belts) as per Eskom Vehicle Specifications the check list (the completed check list to be submitted with the tender and for new vehicles the OEM specification to be attached)
- Existing vehicles to comply to the following:
 - Vehicle Registration Certificate

- Proof of maintenance record and Effective maintenance strategy in place as per manufacturer specification for existing vehicles
- The contractor must provide a detailed contingency plan in case of vehicle breakdown, unavailability of driver and strikes/riots

2. Specifications

Title	Date or revision	Tick if publicly available
<u>General Specifications:</u>		
Health and Safety requirements		
Environmental requirements		
Site regulations and access control		
<u>Technical specifications:</u>		

Management meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Overall contract progress and feedback and risk register	Monthly on 2 nd week of each month at ____	Service manager's office	<i>Employer, Contractor</i>

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

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
invoiceseskomlocal@eskom.co.za
 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)

Add procedures for invoice submission and payment (e. g. electronic payment instructions)

Insurance provided by the *Employer*

First read TSC3 Core Clause 86.1 and then add anything necessary for the management of insurance related issues such as a cross reference to where procedures for making claims can be found. Also provide contact details for persons capable of being able to answer any insurance related queries the *Contractor* may have, as well as to whom the information required by Marine Insurance (if any) may be addressed.

Training workshops and technology transfer

- Training for safety for all contractors employees to be discussed with service manager

Management of work done by Task Order

A task order will be issued at the beginning of each month for the month maintenance and both the service manager and contractor to sign before commencement of the service

Health and safety, the environment and quality assurance

Health and safety risk management

In addition to the requirements of the laws governing health and safety, Eskom may have some additional requirements particular to the *service* and the Affected Property for this contract. The text below provides for these being attached as an Annexure to this Service Information. PLEASE ALSO READ CORE CLAUSE 27.4 TOGETHER WITH Z7 IN THE ADDITIONAL CONDITIONS OF CONTRACT TO MAKE SURE THAT WHATEVER IS INCLUDED IN THE ANNEXURE FOLLOWS ON FROM THOSE CLAUSES.

The Divisional/Regional Safety Risk Manager or his representative having jurisdiction over the *service* must provide the relevant safety, health and environmental (SHE) criteria for incorporation into this Service Information. The SHE specification / scope must be signed off by the Divisional/Regional Safety Risk Manager or his representative confirming that the applicable safety criteria have been taken into account.

The Commodity Manager / Buyer must refer the tender to the Divisional/Regional Safety Risk Manager or his representative in order to evaluate against enquiry-specific safety criteria.

The Divisional Safety Risk Managers who will be responsible for the allocation of resources to assist P&SCM with the above processes are as follows:

- Generation: Roley McIntyre
- Transmission: Tony Patterson
- Distribution: Alex Stramrood
- Enterprises: Jace Naidoo
- Corporate: Kerseri Pather

The *Contractor* shall comply with the health and safety requirements contained in Annexure A to this Service Information.

Environmental constraints and management

The *Contractor* shall comply with the environmental criteria and constraints stated in the Waste management procedure (ASEN 0008) and EH&S Incident management procedure 32-95

The *Contractor* shall further comply with all Matimba Power Station procedures and policies and all level 3 documentation and legislations which the station prescribes to.

Quality assurance requirements

- The returnable in terms of Quality will be based on the Supplier Quality Management Specification 240-105658000. The supplier will submit the quality information based on the category that is relevant to them. Refer to document 240-105658000. In case where there are QCP (quality control plans) required also 3.2 and 5.1 of the document 240-105658000 will be applicable and other Eskom Holdings SOC Limited's Standards and specifications (QM58)

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.

People

Minimum requirements of people employed

- Drivers must be in possession of a Valid a National Driver's with PDP
- Drivers to have a minimum of Three years driving Experience
- Drivers must be in possession of a valid medical certificate
- Eskom reserves the right to ask for the replacement of any contract personnel who is found to be incompetent or is guilty of any misconduct.

BBBEE and preferencing scheme

Pre- Qualification Criteria

The following will be special conditions

Eskom calls for Level 1 B-BBEE compliant suppliers that are EME' and QSE's as per Eskom's hierarchy of PPPFA.

Subcontracting

Preferred subcontractors

N/A

Plant and Materials

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. Quality is usually designed in or specified in the technical specifications. However to cover circumstances where quality may not be prescribed, this sub-paragraph could also be used to state an overarching default requirement – fitness for purpose etc.

Either specify here or provide a list of the applicable specifications and attach them as Annexure or state where they can be obtained from.

Correction of defects

The employer will notify the Contract of any defect encountered in the plant, and the supplier must respond within 48 hours by phone or email and respond to site within a week

Contractor's procurement of Plant and Materials

N/A

Tests and inspections before delivery

N/A

Plant & Materials provided “free issue” by the *Employer*

Employer to provide spares and special tools for maintenance purpose

Working on the Affected Property

Protective clothing must be worn at all times

A work permit must be in force

Safety harness to be worn at all times when repairing lights above 2M

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

- No taking of pictures allowed on *Employer's* premises without prior approval or consent
- *Contractor* must attend induction before entering premises
- *Contractor* must make pre-arrangements before coming to *Employer's* site to allow *Employer* to make proper arrangements with Security. If no arrangements made, no access will be granted to the *Contractor*
- Contractor must have submitted their safety file with safety department and file passed evaluation before commencement of work

People restrictions, hours of work, conduct and records

- Monday – Thursday working time: 07H00 – 16H30
- Fridays working time: 07H00 – 12H00
- Any deliveries or visits outside above timelines, arrangements must be made with an *Employer* in advance

Health and safety facilities on the Affected Property

The employer will provide ablution facilities

Drinking water

Site services and facilities**Provided by the *Employer***

Power, water, waste disposal and globe crusher facility, telecoms, ablutions, fire protection and lighting

Provided by the *Contractor*

Accommodation

Transport to work

Control of noise, dust, water and waste

Protective clothing to be worn at all times

Hook ups to existing works

Safety harnesses to be used all the time

Tests and inspections**Description of tests and inspections****Materials facilities and samples for tests and inspections**

State what materials facilities and samples for tests and inspections the *Contractor* and the *Employer* are to provide, per core clause 40.2.

List of drawings

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
N/A		

Task Order

Task Order form for use when work within the *service* is instructed to be carried out within a stated period of time on a Task by Task basis

Task Order No. [●] service [●]

To: [●].....
..... (Contractor)

I propose to instruct you to carry out the following task:

Description	[•]
-------------	-----

Starting date

Completion Date	[●]
-----------------	-----

Delay damages per week [●]

Please submit your price and programme proposals below.

Signed: _____ Date _____

(for *Employer*)

Total of Prices for items of work on the Price List
(details attached) R.

Total of Prices for Items of work on the Price List
(details attached) R.

Total of Prices for items of work not on the Price List
(details attached). R. _____

Total of Prices for Items of work not on the Price List
(details attached). R.

Total of the Prices for this Task Order		R
---	--	---

The programme for the Task is [ref] (attached)

Signed: _____ Date _____

(for Contractor)

I accept the above price and programme and instruct you to carry out the Task

Signed: _____ Date: _____

(for Employer)