

NEC3 Term Service Contract (TSC3)

Between ESKOM HOLDINGS SOC LIMITED (REG NO. 2002/015527/06)

and

for Provision of Lift Drivers for 6 (Six) Goods Lifts at Kriel power station for a period of 5 years

Contents:		No of pages
Part C1	Agreements & Contract Data	15
Part C2	Pricing Data	12
Part C3	Scope of Work	

CONTRACT No. 46000

PART C1: AGREEMENTS & CONTRACT DATA

Contents:		No of pages
C1.1	Form of Offer and Acceptance	
C1.2a	Contract Data provided by the Employer	
C1.2b	Contract Data provided by the Contractor	
C1.3	Proforma Guarantees	

C1 Agreements & Contract Data

C1.1 Form of Offer & Acceptance

Section 1.01 Offer

witness

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

Provision of Lift Drivers for 6 (Six) Goods Lifts at Kriel power station for a period of 5 years

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 is1	
As and when	n required basis	

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	Date

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*.

ESKOM HOLDINGS SOC LIMITED CONTRACT NUMBER Provision of lift drivers for 6 (Six) Goods Lifts at Kriel power station for a period of 5 years

Section 1.02 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 original copy of this document, including the Schedule of Deviations (if any).

Signature(s)	
Name(s)	
Capacity	Morongwe Raphasha General Manager Kriel Power
Capacity	Station
for the Employer	Eskom Holdings SOC Ltd, KRIEL POWER STATION, Bethal-Ogies Road, Kriel, Mpumalanga, 2271
Name & signature of witness	Date

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

Section 1.03 Schedule of Deviations to be completed by the *Employer* prior to contract award

No.	Subject	Details
1	N/A	N/A

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.

	(i) For the tenderer:	(ii) For the Employer
Signature		
Name		Morongwe Raphasha
Capacity		General Manager Kriel Power Station
On behalf of		Eskom Holdings SOC Ltd, KRIEL POWER STATION, Bethal-Ogies Road, Kriel, Mpumalanga, 2271
Name & signature of witness		
Date		

C1.2 TSC3 Contract Data

Article II. 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
		X17:	Low Service damages
		X18:	Limitation of liability
		X19:	Task Order
		Z :	Additional conditions of contract
	of the NEC3 Term Service Contract (June 2005)2		
10.1	The <i>Employer</i> is (name):	2002/ incor	m Holdings SOC Ltd (reg no: 015527/30), a state-owned company porated in terms of the company laws Republic of South Africa
	Address		tered office at Megawatt Park, vell Drive, Sandton, Johannesburg
	Tel No.		
	Fax No.	-	
10.1	The Service Manager is (name):	K Nts	heroa
	Address	Esko	m Kriel Power station

2 Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009

Tel 017 615 2557	
Fax	
e-mail Ntsherk@eskom.co.za	

11.2(2)	The Affected Property is	Kriel Power Station
11.2(13)	The <i>service</i> is	Provision of Lift Drivers for 6 (Six) Goods Lifts at Kriel power station for a period of 5 years
11.2(14)	The following matters will be included in the Risk Register	People; Quality and SHEQ
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 language of this contract is	English
13.3	The <i>period for reply</i> is	1day
2	The Contractor's main responsibilities	(If the optional statement for this section is not used, no data will be required for this section)
21.1	The <i>Contractor</i> submits a first plan for acceptance within	2 weeks of the Contract Date
3 Time		
30.1	The starting date is.	ТВС
30.1	The <i>service period</i> is	60 months
4	Testing and defects	As per section X18 and section 6.4.2
5	Payment	30 days after assessment and invoicing.
50.1	The assessment interval is	Between the 25 day of each successive month.
50.5	The delay damages are	N/A
51.1	The currency of this contract is the	South African Rand
51.2	The period within which payments are made is	
51.4	The <i>interest rate</i> is	(i) zero percent above 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 (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	(If the optional statement for this section is not used, no data will be required for this section)
	These are additional compensation events:	
7	Use of Equipment Plant and Materials	No data is required for this section of the conditions of contract.
8	Risks and insurance	
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	as stated for "Format TSC3" available on <u>http://www.eskom.co.za/live/content.php?Item</u> <u>ID=9248</u> (See Annexure A for basic guidance).
83.1	The <i>Employer</i> provides these additional insurances	as stated for "Format TSC3" available on http://www.eskom.co.za/live/content.php?Item <u>ID=9248</u> (See Annexure A for basic guidance)
83.1		the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/live/content.php?Item _ID=9248
83.1	The minimum amount of cover for loss of or damage to Plant and Materials provided by the <i>Employer</i> is:	

ESKOM HOLDINGS SOC LIMITED CONTRACT NUMBER Provision of lift drivers for 6 (Six) Goods Lifts at Kriel power station for a period of 5 years

83.1		whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i> .
83.1	insurance in respect of death of or	scope of the Act with a limit of Indemnity of
9	Termination	There is no Contract Data required for this section of the <i>conditions of contract</i> .
10	Data for main Option clause	
Α	Priced contract with price list	
20.4	The <i>Contractor</i> prepares forecasts of the total Defined Cost for the whole of the <i>service</i> at intervals no longer than	4 weeks.
11	Data for Option W1	
11 W1.1	Data for Option W1 The <i>Adjudicator</i> is (Name)	Either State the name of the person selected & complete the contact details below Or, state the person selected from the Eskom Panel of Adjudicators listed in Annexure B to this Contract Data by the Party intending to refer a dispute to him.
	-	State the name of the person selected & complete the contact details below Or, state the person selected from the Eskom Panel of Adjudicators listed in Annexure B to this Contract Data by the Party intending to refer
	The <i>Adjudicator</i> is (Name)	State the name of the person selected & complete the contact details below Or, state the person selected from the Eskom Panel of Adjudicators listed in Annexure B to this Contract Data by the Party intending to refer a dispute to him.
	The <i>Adjudicator</i> is (Name) Address	State the name of the person selected & complete the contact details below Or, state the person selected from the Eskom Panel of Adjudicators listed in Annexure B to this Contract Data by the Party intending to refer a dispute to him. To be confirmed when a dispute arises
	The <i>Adjudicator</i> is (Name) Address Tel No.	State the name of the person selected & complete the contact details below Or, state the person selected from the Eskom Panel of Adjudicators listed in Annexure B to this Contract Data by the Party intending to refer a dispute to him. To be confirmed when a dispute arises To be confirmed when a dispute arises
	The <i>Adjudicator</i> is (Name) Address Tel No. Fax No.	State the name of the person selected & complete the contact details below Or, state the person selected from the Eskom Panel of Adjudicators listed in Annexure B to this Contract Data by the Party intending to refer a dispute to him. To be confirmed when a dispute arises To be confirmed when a dispute arises To be confirmed when a dispute arises
W1.1	The <i>Adjudicator</i> is (Name) Address Tel No. Fax No. e-mail	State the name of the person selected & complete the contact details below Or, state the person selected from the Eskom Panel of Adjudicators listed in Annexure B to this Contract Data by the Party intending to refer a dispute to him. To be confirmed when a dispute arises To be confirmed when a dispute arises To be confirmed when a dispute arises To be confirmed when a dispute arises the Chairman of the Joint Civils Division of the South African Institution of Civil

			itrators (Sout sor body.	hern A	Africa)	or its
	The place where arbitration is to be held is	South	Africa			
	 The person or organisation who will choose an arbitrator if the Parties cannot agree a choice or if the arbitration procedure does not state who selects an arbitrator, is 	nomine	e of the Asso	ciation	of Arb	itrators
12	Data for secondary Option clauses					
12 X1	Data for secondary Option clausesPrice adjustment for inflation					
X1	Price adjustment for inflation	propor tion	linked to index for	Index	prepare	ed by
X1	Price adjustment for inflation The base date for indices is The proportions used to calculate the	tion			prepare a (Trans	-
X1	Price adjustment for inflationThe base date for indices isThe proportions used to calculate the Price Adjustment Factor are:These indices will apply on the	tion	index for	Seifsa		port)
X1	Price adjustment for inflationThe base date for indices isThe proportions used to calculate the Price Adjustment Factor are:These indices will apply on the	tion 5%	index for Table L-2(A)	Seifsa	a (Trans	port)
X1	Price adjustment for inflationThe base date for indices isThe proportions used to calculate the Price Adjustment Factor are:These indices will apply on the	tion 5% 80%	index for Table L-2(A) Table C-3 non-	Seifsa	a (Trans	port)
X1	Price adjustment for inflationThe base date for indices isThe proportions used to calculate the Price Adjustment Factor are:These indices will apply on the	tion 5% 80% 15% 100% There is Option	index for Table L-2(A) Table C-3 non-	Seifsa Seifsa o Contr italics	a (Trans a (Labou ract Data are ic	port) ır) a in this
X1 X1.1	Price adjustment for inflation The base date for indices is The proportions used to calculate the Price Adjustment Factor are: These indices will apply on the contract, from year two to year three.	tion 5% 80% 15% 100% There is Option	index for Table L-2(A) Table C-3 non- adjustable no reference t and terms in	Seifsa Seifsa o Contr italics	a (Trans a (Labou ract Data are ic	port) ır) a in this

ESKOM HOLDINGS SOC LIMITED

Provision of lift drivers for 6 (Six) Goods Lifts at Kriel power station for a period of 5 years

X18	Limitation of liability	
X18.1	The <i>Contractor</i> 's 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</i> 's liability to the <i>Employer</i> for loss of or damage to the <i>Employer</i> 's property is limited to	the amount of the deductibles relevant to the event
X18.3	The <i>Contractor</i> 's liability for Defects due to his design of an item of Equipment is limited	The greater of
	to	 the total of the Prices at the Contract Date and
		 the amounts excluded and unrecoverable from the <i>Employer</i>'s insurance (other than the resulting physical damage to the <i>Employer</i>'s property which is not excluded) plus the applicable deductibles
X18.4	The Contractor's total liability to the Employer, for all matters arising under or in connection with this contract, other than	the total of the Prices other than for the additional excluded matters.
	in connection with this contract, other than the excluded matters, is limited to	The Contractor's 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
		 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</i>'s property, Plant and Materials),
		 death of or injury to a person and infringement of an intellectual property right.
X18.5	The end of liability date is	12 months after the end of the service period.
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	7 days of receiving the Task Order
Z	The additional conditions of contract are	Z1 to Z14 always apply.
Z1	Cession delegation and assignment	
Z1.1	The <i>Contractor</i> does not cede, delegate or a without the written consent of the <i>Employer</i> .	assign any of its rights or obligations to any person
Z2	Joint ventures	

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

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

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

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

Z4 Confidentiality

Z4.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at

the time of disclosure or thereafter, without default on the part of the *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.

- Z4.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Service Manager*.
- Z4.3 In the event that the *Contractor* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Contractor*, to the extent permitted by law prior to disclosure, notifies the *Employer* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Contractor* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.
- Z4.4 The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, in the course of Providing the Service and after the end of the *service period*, requires the prior written consent of the *Service Manager*. All rights in and to all such images vests exclusively in the *Employer*.
- Z4.5 The Contractor ensures that all his subcontractors abide by the undertakings in this clause.

Z5 Waiver and estoppel: Add to core clause 12.3:

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

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

- Z6.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:
 - accepts that the *Employer* may appoint him as the "Principal Contractor" (as defined and provided for under the Construction Regulations 2014 (promulgated under the Occupational Health & Safety Act 85 of 1993) ("the Construction Regulations") for the Affected Property;
 - warrants that the total of the Prices as at the Contract Date includes a sufficient amount for
 proper compliance with the Construction Regulations, all applicable health & safety laws and
 regulations and the health and safety rules, guidelines and procedures provided for in this
 contract and generally for the proper maintenance of health & safety in and about the
 execution of the service; and
 - undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.
- Z6.2 The *Contractor*, in and about the execution of the *service*, complies with all applicable environmental laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.

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

- Z7.1 Within one week of receiving a payment certificate from the Service Manager in terms of core clause 51.1, the Contractor provides the Employer with a tax invoice in accordance with the Employer's procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.
- Z7.2 If the Contractor does not provide a tax invoice in the form and by the time required by this contract, the time by when the Employer is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the Employer in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.
- Z7.3 The *Contractor* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer*'s VAT number 4740101508 on each invoice he submits for payment.

Z8 Notifying compensation events

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

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

Z9 *Employer's* limitation of liability

- Z9.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z9.2 The *Contractor*'s entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the *Employer*'s liability under the indemnity is limited to compensation as provided for in core clause 63 and X19.11 if Option X19 Task Order applies to this contract.

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

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

Z11 Ethics

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

Affected Party means, as the context requires, any party, irrespective of whether it is the *Contractor* or a third party, such party's employees, agents, or Subcontractors or Subcontractor's employees, or any one or more of all of these parties' relatives or friends,
Coercive Action means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,
Collusive Action means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,
Committing Party means, as the context requires, the *Contractor*, or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,

ESKOM HOLDINGS SOC LIMITED CONTRACT NUMBER Provision of lift drivers for 6 (Six) Goods Lifts at Kriel power station for a period of 5 years

- **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** 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,
- Obstructivemeans a Committing Party unlawfully or illegally destroying, falsifying, altering or
concealing information or making false statements to materially impede an investigation
into allegations of Prohibited Action, and
- **Prohibited Action** means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.
 - Z11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
 - Z11.2 The *Employer* may terminate the *Contractor*'s obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Contractor*'s obligation to Provide the Services for this reason.
 - Z11.3 If the *Employer* terminates the *Contractor*'s obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.
 - Z11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Contractor* ensures that the Committing Party co-operates fully with an investigation.

Z12 Insurance

Z 12 .1 Replace core clause 83 with the following:

Insurance cover 83

- 83.1 When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.
- 83.2 The *Contractor* provides the insurances stated in the Insurance Table A from the *starting date* until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

Insurance against	Minimum amount of cover or minimum limit of indemnity
Loss of or damage caused by the <i>Contractor</i> to the <i>Employer</i> 's property	The replacement cost where not covered by the <i>Employer</i> 's insurance.
	The <i>Employer</i> 's policy deductible as at Contract Date, where covered by the <i>Employer</i> 's insurance.
Loss of or damage to Plant and Materials	The replacement cost where not covered by the <i>Employer</i> 's insurance.

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

Z 12.2 Replace core clause 86 with the following:

Insurance	86
by the	
Employer	

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

INSURANCE TABLE B

Insurance against or name of policy	Minimum amount of cover or minimum lin of indemnity
Assets All Risk	Per the insurance policy document
Contract Works insurance	Per the insurance policy document
Environmental Liability	Per the insurance policy document
General and Public Liability	Per the insurance policy document
Transportation (Marine)	Per the insurance policy document
Motor Fleet and Mobile Plant	Per the insurance policy document
Terrorism	Per the insurance policy document
Cyber Liability	Per the insurance policy document

Nuclear Material Damage and Business Interruption	Per the insurance policy document
Nuclear Material Damage Terrorism	Per the insurance policy document

Z13 Nuclear Liability

- Z13.1 The *Employer* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.
- Z13.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against any and all liabilities which the *Contractor* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.3 Subject to clause Z13.4 below, the *Employer* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Contractor* or any other person, or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.4 The *Employer* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.
- Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 Asbestos

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

ΑΑΙΑ	means approved asbestos inspection authority.
АСМ	means asbestos containing materials.
AL	means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.
Ambient Air	means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
Compliance Monitoring	means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
OEL	means occupational exposure limit.
Parallel Measurements	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.

ESKOM HOLDINGS SOC LIMITED CONTRACT NUMBER Provision of lift drivers for 6 (Six) Goods Lifts at Kriel power station for a period of 5 years

- **Safe Levels** means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
- Standard means the *Employer*'s Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
- SANAS means the South African National Accreditation System.
- **TWA** means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.
 - Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.
 - Z14.2 Upon written request by the *Contractor*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Contractor* may perform Parallel Measurements and related control measures at the *Contractor*'s expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
 - Z14.3 The Employer manages asbestos and ACM according to the Standard.
 - Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.
 - Z14.5 The *Contractor*'s personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.
 - Z14.6 The *Contractor* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.
 - Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer*'s expense, and conducted in line with South African legislation.

Annexure B: The Employer's Panel of Adjudicators

The following persons listed in alphabetical order of their surname have indicated their willingness to be included in the Eskom Panel of Adjudicators. Their CV's may be obtained by using the contact details provided.

Name	Location	Contact details (phone & e mail)
Nigel ANDREWS	Gauteng	+27 11 836-6760 nigela@quoin.net
Andrew BAIRD	Gauteng	+27 11 803 3008 andrewbaird@ecsconsult.co.za
Christopher BINNINGTON	Gauteng	+27 11 888-6141 <u>cdb@bca.co.za</u>
Peter HIGGINS	UK	+44 1293 873 868 peterhiggins@pdconsult.co.uk
Bruce LEECH	Gauteng	+27 11 290 4000 leech@counsel.co.za
Nigel NILEN	Gauteng	+27 11 465 3601; nilences@global.co.za
Peter THURLOW	Gauteng	+27 11 787 6226 info@thurlowassoc.com

Information about the Panel and appointment of the selected *Adjudicator* is available from Eskom Supply Chain Operations management, by contacting Leighton Itholeng (Tel.: +27 (0)11 800 4031)

(Fax :+27 (0)86 668 0419) E-mail: Leighton.ltholeng@eskom.co.za

Annexure C: Table of low service damages (X17)

- Low Service Damage	- Value of Low Service	- Limit of Low Service
Description	Damages	Damage
Unavailability of lift drivers in the lift for more than 2 hours	- 1.5% of Task Order value per incident	- Limited to 10% of Task Order Value

C1.2 Contract Data

Part two - Data provided by the Contracto	Part two - Data	provided	by the	Contracto
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Clause	Statement	Data
10.1	The Contractor is (Name):	
	Address	
	Tel No.	+27
	Fax No.	+27
11.2(8)	The direct fee percentage is	100%
	The <i>subcontracted fee percentage</i> is	0%
11.2(14)	The following matters will be included in the Risk Register	SHEQ
11.2(15)	The Service Information for the <i>Contractor</i> 's plan is in:	C3 Scope of Work
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key persons are:	
	1 Name:	
	Job:	
	Responsibilities:	
	Qualifications:	
	Experience:	
	2 Name:	
	Job	
	Responsibilities:	
	Qualifications:	
	Experience:	
Α	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	Part 2, C2.2
11.2(19)	The tendered total of the Prices is	As and when required basis

Part 2: Pricing Data

TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The price list (Excluding Spares price List)	1

C2.1 Pricing assumptions: Option A

The conditions of contract

Provision of Lift Drivers for 6 (Six) Goods Lifts at Kriel power station for a period of 5 years

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

ESKOM HOLDINGS SOC LIMITED CONTRACT NUMBER Provision of lift drivers for 6 (Six) Goods Lifts at Kriel power station for a period of 5 years

to be fully inclusive of everything necessary to provide the Service as described at the time of entering into 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

PRICE LIST

Item	Description		Unit	Qty	Rate	Amount
No				,		
100	PRELIMINARY & GENERAL					
101	Site-Establishment - Budgetary Allowance		Sum	1		
102	Transport (132km per day)		km	158 400		
103	Medicals		Yearly/Person	65		
104	PPE		Yearly/Person	65		
105	Health & Safety File		Yearly	5		
106	Tools & Consumables (allowance twice a year)		No	18		
107	Site -de-establishment - Budgetory Allowance		Sum	1		
200	WORK FORCE					
201	Normal Worktime	No				
202	Site Supervisor	1	Per Hour	9 600		
203	Semi-Skilled	12	Per Hour	9 600		
204	Safety Officer	1	Per Hour	9 600		
	After Hours and Saturday Overtime	No				
205	Site Supervisor	1	Per Hour	1 920		
206	Semi-Skilled	12	Per Hour	1 920		
207	Safety Officer	1	Per Hour	1 920		
	Sunday and Public Holiday Overtime	No				
208	Site Supervisor	1	Per Hour	1 920		
209	Semi-Skilled	12	Per Hour	1 920		
210	Safety Officer	1	Per Hour	1 920		
	TOTAL					

Note: Labour Rates should be as per Metal and Engineering Industries Bargaining Council(MEIBC and no contractor shall pay employees less than the (MEIBC rates)

Part 3: Scope of Work

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

C3.1: Employer's service Information

SCOPE OF WORK / SPECIFICATION

INTRODUCTION

Lifts, Escalator and Passenger conveyor is an essential part of a building for the safe use and transportation of persons and goods.

The document describes requirements for Provision of lift drivers for 6 goods lifts at Kriel power station

SUPPORTING CLAUSES

SCOPE

This scope covers the requirements for Provision of lift drivers for 6 goods lifts at Kriel power station for a period of 5 years

PURPOSE

Elevators and escalators are used for the transportation of people and goods; the purpose of this document is to detail the measures to be taken in order to correctly and safely operate the lifts, as to curb misuse, vandalism of lifts and report availability/unavailability of the lifts

APPLICABILITY

This document shall apply throughout Kriel Power Station for Provision of lift drivers for (Six)6 Goods lifts at Kriel power station

NORMATIVE/INFORMATIVE REFERENCES

Parties using this document shall apply the most recent edition of the documents listed in the following paragraphs.

Normative

- a) ISO 9001 Quality Management Systems.
- b) OHS Act: Occupational Health and Safety Act 85 of 1993

Informative

None applicable

Reference could be made to an Annexure for a detailed classification of services or to the Price List in the case of Option A or C and if the Price List descriptions are complete

1.2 DEFINITIONS AND ABBREVIATIONS

Definition	Description
Lift / Elevator	Any permanent or temporary lifting installation used for the conveyance of persons or of persons and goods, or as an access goods only lift, that operates by means of a conveyance or platform running on a fixed guide or guides and serving landings, but does not include a hoist worked by hand power or a material hoist.
Work / working	All human activities in connection with plant, excluding operating activities and non-dangerous activities performed on the external

Definition	Description
	parts of plant and which cannot affect the health and safety of workers or the safe operation of the plant.

Disclosure Classification

Controlled disclosure: controlled disclosure to external parties (either enforced by law, or discretionary).

Abbreviation	Description
DOL	Department of Labour
EOD	Electrical Operating Desk
GMR 2(7)a	General Machinery Regulation 2(7)a
OEM	Original Equipment Manufacturer
OHS Act	Occupational Health and Safety Act 85 of 1993
PPE	Personal Protective Equipment
QCP	Quality Control Plan
SANS	South African National Standards
SANAS	South African National Accreditation System

1.3 DESCRIPTION OF THE WORKS

The works are for operating of 6 x boiler house Goods lifts at Kriel power station as per occupational health and safety act 85 of 1993 requirement.

1.3.1. CONTRACTOR'S WORKING HOURS

- The *Contractor* shall determine a cycle that will cover 24-hour daily shift including weekends and public holidays for a period of 5 years.
- The contractor shall ensure that the reliability of the lifts is not affected by doing shift handovers.
- The contractor shall report stoppages immediately to EOD and to the lift mechanic

1.3.2. SPECIFIC DUTIES OF THE CONTRACTOR

- The *Contractor* shall attend a monthly meeting to discuss any items arising in connection with the contract with the *Service* Manager and to complete the assessment.
- The Lift Drivers shall complete a register in connection with lift stoppages and other defects.
- The Lift Drivers shall at all times wear a communication device (i.e. Cell phone, two-way radio)
- The Lift Drivers shall be in the lifts at all times
- The Lift Drivers shall immediately report any lift failure to control room immediately when the lift fails

• The Lift Driver shall complete a daily checklist for each lift and keep records .

1.3.3 REPORT REQUIREMENTS

• The *lift drivers* shall attend daily meetings to report on the lift status and failures experienced to the *Service Manager*. Weekly Report shall be sent to Electrical Maintenance Department on Friday afternoons reporting on any failures or stoppages

1.3.4 EXCLUSIONS

REPAIRS TO AND/OR REPLACEMENTS OF THE FOLLOWING ARE EXCLUDED FROM THE CONTRACT:

- The *Contractor* will not be responsible to change fluorescent and incandescent bulbs, light fittings for the landing zones and machine rooms as that will be the Employer's responsibility. However, the *Contractor* will be responsible for keeping the goods lift clean and ensuring good housekeeping at all times
- Telephones and intercoms in the lift car.

1.3.5 MISUSE, ABUSE AND ACCIDENTAL DAMAGE

The *Contractor* will not be liable for any loss or damage to any equipment caused by misuse, abuse or accidental damage (e.g. water damage, vandalism).

1.3.6 POSSESSION, CONTROL OF EQUIPMENT

The *Contractor* will not assume possession or control of any part of the equipment all of which shall remain exclusively the property of the *Employer*.

1.3.7 LEGAL OBLIGATION

The *Contractor* will report to the *Employer* on an inspection which are discovered to be potentially dangerous to the safety of the public, irrespective of whether such parts are excluded from the contract or not.

1.3.8. EMPLOYER (KRIEL POWER STATION) COMMUNICATION BOOK

To aid effective two-way communication the *Employer* will provide an on-site communication book that will be situated at the Station control.

1.3.9. CONTRACTOR TO NOTE AND COMPLY WITH THE FOLLOWING:

The Employer reserves the right to have any of the Contractor's personnel removed off site without any compensation to the Contractor in the event of the Contractor's personnel being in contravention with the OHS Act or any of the Employer's rules, regulations and procedures.

The Employer reserves the right to request disciplinary/corrective action if, and when, required.

The Contractor will operate under the direction and instructions of Employer.

The Contractor will provide all safety apparel, to comply with the construction regulation.

1.3.10 GENERAL REQUIREMENTS

In addition to the South African National Standards applicable to Lifts, Escalators and Passenger conveyors the following will be applicable to all Eskom power station sites and or commercial buildings. This standard will exclude all lifting machinery as describe in terms Driven Machinery Regulation 18 of the OHS Act e.g. mobile scissor lifts, cherry pickers and forklifts.

- All breakdowns and callouts to the service provider shall be logged in a register / Ops-log, at a manned control room (EOD / Shift Manager), with a reference number, time, date and nature of defect for record purposes.
 - Lift Driver is not allowed to leave site unnecessary (example: taking company vehicle for service...)
 - If it might happens that the Lift Driver is on leave, sick or training another lift Driver shall be sent to site ensuring there will be always a Lift Drivers on site. Can we talk more to lift drivers
- Lift driver to ensure that no person shall use or enter a lift with a safety harness attached to his body. Appropriate safety signs shall be displayed at the entrances of all elevators landings and platforms prohibiting the wearing of safety harnesses in lifts (elevators).



Figure 1: Example of safety harness warning signage

- No person shall be allowed to transport hazardous substances in a lift without a risk assessment by a competent person.
- Protective clothing and personal protective equipment is required (As specified in Policy 240-56179027) when a person is within the arc flash protection boundary.

1.3.11 RECORD KEEPING

Monthly check sheets shall form an integral part of the SAP maintenance system for history and audit purposes.

1.3.12 RECORDING OF NON-CONFORMANCES:

All non-conformances, alterations found must be recorded for attention by the owner / user.

Record all non-conformances before the lift, escalator or passenger conveyor can be used with safety and report immediately to the user / owner

Record all other non-conformances that do not impair on the safety of the Lift. The Lift escalator or passenger conveyor can continue being in-service but the non-conformances shall be rectified by the owner / user within 60 days.

1.3.14 RESOURCE REQUIREMENTS

Item No.:	Description	Experience Required
2.1	<u>1 X Site Supervisor</u>	5 years related experience, Proof of Trade test or National Diploma
2.2	12 X Semiskilled Electrician	2 years related experience;
2.3	1 Safety Officer	2 years supervisory experience; Matric; Samtrac

DOCUMENTATION CONTROL

• All Paperwork for planning shall be submitted to works management.

SHEQ

The *Employer* reserves the right to request certification from the *Supplier* that proves compliance to relevant SHEQ legislations, standards and procedures. If, during procurement, the *Supplier* is found guilty of contravention of any SHEQ legislations, the *Employer* shall, at *Employer*'s discretion, cancel the contract and the *Supplier* shall be liable to all the costs incurred therein.

1. Quality assurance and control requirements

- 3.3.1 The contractor complies with the employer's quality requirements as specified in standard BIA/QA/STD01
- 3.3.2 Kriel power station has quality assurance and control procedures in place. The contractor liaises with the quality control department to become familiar with the quality documents and procedures used on-site and to recommend changes for improvement, whenever possible.

4 Additional conditions

- i. This contract and all information associated with its management is confidential and may not be divulged beyond the provisions stated within the contract. Should the Contractor violate this condition, the Contract Service Manager may terminate this contract forthwith and nullifying any outstanding or further claims by the Contractor.
- ii. Neither the Contractor nor the key persons may have any interest, pecuniary, material or otherwise in any work arising from, impacting, or influencing the Contractor's ability to impartially fulfil the Scope of this contract, be it of a service or supply nature. The Contractor and the key persons are to declare any interest, pecuniary, material or otherwise, in any tender, offer or quotation to the Project Manager for any other work, supply or service, to the Employer's Agent at the time when such tender, offer or quotation is submitted. The Contract Service Manager interpretation of a situation shall apply where there is a conflict.

5 Defects Correction Period

Due to the different nature of defects, and the different risks associated with trips, the defect correction period as specified in the Contract Data varies per defect, as indicated by the *Contract Service Manager*.

- Priority 1 24 hours All modifications which may affect the operation of Kriel Power Station.
- Priority 2 2 days Investigations and feasibility studies.

• Priority 3 – 1 week – Repairs.

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.

Insurance provided by the Employer

Refer to the insurance part of the contract	
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Management of work done by Task Order

All work is performed in accordance with the Task Order provided.

Annexure D: Quality assurance requirements

QUALITY CAT 2

SECTION A: Quality Management System Requirements ISO 9001 (Option 1) Valid certification of Quality ManagementSystem by an ISO accredited body	 -A.1 Product / Service Scoping on ISO 9001 certificate is defined and relevant -A.2 Certificate by Approved and Authorized certification authority -A.3 Certification Authority has Recognized International Accreditation -A.4 Validity (expiry date) of certificate
SECTION A: Quality Management System Requirements ISO 9001 (Option 2) Objective evidence of documented QMS thatis not certified but complies with ISO 9001	 A.1 QMS Manual or a document that defines anddescribes the QMS and its scope A.2 Quality Policy Approved by top management. A.3 Quality Objectives Approved by top management. A.4 Control of documented information (i.e., documentand record control) Clause 7.5 of ISO 9001:2015 A.5Documented information for Control of nonconforming outputs Clause 8.7 of ISO 9001:2015 A.6 Documented information for Nonconformity and Corrective action Clause 10.2 of ISO 9001:2015 A.7 Documented information for Internal audit Clause9.2 of ISO 9001:2015
SECTION B: Evidence of QMS in operation (TenderQuality Requirements -Ref 240- 105658000)	 B.1 Documented information for defined roles, responsibilities, and authorities - Organization chart and Responsibility matrix (must include but notlimited to quality management function/role) (Clause 5.3 of ISO 9001:2015) B.2 Documented information for Control of Externally Provided Processes, Products and Services - Must include criteria for evaluation B.3 Latest copy of an internal management systemaudit report

	 (with Nonconformity, Correction and/ or Corrective Action Reports) - Report must include but not limited to Objective, Scope, Criteria, and outcomes of the audit. (Clause 9.2 of ISO 9001:2015) B.4 Latest copy of a certification management system audit report not older than 12 months (with Nonconformity, Correction and/ or Corrective Action Reports) B.5 Records of Management Review meetings (minutes, attendance registers etc.)
SECTION C: Contract Quality Plan Requirements (Ref240- 105658000 and 240- 109253698). Draft Contract Quality Plan specific to the scope of work as described in the tender documents (Ref ISO 10005)	 NB! Draft Contract/Project Quality Plan has important QA deliverables as per template provided
SECTION D: Quality Control Plan Requirements (Ref240- 105658000 or 240- 109253302). QCP /Checklist/ ITP (Quality Control Plans) as per Scope of Works (RefISO 10005)	- NB! Draft Inspection and Test Plan (ITP) or QualityControl Plan (QCP) based on ALL NEC scope of work activities

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

Annexure E: Environmental Requirements

Environmental Policy		
Environmental Policy	The contractor must submit an Environmental Policy and proof of communicating it with the employees (project team). The policy should demonstrate your organization (top management)'s commitment to protection of the environment which is not only intended to prevent adverse environmental impacts through prevention of pollution, but to protect the natural environment from harm and degradation arising from the organisation's activities, products and services . The policy must also demonstrate commitment to compliance with legal and other requirements, prevent pollution and continually improve environmental performance.	
Environmental Aspects and Impacts Register	The contractor shall determine the aspects related to the scope of work. Aspect is an element of organization's activity, products or service which may interact with the environment and may cause negative or positive impact. While impact – refers to any change on the environment whether adverse or beneficiary. Changes to the environment, either adverse or beneficial, that result wholly or partially from environmental aspects are called environmental impacts. The environmental impact can occur at local, regional and global scales, and also can be direct, indirect or cumulative by nature. The relationship between environmental aspects and environmental impacts is one of cause and effect.	
Environmental Management Plan	The contractor must develop an environmental management plan (EMP) specific to the project – Maintenance, Repair, Servicing and Supply of Spares for 11 lifts (6 x goods lifts, 3 x Auxiliary Bay Passenger Lifts and 2 x Physically Challenged People lifts) at Kriel. The EMP shall address how activities, which have potential to cause environmental impacts, will be managed during the lifespan of a project. Issues to be addressed may include but are not limited to noise, odour, dust, air quality, water quality, erosion, use of hazardous chemicals as well as waste generated.	
Environmental Representative	N/A	

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

Annexure F: Health and safety Requirements

SAFETY AND HEALTH (Category C2)	
Annexure B	Is the acknowledgement of Eskom's SHE rules and requirements form (Annexure B) signed and submitted by the tenderer?
Safety, Health and Environmental Plan for Scope of work not limited to the following:	 SHE organization within the Company-Responsibility & Accountability SHE Incident management Planning of conduct of work activities including planning for changes and emergency work Waste management PPE- Personal Protective Equipment Emergency planning and fire risk management Vehicle and driver behaviour safety Contractor or supplier selection and management

	 Design and specifications Competency, training, appointments Communication and awareness Management commitment and visible felt leadership
Baseline SHE Risk Assessment (BRA)	Identification, assessment and management of Safety, Health and Environmental risks related to the scope of work. The methodology used for the risk assessment must be provided together with the BRA
Valid Letter of Good Standing (COIDA or equivalent)	The date of Expiry should not be later than the date of closing date for the tender
SHE policy signed by CEO/ MD	Comply to OHS Act Section 7 or OSHAS 18001

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

SD&L – SUPPLIER DEVELOPMENT AND LOCALISATION

Section 1: Specific Goals

A maximum of 10/20 points may be awarded to a tenderer for the specific goal specified for the tender. The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places. Subject to section 2(1)(f) of the Preferential Procurement Policy Framework Act, the contract must be awarded to the tenderer scoring the highest points.

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

NB: The following documents are required to claim preference points,

- Valid B-BBEE certificate issued by a SANAS accredited verification agency / sworn affidavit / CIPS affidavit
- Proof of ownership / shareholding (preferably CIPC documentation) inclusive of shareholding breakdown
- Certified ID copies of shareholder(s)
- Proof of Disability (where applicable)

Tenderer failing to provide documentation for the allocation of preference points will not be disqualified,

- May only score point out of 90/80 for price
- Scores 0 points out of 10/20 for specific goals

Section 2: Objective criteria

The inclusion of objective criteria is not mandatory but a condition for contract award. If the tenderer does not meet objective criteria; it may lead to the second-ranked tenderer being recommended for award.

2.1 Designated Sectors

		YES	NO	
 a) Is this Commodity or part of it a Designated Sector? 			x	-
Commodity	Components	Lo	cal Content Th	reshold
Commodity	Components	Lo	cal Content Th	reshold
Commodity	Components	Lo	cal Content Th	reshold
Commodity	Components	Lo	cal Content Th	reshold

NOTE: SBD 6.2 Declaration Form and Annex C (Local Content Declaration-Summary Schedule) are therefore **mandatory** and must be tender returnables if applicable.

2.2 CIDB Skills Development

Continuation of Mandatory F	Requirements			
		YES	NO	
a) Is there CIDB compulsory training?			V	
If Yes, what is the% of the Construction Skills Development Goal % (CSDG)		Not Applicable		
If the answer above is Yes, it	will then be mandatory for the sup	plier to match E	skom's targets	
Criteria	Eskom Target	Tenderer C	ommitment	
CSDG Percentage	N/A			
oob o'r eroonago	147.4			

NOTE: Failure by the Contractor/Service Provider/Supplier to meet the CIDB CSDG mandatory % will render their tender non-responsive.

Section 3: SDL&I Objectives in line with Reconstruction and Development Programme (RDP) Goals

Section 3: SDL&I Penalty and Performance Security

Section 4: Reporting and Monitoring

Section 5: Market Research

Section 6: General Information on Validity of Sworn Affidavits

CSI Requirements

Corporate social investment initiative contribution of the total contract expenditure is applicable on this contract.

Working on the Affected Property

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

- The Contractor applies for temporary access permits (Contractor's Permit) at the Security gate, prior to the Possession Date.

- The Contractor personnel are required to be in possession of a Contractor's Permit at all times.

- All Contractor personnel are issued with a temporary access permit (Contractor's Permit) which contains the following information:

- Name
- ID Number
- Company
- Validity date

- All Contractors' permits are submitted to Protective Services when the workers leave the site after completion of the works.

- In order to assist Protective Services with the issuing of permits and the identification of personnel on site, the Contractor supplies a list of all personnel that he intends using on site, at least 24 hours prior to entry of the Security Area.

- This list is delivered to Protective Services, or is faxed to (017) 615 2602

- The list, identified with the Contractor's name, contains the following information:
- Employee Name
- Employee ID Number
- Eskom Safety Co-ordinator signature
- Contract Manager signature

- Copy of the first page of the ID book of every employee of the Contractor, photocopied to reduce the size to 65%.

- To speed up the process of gaining access to the site, the Contractor compiles detailed lists of all tools and equipment to be taken on site before arriving at the Power Station Security gate.

- A special Tool List form is available at Protective Services.

- An authorised copy of this list is retained to be used again when the tools and equipment is removed from site after the completion of the works.

- The Contractor's visitors and all personnel conform at all times to the security arrangements in force at the site.

- Application forms for visitors are filled in by the Contractor's Site Manager and approved by the Employers Representative, one day before the visit and submitted to the Employer's Protective Services office.

- Visitors are not allowed on site if the necessary forms are not in the possession of security staff.

- The Chief of Protective Services may, with valid cause, remove any of the Contractor's personnel from the site, either temporarily or permanently, without any prejudice. He may deny access to the site to any person whom, in the opinion of the said Chief of Protective Services, constitutes a security risk.

- No unauthorised vehicles are allowed on site.

- Only Contractor's vehicles with displayed Contract Vehicle Permits disks are allowed on site.

- Contract Vehicle Applications are directed to the Employers Representative.
- 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.
- Parking inside the power station is strictly forbidden, except for loading purposes.

- No recruiting of casual labour is done on Eskom premises, including the area outside the Power Station Security Gate.

Eskom Life Saving Rules:

Five Life Saving Rules have been developed that will apply to all Eskom employees, agents, consultants and contractors.

Rule 1: Open, Isolate, Test, Earth, Bond, And / Or Insulate before touch - that is any plant operating above 1 000 V.

Rule 2: Hook up at heights - no person may work at height where there is a risk of falling.

Rule 3: Buckle up – no person may drive any vehicle on Eskom business and/or on Eskom premises: unless the driver and all passengers are wearing seat belts.

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

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

- Kriel Power Station Health and Safety Standards

- Specifications for Contractors attached to the Invitation to Tender. This procedure will be handed over during tender enquiry and will enable the successful Tenderer to compile a Health & Safety plan that has to be approved by the Employer prior to commencement of work.

- Compliance with Eskom & Kriel No Smoking Policy
- Adhere to the OHS Act 85 of 1993
- All staff will undergo Safety Induction, presented by Kriel Risk Management Department
- Employer's site regulations, covering the following:
- Clean lines
- Storage of material
- Safety precautions and fire prevention
- Permits to work
- Other Contractor's work
- Representation of sub-contractors
- Constant Supervision for hot work
- Handing over of works
- Contractor's Site
- Disposal of waste, oil residue and sludge
- Hot Work permit for welding
- Working at heights
- Working in and around an area that contains flammable substances
- Testing for combustible gases
- Availability of fire extinguishers when working in an area that contains flammable
- Substances

People restrictions, hours of work, conduct and records

The *Contractor* provides the necessary resources to carry out the *service* as stated in the Service Information.

The *Contractor* provides everything to carry out the Service Information of this contract unless where otherwise stated in this Service Agreement. Everything that should be provided by the *Employer* is stated in this Service Agreement, anything not stated in the Service Agreement should be provided by the *Contractor* to execute the work as stated in the Service Information

It is very important that the *Contractor* keeps records of his people working on the Affected Property, including those of his Subcontractors. The *Contract Manager* shall have access to all records of the *Contractor* and Subcontractor at any time when deemed necessary

Health and safety facilities on the Affected Property

Any emergency equipment or fire suppression systems to be utilized by the *Contractor* when an emergency arise

Please refer to SHE Requirements for Contractors

Environmental controls, fauna & flora

General environmental requirements Kriel Power Station ISO14001

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

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 *Contract 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

Equipment provided by the Employer

It is the responsibility of the *Contractor* to provide his Equipment list to the *Contract Manager* with all calibration certificates etc.

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.

Site services and facilities

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 Contractor

- 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. Temporary chemical toilets are provided by the Contractor where deemed necessary.

Provided by the Contractor

- The Contractor shall provide, for his own use adequate size offices.
- A cleaning service must also be provided.
- Domestic rubbish will be removed free of charge.

- The *Contractor* shall dismantle and clear off site all such infrastructure at the discretion of the *Contract Manager* on completion of the contract.

- No such dismantling and clearance work shall be carried out without prior approval by the Contract Manager.

- Any electrical equipment or appliances used by the *Contractor* shall conform to the applicable South African Safety standards and Kriel standard PSR 010, and shall be maintained in safe and proper working condition.

- The *Employer* shall have the right to stop the Contractor's use of any electrical equipment or appliance, which in the *Employer's* opinion does not conform to the foregoing.

Site Location

- The boundary of the site is within the Power Station boundary fences.

- The Contractor is to mark the boundaries of his site clearly.

- The Contractor is to ensure that all his material and equipment is always within the boundaries of his site.

- A site for the Contractor will be provided if needed. (The exact position will be determined on site).
- The Contractor will ensure further treatment of the yard area to keep all neat and tidy at all times.
- The Contractor shall also include for such items as security, watch and access arrangements to his yard area.
- The Contractor shall not occupy any site area other than that located to him

- On completion of the service on Site, all areas allocated to the Contractor shall be re-instated to their former condition to the satisfaction of Employer

Contractor's site requirements

- The *Contractor* supplies, installs, properly maintains and removes all temporary construction facilities and utilities necessary for the complete performance of the service

- Including the following:

-

- The Contractor's yard should adhere to sound housekeeping, failing with this the Employer may use another Contractor to clean up the Contractor's yard. These costs will be carried by the Contractor.

- Any damage to installed lighting is repaired at the *Contractor's* expense.

- The reticulation of electricity, water and any other services required by the *Contractor* from a supplied central distribution point.

- Hazardous Substances to be contained as per Eskom requirements.
- Transportation on and off site
- Telephone connections may be available, and the *Contractor* applies via the *Contract Manager* for a connection. Connection fees and calls are for the *Contractor*'s account.
- Compressed air and gases
- Maintenance of lay-down and storage areas
- Electric panels and distribution wiring for erection and within Contractor's yard
- Security of Contractor's yard
- Temporary lighting to ensure safe working conditions.

Accommodation

The provision of accommodation for *Contractor*'s personnel is the responsibility of the *Contractor*. The *Contractor* or any of his employees are allowed to use the Employer's dining facilities, for as long as it is permitted by group finance or and by Kriel Power station management

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).

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 Kriel 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 *Contract 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 cleared from Site daily.

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 Kriel Power Station. Refer to RSR0001 heading 5.7

Tests and inspections

As per Scope of Work

Materials facilities and samples for tests and inspections

As per scope of work