



## NEC3 Supply Contract (SC3)

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

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

**for** **Supply and Deliver Consumables at Tutuka Power Station**  
**stores on an as when required “basis” for a period of 5 years.**

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**Contents:**

**Part C1 Agreements & Contract Data**

**Part C2 Pricing Data**

**Part C3 Scope of Work**

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**CONTRACT No. [Insert at award stage]**

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## **PART C1: AGREEMENTS & CONTRACT DATA**

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### **Contents:**

**C1.1 Form of Offer and Acceptance**

**C1.2a Contract Data provided by the *Purchaser***

**C1.2b Contract Data provided by the *Supplier*.**

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# C1.1 Form of Offer & Acceptance

**Offer**

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

**Supply and Deliver Consumables at Tutuka Power Station stores on an as when required “basis” for a period of 5 years.**

The tenderer, identified in the Offer signature block, has.

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

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

|  |  |       |
|--|--|-------|
|  | The offered total of the Prices exclusive of VAT is                  | R [•] |
|  | Value Added Tax @ 15% is   | R [•] |
|  | The offered total of the amount due inclusive of VAT is <sup>1</sup> | R [•] |
|  | (in words) [•]   |       |

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

Signature(s)

Name(s) \_\_\_\_\_

Capacity \_\_\_\_\_

**For the tenderer:**

\_\_\_\_\_  
*(Insert name and address of organisation)*

Name & signature of witness

Date

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

## Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)

Name(s)

Capacity

for the  
**Purchaser**

**Eskom Holdings SOC Ltd, Megawatt Park, Maxwell Drive, Sandton, Johannesburg, 2199**

*(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 *Purchaser* prior to contract award.**

| No. | Subject    | Details    |
|-----|------------|------------|
| 1   | <b>N/A</b> | <b>N/A</b> |
| 2   | <b>N/A</b> | <b>N/A</b> |

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

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

**For the tenderer:**

**For the *Purchaser***

Signature

.....

.....

Name

.....

.....

Capacity

.....

.....

On behalf of

*(Insert name and address of organisation)*

**Eskom Holdings SOC Ltd, Megawatt  
 Park, Maxwell Drive, Sandton,  
 Johannesburg, 2199**

Name & signature of witness

.....

.....

Date

.....

.....

**Part one - Data provided by the Purchaser.**

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

| Clause   | Statement  | Data  |
|----------|--|---|
| 1        | <b>General</b>   |   |
|          | The <i>conditions of contract</i> are the core clauses and the clauses for Options |   |
|          |  | <b>X1: Price adjustment for inflation</b>   |
|          |  | <b>X2: Changes in the law</b>   |
|          |  | <b>X7: Delay damages</b>  |
|          |  | <b>X17: Low performance damages</b>   |
|          |  | <b>Z: Additional conditions of contract</b>   |
|          | of the NEC3 Supply Contract (April 2013) <sup>2</sup>                              | (If the December 2009 edition is to be used delete April 2013 and replace by December 2013)   |
| 10.1     | The <i>Purchaser</i> is (name):  | <b>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</b> |
|          | Address  | <b>Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg</b>   |
|          | Tel No.  | <b>[•]</b>  |
|          | Fax No.  | <b>[•]</b>  |
| 10.1     | The <i>Supply Manager</i> is (name):   | <b>[•]</b>  |
|          | Address  | <b>[•]</b>  |
|          | Tel  | <b>[•]</b>  |
|          | Fax  | <b>[•]</b>  |
|          | e-mail   | <b>[•]</b>  |
| 11.2(13) | The <i>goods</i> are   | <b>Consumables</b>  |
| 11.2(13) | The <i>services</i> are  | <b>To supply and Deliver Consumables at Tutuka Power Station stores on an as when required "basis" for a period of 5 years.</b>                         |
| 11.2(14) | The following matters will be included in the Risk Register                        | 1) Delays on delivery<br>2) Quality of deliverables   |
| 11.2(15) | The Goods Information is in  | <b>Part 3: Scope of Work and all documents and drawings to which it makes reference.</b>  |
| 11.2(15) | The Supply Requirements as part of the   | <b>Annexure A to this Contract Data</b>   |

<sup>2</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902, www.ecs.co.za.

Goods Information is in

| 12.2     | The <i>law of the contract</i> is the law of   | <b>the Republic of South Africa</b>   |  |                           |                      |   |                           |   |
|----------|--|---|--|---------------------------|----------------------|---|---------------------------|---|
| 13.1     | The <i>language of this contract</i> is  | <b>English</b>  |  |                           |                      |   |                           |   |
| 13.3     | The <i>period for reply</i> is   | <b>24 Hours</b>   |  |                           |                      |   |                           |   |
| <b>2</b> | <b>The <i>Supplier's</i> main responsibilities</b>   | <b>Data required by this section of the core clauses is provided by the <i>Supplier</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data.</b>   |  |                           |                      |   |                           |   |
| <b>3</b> | <b>Time</b>  |   |  |                           |                      |   |                           |   |
| 30.1     | The <i>starting date</i> is.   | <b>[•]</b>  |  |                           |                      |   |                           |   |
| 30.1     | The <i>delivery date</i> of the <i>goods and services</i> is:  | <table border="1"> <thead> <tr> <th></th> <th><i>goods and services</i></th> <th><i>delivery date</i></th> </tr> </thead> <tbody> <tr> <td>1</td> <td><i>As per Batch Order</i></td> <td><b>As per Delivery Date on the Purchase Order</b></td> </tr> </tbody> </table> |  | <i>goods and services</i> | <i>delivery date</i> | 1 | <i>As per Batch Order</i> | <b>As per Delivery Date on the Purchase Order</b> |
|          | <i>goods and services</i>  | <i>delivery date</i>  |  |                           |                      |   |                           |   |
| 1        | <i>As per Batch Order</i>  | <b>As per Delivery Date on the Purchase Order</b>   |  |                           |                      |   |                           |   |
| 30.2     | The <i>Supplier</i> does not bring the <i>goods</i> to the Delivery Place more than one week before the Delivery Date. | <b>[no data required]</b>   |  |                           |                      |   |                           |   |
| 31.1     | The <i>Supplier</i> is to submit a first programme for acceptance within   | <b>Not Applicable</b>   |  |                           |                      |   |                           |   |
| 32.2     | The <i>Supplier</i> submits revised programmes at intervals no longer than   | <b>Not Applicable</b>   |  |                           |                      |   |                           |   |
| <b>4</b> | <b>Testing and defects</b>   |   |  |                           |                      |   |                           |   |
| 42       | The <i>defects date</i> is   | <b>3 weeks after Delivery.</b>  |  |                           |                      |   |                           |   |
| 43.2     | The <i>defect correction period</i> is   | <b>1 week</b>   |  |                           |                      |   |                           |   |
|          | except that the <i>defect correction period</i> for  | <b>1 week</b>   |  |                           |                      |   |                           |   |
|          | and the <i>defect correction period</i> for  | <b>1week</b>  |  |                           |                      |   |                           |   |
| 42.2     | The <i>defects access period</i> is  | <b>1 day</b>  |  |                           |                      |   |                           |   |
|          | except that the <i>defect access period</i> for  | <b>1 day</b>  |  |                           |                      |   |                           |   |
|          | and the <i>defect access period</i> for  | <b>1 day</b>  |  |                           |                      |   |                           |   |
| <b>5</b> | <b>Payment</b>   |   |  |                           |                      |   |                           |   |
| 50.1     | The <i>assessment interval</i> is  | <b>After each delivery and acceptance of goods</b>  |  |                           |                      |   |                           |   |
| 51.1     | The <i>currency of this contract</i> is the  | <b>South African Rand</b>   |  |                           |                      |   |                           |   |
| 51.2     | The period within which payments are made is   | <b>4 weeks.</b>   |  |                           |                      |   |                           |   |
| 51.4     | The <i>interest rate</i> is  | <b>the publicly quoted prime rate of interest (calculated on a 365 day year) charged from time to time by the Standard Bank of South</b>  |  |                           |                      |   |                           |   |

Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and

(ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted *mutatis mutandis* every 6 months thereafter and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.

|      |  |  |
|------|--|--|
| 6    | <b>Compensation events</b>   | Goods not included in the scope, Appendix or Annexures   |
| 7    | <b>Title</b>   | 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    | <b>Risks, liabilities, indemnities and insurance</b>   |  |
| 80.1 | These are additional <i>Purchaser's</i> risks  | <b>1. Incorrect quantities</b><br><b>2. Damaged goods</b>  |
| 88.1 | The <i>Supplier's</i> liability to the <i>Purchaser</i> for indirect or consequential loss, including loss of profit, revenue and goodwill is limited to | <b>R0.0 (zero Rand)</b>  |
| 88.2 | For any one event, the <i>Supplier's</i> liability to the <i>Purchaser</i> for loss of or damage to the <i>Purchaser's</i> property is limited to        | <b>(1) for the <i>Purchaser's</i> existing and surrounding property in the care, custody and control of the <i>Supplier</i> the amount of the deductible (first amount payable) relevant to the event and</b><br><b>(2) for all other existing <i>Purchaser's</i> property the applicable deductible as at contract date</b> |
| 88.3 | The <i>Supplier's</i> liability for Defects due to his design which are not notified before the last   | <b>R[•]</b><br><b>[This is a commercial decision, but consider using the total of the Prices. Delete this note after inserting a Rand</b>  |



|           |   |  |
|-----------|---|--|
|           | <i>defects date</i> is limited to:  | <b>amount]</b>   |
| 88.4      | The <i>Supplier's</i> total liability to the <i>Purchaser</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to | <b>R[•]</b><br><br>[This is a commercial decision, but consider using at least the total of the Prices. Delete this note after inserting the Rand amount]  |
| 88.5      | The <i>end of liability date</i> is   | <b>Not Applicable</b>  |
| <b>9</b>  | <b>Termination and dispute resolution</b>   | <b>Termination will be dealt with as per NEC3 SC termination clauses.</b>  |
| 94.1      | The <i>Adjudicator</i> is   | <b>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 <a href="http://www.ice-sa.org.za">www.ice-sa.org.za</a>). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).</b> |
|           | Address   | <b>[•]</b>   |
|           | Tel No.   | <b>[•]</b>   |
|           | Fax No.   | <b>[•]</b>   |
|           | e-mail  | <b>[•]</b>   |
| 94.2(3)   | The <i>Adjudicator nominating body</i> is:  | <b>the Chairman of ICE-SA, a Division of the South African Institution of Civil Engineering, or its successor body (See <a href="http://www.ice-sa.org.za">www.ice-sa.org.za</a>)</b>  |
| 94.4(2)   | The <i>tribunal</i> is:   | <b>arbitration</b>   |
| 94.4(5)   | The <i>arbitration procedure</i> is   | <b>the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.</b>  |
| 94.4(5)   | The place where arbitration is to be held is  | <b>South Africa</b>  |
|           | The person or organisation who will choose an arbitrator  | <b>the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.</b>   |
|           | - if the Parties cannot agree a choice or<br>- if the arbitration procedure does not state who selects an arbitrator, is  |  |
| <b>10</b> | <b>Data for Option clauses</b>  |  |
| <b>X1</b> | <b>Price adjustment for inflation</b>   |  |
| X1.1      | The <i>base date</i> for indices is   | <b>The month prior to the enquiry closing date.</b>  |
|           | The proportions used to calculate the Price Adjustment Factor are:  | <b>proportion linked to index for Index prepared by</b>  |
|           |   | <b>0. [•] [•]</b>  |

|            |  |  |  |     |
|------------|--|--|--|-----|
|            |  | 0.   | [•]  | [•] |
|            |  | 0.   | [•]  | [•] |
|            |  | 0.   | [•]  | [•] |
|            |  | 0.   | [•]  | [•] |
|            |  | 15%  | non-adjustable   |     |
|            |  | 100%   |  |     |
| <b>X2</b>  | <b>Changes in the law</b>                        |  |  |     |
| X2.1       | A change in the law of                           | <b>South Africa is a compensation event if it occurs after the Contract Date</b> |  |     |
| <b>X7</b>  | <b>Delay damages</b>                             |  |  |     |
| X7.1       | Delay damages for Delivery are                   | <b>Delivery of Consumables</b>   | <b>amount per day</b>  |     |
|            |  |  | 0.5% (zero point five per centum) increments of the batch order value per calendar day late, until damages have accumulated to 10% of the batch order. |     |
| <b>X17</b> | <b>Low performance damages</b>                   |  |  |     |
| X17.1      | The amounts for low performance damages are:     | <b>Stated in the Purchaser's goods information</b>                               |  |     |
| <b>Z</b>   | <b>The additional conditions of contract are</b> |  |  |     |
|            | <b>Z1 to Z15 always apply for Eskom</b>          |  |  |     |

**Z1 Cession delegation and assignment**

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

**Z2 Joint ventures**

- Z2.1 If the *Supplier* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Purchaser* for the performance of this contract.
- Z2.2 Unless already notified to the *Purchaser*, the persons or organisations notify the *Supply Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Supplier* on their behalf.

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

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

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

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

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

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

### **Z4 Confidentiality**

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

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

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

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

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

### **Z5 Waiver and estoppel: Add to core clause 12.3:**

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

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

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

Without limitation the *Supplier*:

- warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of supply and
- undertakes, in and about the execution of the supply, to comply with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Supplier's* direction and control, likewise observe and comply with the foregoing.

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

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

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

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

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

**Z8 Notifying compensation events**

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

**Z9 Purchaser's limitation of liability**

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

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

**Z10 Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet**

**point, after the words "against it":**

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

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

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

**Z12 Ethics**

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

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

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

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

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

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

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

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

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

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

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

Z12.3 If the *Purchaser* terminates the *Supplier's* obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.

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

**Z13Insurance**

**Z 13.1 Replace core clause 84 with the following:**

**Insurance cover 84**

- 84.1** When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.
- 84.2** The *Supplier* provides the insurances stated in the Insurance Table A for events which are at the *Supplier's* risk from the *starting date* until the last *defects date* or a termination certificate has been issued.

**INSURANCE TABLE A**

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

**Z 13.2 Replace core clause 87 with the following:**

**Insurance by the *Purchaser***

87

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

**INSURANCE TABLE B**

| <b>Insurance against or name of policy</b>        | <b>Minimum amount of cover or minimum of indemnity</b> |
|---|--|
| 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<br>Terrorism | Per the insurance policy document |
|--------------------------------------|-----------------------------------|

**Z14 Nuclear Liability**

- Z14.1 The *Purchaser* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.
- Z14.2 The *Purchaser* is solely responsible for and indemnifies the *Supplier* or any other person against any and all liabilities which the *Supplier* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Supplier* or any other person or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.
- Z14.3 Subject to clause Z14.4 below, the *Purchaser* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Supplier* or any other person, or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.
- Z14.4 The *Purchaser* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.
- Z14.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

**Z15 Asbestos**

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

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



requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.

**Standard** means the *Purchaser's* Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.

**SANAS** means the South African National Accreditation System.

**TWA** means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

- Z15.1 The *Purchaser* ensures that the Ambient Air in the area where the *Supplier* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.
- Z15.2 Upon written request by the *Supplier*, the *Purchaser* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Supplier* may perform Parallel Measurements and related control measures at the *Supplier's* expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z15.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
- Z15.3 The *Purchaser* manages asbestos and ACM according to the Standard.
- Z15.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.
- Z15.5 The *Supplier's* personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.
- Z15.6 The *Supplier* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations.
- Z15.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Purchaser* at the *Purchaser's* expense, and conducted in line with South African legislation.

## Annexure A: Supply Requirements

### The Supply Requirements for this contract are based on the use of INCOTERMS:

The *Supplier* supplies the *goods* in accordance with INCOTERMS 2010<sup>3</sup> as follows:

| Group | Category               | Term | Delivery Place           |
|-------|------------------------|------|--------------------------|
|       | Delivery Cost Included | DCI  | <i>Employer's stores</i> |

The Parties obligations described in Incoterms for the category and term selected are now incorporated into this contract as part of the Supply Requirements and hence the Goods Information.

The obligations of seller and buyer for the selected Incoterm determine each Party's costs, risks and insurance requirements incidental to the supply and transport of the *goods* from *Supplier* to *Purchaser*.

For each of the thirteen terms, Incoterms set out obligations of the seller (the *Supplier*) in ten paragraphs identified as A1 to A10 and the corresponding obligations of the buyer (the *Purchaser*) in paragraphs B1 to B10. These obligations cover the following subjects:

| <b>A</b>   | <b>The <i>Supplier's</i> obligations</b>                               | <b>B</b>   | <b>The <i>Purchaser's</i> obligations</b>                              |
|------------|--|------------|--|
| <b>A1</b>  | Provision of goods in conformity with contract                         | <b>B1</b>  | Payment of the price   |
| <b>A2</b>  | Licences, authorisations and formalities                               | <b>B2</b>  | Licences, authorisations and formalities                               |
| <b>A3</b>  | Contracts of carriage and insurance                                    | <b>B3</b>  | Contracts of carriage and insurance                                    |
| <b>A4</b>  | Delivery   | <b>B4</b>  | Taking delivery  |
| <b>A5</b>  | Transfer of risks  | <b>B5</b>  | Transfer of risks  |
| <b>A6</b>  | Division of costs  | <b>B6</b>  | Division of costs  |
| <b>A7</b>  | Notice to the buyer  | <b>B7</b>  | Notice to the seller   |
| <b>A8</b>  | Proof of delivery, transport document or equivalent electronic message | <b>B8</b>  | Proof of delivery, transport document or equivalent electronic message |
| <b>A9</b>  | Checking - packing - marking   | <b>B9</b>  | Inspection of goods  |
| <b>A10</b> | Other obligations  | <b>B10</b> | Other obligations  |

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

<sup>3</sup> International Chamber of Commerce, Incoterms 2010, Paris, January 2011

**The Supply Requirements for this contract are as follows:**

[Use these when INCOTERMS do not apply].

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

|  |  |   |
|--|--|---|
| <b>1. The requirements for the supply are</b>        | As stated in the contract goods information  |   |
| <b>2. The requirements for transport are</b>         | As stated in the contract goods information  |   |
| <b>3. The delivery place is</b>                      | Tutuka Power Station<br>Stores(receiving )   |   |
| <b>4. Actions of the Parties during supply</b>       | <b>Action</b>  | <b>Party which does it</b>                  |
|  | Giving notice of Delivery  | Supplier                                    |
|  | Checking packing and marking before dispatch   | Supplier                                    |
|  | Contracting for transport  | Supplier                                    |
|  | Pay costs of transport   | Included in tendered rates                  |
|  | Arrange access to delivery place   | Purchaser                                   |
|  | Loading the <i>goods</i>   | Supplier                                    |
|  | Unloading the <i>goods</i>   | As stated in the contract goods information |
| <b>For international procurement</b>                 | Undertake export requirements  | Supplier                                    |
|  | Undertake import requirements  | Supplier                                    |
| <b>5. Information to be provided by the Supplier</b> | <b>Title of document</b>   |   |
|  | Packing lists for cases and their contents   |   |
|  | Copy of invoice for the <i>goods</i>   |   |
|  | Delivery Note  |   |
|  | Test results and maintenance manuals   |   |
| <b>For international procurement</b>                 | Licences, authorisations and other formalities associated with export of the <i>goods</i>  |   |
|  | Air Waybill or Bill of Lading with associated landing, delivery and forwarding order   |   |
|  | The Bill of Entry endorsed by the importation authority  |   |
|  | Customs work sheets, showing tax, duties and surcharges which the law of the country into which the <i>goods</i> are being imported requires the importer to pay |   |
|  | Invoice from the importation clearing agent showing airline fees, landing charges, wharfage and dock dues as applicable  |   |
|  | Specify other import documents required by authorised officials.   |   |

## C1.2 Contract Data

**Part two - Data provided by the *Supplier*.**

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

| Clause   | Statement  | Data  |  |                           |                      |   |     |     |   |     |     |   |     |     |
|----------|--|---|--|---------------------------|----------------------|---|-----|-----|---|-----|-----|---|-----|-----|
| 10.1     | The <i>Supplier</i> is (Name):<br>Address<br>Tel No.<br>Fax No.  |   |  |                           |                      |   |     |     |   |     |     |   |     |     |
| 11.2(8)  | The Goods Information for the <i>Supplier's</i> design is in:  |   |  |                           |                      |   |     |     |   |     |     |   |     |     |
| 11.2(11) | The tendered total of the Prices is  | R ,<br>(in words)   |  |                           |                      |   |     |     |   |     |     |   |     |     |
| 11.2(12) | The <i>price schedule</i> is in:   |   |  |                           |                      |   |     |     |   |     |     |   |     |     |
| 11.2(14) | The following matters will be included in the Risk Register  |   |  |                           |                      |   |     |     |   |     |     |   |     |     |
| 25.2     | The restrictions to access for the <i>Supply Manager</i> and Others to work being done for this contract are |   |  |                           |                      |   |     |     |   |     |     |   |     |     |
| 30.1     | The <i>delivery date</i> of the <i>goods and services</i> is:  | <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;"></th> <th style="width: 45%; text-align: center;"><i>goods and services</i></th> <th style="width: 50%; text-align: center;"><i>delivery date</i></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">[•]</td> <td style="text-align: center;">[•]</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">[•]</td> <td style="text-align: center;">[•]</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">[•]</td> <td style="text-align: center;">[•]</td> </tr> </tbody> </table> |  | <i>goods and services</i> | <i>delivery date</i> | 1 | [•] | [•] | 2 | [•] | [•] | 3 | [•] | [•] |
|          | <i>goods and services</i>  | <i>delivery date</i>  |  |                           |                      |   |     |     |   |     |     |   |     |     |
| 1        | [•]  | [•]   |  |                           |                      |   |     |     |   |     |     |   |     |     |
| 2        | [•]  | [•]   |  |                           |                      |   |     |     |   |     |     |   |     |     |
| 3        | [•]  | [•]   |  |                           |                      |   |     |     |   |     |     |   |     |     |
| 31.1     | The programme identified in the Contract Data is contained in:   |   |  |                           |                      |   |     |     |   |     |     |   |     |     |
| 63.2     | The <i>percentage for overheads and profit</i> added to the Defined Cost is                                  | %   |  |                           |                      |   |     |     |   |     |     |   |     |     |

## **PART 2: PRICING DATA**

### **NEC3 Supply Contract**

| <b>Document reference</b> | <b>Title</b>              |
|---------------------------|---------------------------|
| C2.1                      | Pricing assumptions       |
| C2.2                      | The <i>price schedule</i> |

## C2.1 Pricing assumptions

### How goods and services are priced and assessed for payment

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

|                                     |      |  |
|-------------------------------------|------|--|
| <b>Identified and defined terms</b> | 11   |  |
|                                     | 11.2 | (11) The Prices are the amounts stated in the price column of the Price Schedule. Where a quantity is stated for an item in the Price Schedule, the Price is calculated by multiplying the quantity by the rate.<br><br>(12) The Price Schedule is the <i>price schedule</i> unless later changed in accordance with this contract.  |
| <b>Assessing the amount due</b>     | 50.2 | The amount due is <ul style="list-style-type: none"><li>• the Price for each lump sum item in the Price Schedule which the <i>Supplier</i> has completed,</li><li>• where a quantity is stated for an item in the Price Schedule, an amount calculated by multiplying the quantity which the <i>Supplier</i> has completed by the rate,</li><li>• plus other amounts to be paid to the <i>Supplier</i>,</li><li>• less amounts to be paid by or retained from the <i>Supplier</i>.</li></ul> <p>Any tax which the law requires the <i>Purchaser</i> to pay to the <i>Supplier</i> is included in the amount due.</p> |

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

### Function of the Price Schedule

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

### Preparing the *price schedule*

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

It will be assumed that the tendering supplier has

- Read Pages 8, 11, 12 and Appendix 5 of the SC3 Guidance Notes before preparing the *price schedule*;
- Included in his Prices and rates for correction of Defects (core clause 43.1) as there is no compensation event for this unless the Defect is due to a *Supplier's* risk;
- Spread the cost of doing work he chooses not to list as separate items in the *price schedule* across other Prices and rates in order to fulfil the obligation to Provide the Goods and Services for the tendered total of the Prices;
- Understood that there is no adjustment to lump sum prices in the *price schedule* if the amount, or quantity, of work within that lump sum item later turns out to be different to that which the *Supplier* estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event per clause 60.1;

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

### **Format of the *price schedule***

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

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

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

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

## C2.2 the *price schedule*

| Item nr |         | Short Description                            | Unit | Rate |
|---------|---------|--|------|------|
| 1       | 0016872 | BAG: REFUSE; WD 800 X LG 930 X THK 0.5 MM    | EA   |      |
| 2       | 0017025 | CLEANER HND: TOILET SOAP; CAKE 100 G         | EA   |      |
| 3       | 0017028 | TOWEL PPR: DISPOSABLE MEDICAL; WD 250 MM     | EA   |      |
| 4       | 0017031 | SUGAR REFND: PKT;2.5 KG                      | EA   |      |
| 5       | 0017033 | TEA: JOKO; BOX;250 G                         | EA   |      |
| 6       | 0147471 | CHEMICAL: GLYCERIN; LIQD;100 ML; BOTTLE      | EA   |      |
| 7       | 0157512 | DEODORANT: AIR FRESHENER; AEROSOL; LAVENDER  | EA   |      |
| 8       | 0157514 | DEODORANT: AIR; BLOCK; FLORAL                | EA   |      |
| 9       | 0159769 | CLEANER: SOAP; CAKE; WRAPPED 500 G; SUNLIGHT | EA   |      |
| 10      | 0161166 | TEA: ROOIBOS; BOX;200 G                      | EA   |      |
| 11      | 0184852 | MILK: BEVERAGE; UHT PROCESSED; LONG LIFE;1   | EA   |      |
| 12      | 0161174 | COFFEE INST: RICOFFY; NESTLE; GRANULES; TIN  | EA   |      |
| 13      | 0183677 | CREAMER NON-DAIRY: CREMORA; POWDER;1 KG      | EA   |      |
| 14      | 0147469 | CREAM BARR: PETROLEUM JELLY WHITE; TUB;500   | EA   |      |
| 15      | 0017025 | CLEANER HND: TOILET SOAP; CAKE 100 G         | EA   |      |
| 16      | 0144659 | BATT DCELL: ALKALINE;1.5 VDC; AAA            | EA   |      |
| 17      | 0144652 | BATT DCELL: ALKALINE;1.5 VDC; D; D           | EA   |      |
| 18      | 0582232 | SUGAR BRWN: PLASTIC BAG;1 KG; CRYSTALLINE    | EA   |      |
| 19      | 0016814 | CLOTH: CLEANING; COTTON                      | EA   |      |
| 20      | 0016512 | PAPER BOND: A4; WHITE;                       | EA   |      |



|    |         |   |    |  |
|----|---------|---|----|--|
|    |         | SHEET;80 G/M2; REAM                           |    |  |
| 21 | 0227085 | CLEANER: SHOWER SOAP;<br>LIQD                 | EA |  |
| 22 | 0144660 | BATT DCELL: ALKALINE;9 VDC                    | EA |  |
| 23 | 0017408 | FILE STNRY: ARCH LEVER;<br>CARDBOARD;GRAY;W70 | EA |  |

## **PART 3: SCOPE OF WORK**

| <b>Document reference</b> | <b>Title</b>                         |
|---------------------------|--------------------------------------|
|                           | This cover page                      |
| C3.1                      | <i>Purchaser's Goods Information</i> |
| C3.2                      | <i>Supplier's Goods Information</i>  |

## C3.1: *PURCHASER'S* GOODS INFORMATION

### Contents

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| 6.1 Subcontracting.....   | xl    |
| 6.1.1 Preferred subcontractors.....   | xl    |
| 6.1.2 Limitations on subcontracting.....  | xl    |
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| 6.1.4 Other requirements related to procurement.....  | xl    |
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| 7 List of drawings.....   | xli   |
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## 1 Overview and purpose of the goods and services

Supplier to supply and Deliver Consumables as prescribed in this contract at Tutuka Power Station stores.

## 2 Specification and description of the goods

As per full technical specification given on Goods Information / Price schedule Specifications.

### Specifications Descriptions

| Material Number | Short Description                           | Long Description  |
|-----------------|---|---|
| 0016872         | BAG: REFUSE; WD 800 X LG 930 X THK 0.5 MM   | BAG: TYPE: REFUSE; DIMENSIONS: WD 800 X LG 930 X THK 0.5 MM; COLOR: BLACK; MATERIAL: PLASTIC; MICRON: 50; UNIT PACKAGE QUANTITY: 20; WALL THICKNESS (50 MICRONS); 1EA = 20 BAGS   |
| 0017028         | CLEANER HND: TOILET SOAP; CAKE 100 G        | CLEANER, HAND: TYPE: TOILET SOAP; CONTAINER: CAKE 100 G; SPECIFICATION: SABS 237-1972; SUPPL P/N: ARGOSY; WHITE PIGMENTED; PERFUMED; PACKED 72 X 100 G PER BOX; INDIVIDUALLY WRAPPED; CHEMICALS TO BE SUPPLIED WITH MSDS AND SECTION 12 (ECOLOGICAL INFORMATION OF THE MSDS TO BE COMPLETED IN DETAIL) WITH EVERY DELIVERY  |
| 0017028         | TOWEL PPR: DISPOSABLE MEDICAL; WD 250 MM    | TOWEL, PAPER: TYPE: DISPOSABLE MEDICAL; WIDTH: 250 MM; COLOR: WHITE; REFERENCE NO: 056028; 2 PLY, 100 SHEETS PER ROLL, 18 ROLLS PER BOX, ENC 00174 LINE 3   |
| 0017031         | SUGAR REFND: PKT;2.5 KG                     | SUGAR, REFINED: PACKAGE TYPE: PKT; PACKAGE WEIGHT: 2.5 KG; WHITE; PACKED IN 10 X 2.5KG PACKETS PER BALE   |
| 0017033         | TEA: JOKO; BOX;250 G                        | TEA: TYPE: JOKO; PACKAGE TYPE: BOX; PACKAGE WEIGHT: 250 G; TAGLESS 100 BAGS   |
| 0147471         | CHEMICAL: GLYCERIN; LIQD;100 ML; BOTTLE     | CHEMICAL: TYPE: GLYCERIN; FORM: LIQUID; CONTAINER CAPACITY: 100 ML; CONTAINER: BOTTLE; COLOR: CLEAR; PURE REAGENT USED MAINLY AS A BASE OR MIXING MEDIUM IN MEDICINES, LOTIONS AND CREAMS, MATERIAL SAFETY DATA SHEETS WITH ENVIRONMENTAL INFORMATION IN THE 16 POINT FORMAT TO BE PROVIDED WITH EVERY DELIVERY AS REQUIRED BY THE OCCUPATIONAL HEALTH AND SAFETY ACT |
| 0157512         | DEODORANT: AIR FRESHENER; AEROSOL; LAVENDER | DEODORANT: TYPE: AIR FRESHENER; FORM: AEROSOL; FRAGRANCE: LAVENDER; CONTAINER: CAN 200 ML; PACKED 6 PER BOX REQUIRED A MATERIAL SAFETY DATA SHEET WITH EVERY DELIVERY.  |
| 0157514         | DEODORANT: AIR; BLOCK; FLORAL               | DEODORANT: TYPE: AIR; FORM: BLOCK; FRAGRANCE: FLORAL; CONTAINER: BLOCK WRAPPED 200 G;   |

|         |  |  |
|---------|--|--|
|         |  | INDIVIDUALLY WRAPPED, ADCOCK INGRAM ONLY, PACKED 24 PER BOX, SAFETY DATA SHEETS REQUIRED WITH DELIVERY, HAZARDOUS SUBSTANCES, THIS PRODUCT IS CLASSIFIED AS A HAZARDOUS SUBSTANCE AND SAFETY BROCHURES MUST ACCOMPANY DELIVERY, IN ACCORDANCE WITH THE OCCUPATIONAL HEALTH AND SAFETY ACT OHS ACT 85 OFF 1993 SECTION 10 AND 11  |
| 0159769 | CLEANER: SOAP; CAKE; WRAPPED 500 G; SUNLIGHT | CLEANER: TYPE: SOAP; FORM: CAKE; CONTAINER: WRAPPED 500 G; TRADE NAME: SUNLIGHT; REQUIRED THE NEW STANDARD FOR RELIABILITY POINT 1 TO 16 MATERIAL SAFETY DATA SHEET WITH EVERY DELIVERY  |
| 0161166 | TEA: ROOIBOS; BOX;200 G                      | TEA: TYPE: ROOIBOS; PACKAGE TYPE: BOX; PACKAGE WEIGHT: 200 G; SUPPL P/N: ENA 383; REFERENCE NO: 5692; 2.5 GRAM PER SACHET/80 BAGS; TAGLESS   |
| 0184852 | MILK: BEVERAGE; UHT PROCESSED; LONG LIFE;1   | MILK: SPECIFIC USE: BEVERAGE; PREPARATION TYPE: UHT PROCESSED; FOOD QUALITY: LONG LIFE; FLAVOR: FULL CREAM; CONTAINER TYPE: CARTON; CONTAINER CAPACITY: 1 L; PARMALAT OR CLOVER; SHELF LIFE; MANUFACTURING DATE; EXPIRY DATE   |
| 0161174 | COFFEE INST: RICOFFY; NESTLE; GRANULES; TIN  | COFFEE, INSTANT: TYPE: RICOFFY; BRAND NAME: NESTLE; FORM: GRANULES; PACKAGE TYPE: TIN; PACKAGE WEIGHT: 1.5 KG; WITH CHICORY  |
| 0183677 | CREAMER NON-DAIRY: CREMORA; POWDER;1 KG      | CREAMER, NON-DAIRY: BRAND NAME: CREMORA; PHYSICAL FORM: POWDER; PACKAGE TYPE: PACKET PLASTIC; PACKAGE WEIGHT: 1 KG   |
| 0147469 | CREAM BARR: PETROLEUM JELLY WHITE; TUB;500   | CREAM, BARRIER: TYPE: PETROLEUM JELLY WHITE; CONTAINER TYPE: TUB; CONTAINER CAPACITY: 500 G; SUPPL P/N: VASELINE; VASELINE, SUPPLIER NOTE A MATERIAL SAFETY DATA SHEET REQUIRE WITH EVERY DELIVERYAND SECTION 12 (ECOLOGICAL INFORMATION OF THE MSDS TO BE COMPLETED IN DETAIL); THE FOLLOWING IS REQUIRED WITH EVERY DELIVERY; SHELF LIFE; DATE OF MANUFACTURE AND METHOD OF STORAGE; VASELINE. |
| 0017025 | CLEANER HND: TOILET SOAP; CAKE 100 G         | CLEANER, HAND: TYPE: TOILET SOAP; CONTAINER: CAKE 100 G; SPECIFICATION: SABS 237-1972; SUPPL P/N: ARGOSY; WHITE PIGMENTED; PERFUMED; PACKED 72 X 100 G PER BOX; INDIVIDUALLY WRAPPED; CHEMICALS TO BE SUPPLIED WITH MSDS AND SECTION 12 (ECOLOGICAL INFORMATION OF THE MSDS TO BE COMPLETED IN DETAIL) WITH EVERY DELIVERY   |
| 0144659 | BATT DCELL: ALKALINE;1.5 VDC; AAA            | BATTERY, DRY CELL: MATERIAL: ALKALINE; POTENTIAL: 1.5 VDC; DIMENSIONS: AAA; CONNECTION: FLAT TERMINALS; SUPPL P/N: MN2400  |
| 0144652 | BATT DCELL: ALKALINE;1.5 VDC; D; D           | BATTERY, DRY CELL: MATERIAL: ALKALINE; POTENTIAL: 1.5 VDC; DIMENSIONS: D; CONNECTION: FLAT TERMINALS; SUPPL P/N: MN1300; REFERENCE NO: LR20; AMP HOUR 1300MIN, SAFETY DATA SHEETS  |

|         |   |   |
|---------|---|---|
|         |   | REQUIRED ON DELIVERY HAZARDOUS SUBSTANCES; THIS PRODUCT IS CLASSIFIED AS A HAZARDOUS SUBSTANCE AND SAFETY BROCHURES MUST ACCOMPANY DELIVERY; IN ACCORDANCE WITH THE OCCUPATIONAL HEALTH AND SAFETY ACT (OHSA) ACT85 OF 1993 SECTION 10 AND 11   |
| 0582232 | SUGAR BRWN: PLASTIC BAG;1 KG; CRYSTALLINE   | SUGAR, BROWN: PACKAGE TYPE: PLASTIC BAG; PACKAGE WEIGHT: 1 KG; PHYSICAL FORM: CRYSTALLINE   |
| 0016814 | CLOTH: CLEANING; COTTON                     | CLOTH: TYPE: CLEANING; MATERIAL: COTTON; GRADE: QT, STERILIZED, CLEAN SCOURED, LIGHT AND MEDIUM COLOURED GRADE, PACKED IN 5KG BALES; SIZE: IRREGULAR  |
| 0016512 | PAPER BOND: A4; WHITE; SHEET;80 G/M2; REAM  | PAPER, BOND: SIZE: A4; COLOR: WHITE; USAGE FORM: SHEET; NOMINAL BASIS WEIGHT: 80 G/M2; PACKAGE TYPE: REAM; PACKAGE QUANTITY: 500 PAGES; SUPPL P/N: SATYA4WHBX; MODEL NO: 80 GSM; 210 MM WD X 297 MM LG  |
| 0227085 | CLEANER: SHOWER SOAP; LIQD                  | CLEANER: TYPE: SHOWER SOAP; FORM: LIQUID; CONTAINER: BOTTLE PLASTIC 750 ML; ONLY COSS BRAND TO BE SUPPLIED  |
| 0144660 | BATT DCELL: ALKALINE;9 VDC                  | BATTERY, DRY CELL: MATERIAL: ALKALINE; POTENTIAL: 9 VDC; DIMENSIONS: WD 24 X LG 46 X THK 16 MM; CONNECTION: CLIP ON TERMINAL; SUPPL P/N: MN1604; AMP HOUR 1604MIN, SAFETY DATA SHEETS IN ACCORDANCE WITH THE OCCUPATIONAL HEALTH AND SAFETY ACT (OHSA), ACT 85 OF 1993 SECTION 10 AND 11 REQUIRE WITH EACH DELIVERY |
| 0017408 | FILE STNRY: ARCH LEVER; CARDBOARD; GRAY;W70 | FILE, STATIONERY: TYPE: ARCH LEVER; SIZE: WD 280 X LG 350 X HT 70 MM; MATERIAL: CARDBOARD; COLOR: GRAY; REFERENCE NO: W70; COMPLETE WITH DUST COVER, WITHOUT INDEX, METAL LEVER ARCH AND PLASTIC COMPRESSOR   |

## 2.1 Purchaser's design

None (Purchaser has no design)

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

Not Applicable

## 2.3 Other requirements of the Supplier's design

Not Applicable

## **2.4 Use of *Supplier's* design**

Not Applicable

## **2.5 Manufacture & fabrication**

Not Applicable

## **2.6 Factory acceptance testing (FAT)**

Not Applicable

## **2.7 Other tests and inspections and commissioning in place of use**

The Goods deliver will be inspected as per the specifications specified in the goods information.

## **2.8 Operating manuals and maintenance schedules**

Not Applicable

## **3 Supply Requirements**

- a) The supply and delivery of consumables is on an as and when require basis.
- b) Requests for delivery will be made on a contract release order starting with a Order number
- c) All consumables must be on time of required order date.
- d) Transported by road on supplier's costs and transport.
- e) End user to be informed when delivery will be done at least 2 days upfront.
- f) No deliveries to be done on a Weekend or public holiday except on an emergency basis indicated by the *Purchaser*.
- g) The *Supplier* must deliver the components between 08:30 to 15:30 Mondays to Thursdays and 8:30 to 11:30 on Fridays. No deliveries to be done on weekends unless prior arrangements done with the *Supplier, Purchaser* and stores.
- h) Pallets to convey the batch must be strong enough to carry and transport load at any time.
- i) Batches to be clearly marked and packed according to the required specifications.
- j) All consumables must have a clear and visible label indicating the shelf-life and expiring date of the product.
- k) The stock number, quantity and material short description must be stated on the delivery note.
- l) Each delivery to be recorded on receiving register and each delivery note must have unique number.
- m) Supplier delivery note must indicate partial delivery if partial delivery is made.
- n) The stock number, quantity and material short description must be stated on the delivery note.
  
- o) *Contractor* on site must supply a SAPS clearance certificate to the *Employer* before contract start and every 12 months thereafter for all *Contractor's* employees to ensure continued access to site. This will also be handed in to security for *Contractor* to obtain access permits.



Acceptance of this tender is subject to the condition that both the contracting company's management and its employees will provide Eskom with a clear criminal record not older than thirty (30) days from a reputable screening company. If the principal *Contractor* appoints a subcontractor, the same provisions and measures will apply to the subcontractor. Acceptance of the tender is also subject to the condition that the *Contractor* will implement all such security measures for the safe performance of the work as required in the scope of the contract.

*Contractors* are to submit proof of verification record(s) (Security clearance) from SAPS or accredited supplier linked to SAPS AFIS system not older than thirty (30) days, as part of Risk Management process in order to curb any threats against the Installation. It is compulsory for these documents to be submitted to Security for verification before access to site is granted. Only individuals with clear criminal records will be considered.

*Contractors* are required to submit the SAPS Clearance Certificate obtained by the employee along with a copy of his/her Identity Document or Passport to the site Security Manager. The Security Manager is required to verify the authenticity of the CRC Certificate with SAPS and to cross reference the employee seeking access against known HR databases and site databases to determine if the employee in question has in the past participated in disruptive labor actions and if the individual was dismissed from Eskom and the reason for such dismissal. Every employee applying for access must be evaluated as an individual and subsequent finding recorded. A risk analysis of the employee profile indicating whether the employee is a risk to the installation must be completed. Any risk rating allocated above a level III will be deemed unsuitable.

The process shall be repeated every 12 months for low-risk employees (Risk Rating 5, 4) and every 6 months for medium to high-risk employees.

#### **Packaging / Crating**

- a) The *Supplier* shall be responsible for the packaging of all goods delivered to Tutuka Power Station – Main Stores.

#### **Delivery to Site**

- a) The *Supplier* shall be responsible for the transportation of all Spares delivered to Tutuka Power Station – Main Stores.
- b) Ownership will only be transferred to the *Purchaser* upon payment.

### **4 Specification of the services to be provided.**

All Goods to be supplied must form part of the price list on the signed contract between both parties.

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

### **5.1 Programming constraints**

- a) All Goods ordered not on time as per required order date.
- b) End user not informed 2 days upfront when delivery will be done.
- c) Lead time not negotiated upfront to ensure that end user will receive materials, spares / equipment in time. No adherence to Lead times.
- d) All vehicles to be roadworthy.
- e) The *Supplier* will be responsible for the safe transportation of all goods from the supplier's site to the Purchaser offloading point and liable for any damages or stolen goods.
- f) No gate pass or access arranged - *Supply Manager/* Supervisor to be informed when delivery will be done at least 2 days upfront.
- g) No driver available for off-loading - *Supply Manager* Supervisor to be informed when delivery will be done at least 2 days upfront.

- h) Late deliveries due to transportation or labour strikes
- i) Goods not packed correctly.
- j) Goods delivered have no clear and visible label indicating the shelf-life and expiring date of the product.
- k) Goods are delivered earlier or later than the delivery date.

## **5.2 Work to be done by the Delivery Date**

- a) Verify that the materials being delivered are at the correct destination.
- b) All equipment / spares must be on time of required order date.
- c) Transported by road on supplier's costs and transport.
- d) Stores to determine if the purchase order is still valid.
- e) The *Purchaser* to acknowledge receipt of goods by stamping and signing the delivery note of the *Supplier* upon delivery, rejected items to be communicated after the official quality inspection is done on site by the end user of the spares rejected must be collected and the correct supplied within 7. days
- f) Only goods ordered will be accepted. Any goods that do not meet the specifications will be rejected.
- g) Acceptance, off-loading and QC of the goods delivered.
- h) *Purchaser* arranges gate access for the *Supplier*.
- i) *Purchaser* arranges Induction for the *Supplier*
- j) Ensure that the delivered goods are signed for.

## **5.3 Marking the goods**

- a) Name of *Supplier*
- b) Purchase order number
- c) Quantity delivered.
- d) Short description
- e) Shelf-life and expiring date.

## **5.4 Constraints at the delivery place and place of use**

- a) End user not having an offloading point at time.
- b) No Forklift / crane with driver will be supplied for offloading.
- c) Pallets to convey the batch must be strong enough to carry and transport load at any time.
- d) Supplier might not be the only supplier delivering on that day and must wait for assistance.
- e) No gate pass or access arranged - *Supply Manager/ Supervisor* to be informed when delivery will be done at least 2 days upfront and arrange access control permit at the gate.
- f) No driver available for off-loading - *Supply Manager/ Supervisor* to be informed when delivery will be done at least 2 days upfront.
- g) Invalid purchase order
- h) Quantity short supplied
- i) Visible damage or defects
- j) Quantity over supplied or late deliveries
- k) Early deliveries

## **5.5 Cooperating with Others**

Co-operation with others will be from time to time and on a as and when required basis on request by the *Purchaser*.

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

- a) The *Purchaser* will determine the offloading point at time.
- b) The *Purchaser* will provide resources to offload the goods being delivered (Forklift and cranes)
- c) The *Supplier* will offload small goods.
- d) *Purchaser* to ensure access to site for deliveries during normal hours.
- e) *Purchaser* to arrange induction.
- f) *Supplier* to provide proper transportation for the goods.
- g) Forklift/ overhead crane with driver will be supplied by *Purchaser* for offloading.

**5.7 Management meetings**

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

| Title and purpose                      | Approximate time & interval | Location             | Attendance by:              |
|--|-----------------------------|----------------------|-----------------------------|
| Overall contract progress and feedback | TBC                         | Tutuka Power Station | Supply Manager and Supplier |
| Kick-off meeting                       | TBC                         | Tutuka Power Station | Supply Manager and Supplier |

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

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

Attendance of meetings as required by *Purchaser* Such as: -

- a) Any meeting requested by the *Purchaser* or *Supplier*

**5.8 Documentation control**

- a) Each instruction, certificate, submission, proposal, record, acceptance, notification, reply and other communication which this contract requires is communicated in a form which can be read, copied and recorded.
- b) Writing is in the Language of this contract.
- c) All reports to be discussed, compiled and handed in to the *Purchaser*.
- d) All communications must be printed and filed in the *Purchaser* file.

**5.9 Health and safety risk management**

The *Supplier* shall comply with the health and safety requirements contained in Annexure SHE Specification 14RISK SRM – 084 to this Service Information.

- a) All The *Purchaser’s* health and safety procedures and regulations to be adhered to by the *Supplier*
- b) A SHEQ file to be handed in at the SHEQ department for approval prior to work commencement and kept up to date for the duration of the contract

**SHEQ Policy**

**Eskom SHEQ Policy**

The *Purchaser* has made a commitment to conduct business with respect and care for people, the environment and assets and that no operating condition or urgency of service justifies exposing anyone to negative risks arising from the *Purchaser* business.

Compliance with the *Purchaser's* SHEQ Policy and applicable regulations is the responsibility of every employee and *Supplier*

### **Supplier's SHEQ Policy**

All *Contractors* shall have an OHS policy signed by the CEO of the *Supplier* and prominently displayed where employees normally report for duty.

Signed copy of the OHS policy shall form part of the SHEQ file.

### **SHE PLAN REQUIREMENTS:-**

- a) Principal *Contractors* shall develop a suitable and sufficiently documented site specific SHE plans, based on the scope of work and client SHEQ specification.
- b) The SHE plans must be pre-approved by the client for implementation. The principal *Supplier/ Supplier* has a responsibility to send the SHE plans to the client for approval prior to commencement of work.
- c) The SHE plans must be applied from the commencement of and for the duration the construction work, which must be updated / reviewed as the work progresses / changes.

When a principal *Supplier* intends appointing *Contractor*, the principal *Supplier* shall ensure that the *Supplier* provides and demonstrate a suitable, sufficiently documented and coherent site-specific health and safety plan, based on the client's SHEQ specifications and scope of work

### **Health and Safety Arrangements**

The *Supplier* ensures that all his personnel attend a Health and Safety Induction Course prior to contract starting date, and annual re- induction. The Induction Course is presented by the *Employer's* Safety Risk Department at the *Employer*. Arrangements are made with Safety Risk Management, by the *Contractor*.

The *Employer's* Safety Risk Manager visits and inspects the *Contractor's* workplace or site yard and the working areas to ensure that tools; machinery and Equipment comply with the minimum safety requirements.

The *Supply Manager* may instruct the *Supplier* to stop work, where the *Contractor's* personnel fail to conform to safety standards or contravene health and safety regulations. Such stop-work order is not a compensation event. The *Supply Manager* may instruct the *Supplier* to discipline his employees and to submit a disciplinary action report to the *Supply Manager*. The *Supplier* implements additional health and safety precautions where necessary.

### **Health and safety**

The *Supplier* complies with the Occupational Health and Safety Act 85 of 1993, as well as per the *Employer's* procedure as stipulated below:

- d) SHEQ Policy 32-727
- e) The *Purchaser's* Procurement and Supply Chain Management Procedure 32-1034
- f) SHE Requirements for the *Purchaser's* Commercial Process 32-726
- g) *Supplier* Health and Safety Requirements 32-136
- h) Integrated SHE Organization, Roles and Responsibilities and Statutory Appointments 32- 296
- i) Live-saving Rules 240-62196227
- j) Working at Heights 32-418
- k) The *Purchaser's* Vehicle Safety Specifications 32-345
- l) the *PurchaserSupplier* SHEQ Specifications 14RISK SRM - 084

## Site Regulations and Procedures

### Site Regulations

The latest revision the *Purchaser's Site* Regulations form part of this contract.  
Copies of these procedures are available on request.  
(Any additional site regulations implemented will be applicable)  
Safety risk management

"Standard for health and safety at Tutaka Power Station - requirements to be met by *Contractors*".

### Vehicle and driver safety

All drivers, passengers and pedestrians must obey vehicle safety requirements in terms of the National Road Traffic Act, Act No 93 of 1996, as amended, including other relevant provincial or local requirements.

### Speed Limit

All vehicles must be driven with due consideration for personnel and property. All speed limits will be adhered to on the premises at all times.

### Transportation of passengers: open LDV's:

With effect from 31 May 2006 no *purchaser's* employee or *Supplier* would be allowed to transport passengers on the back of open light delivery vehicles (LDV's). It is a legal requirement to provide safe transportation of the *purchasers* and *Supplier* employees – therefore the following will be enforced:

### The *Employer's* Life Saving Rules:

Five Life Saving Rules have been developed that will apply to all the *Employer's* employees, agents, Consultants and Contractors.

- a) Rule 1: Open, Isolate, Test, Earth, Bond, And / Or Insulate before touch - that is any plant operating above 1 000 V.
- b) Rule 2: Hook up at heights - no person may work at height where there is a risk of falling.
- c) Rule 3: Buckle up – no person may drive any vehicle for the *Employer's* business and/or on the *Employer's* premises: unless the driver and all passengers are wearing seat belts.

The *Purchaser* takes a "ZERO TOLERANCE" attitude to drivers and passengers who do not wear safety belts when driving in a vehicle for the *Employer's* Business and / or on the *Employer's* premises. The violation of this very important safety rule as well as any safety rule while performing work for or on behalf of the *Purchaser* may result in the *Purchaser* terminating your obligation to perform work in terms of your contract with the *Employer*.

All occupants must wear their safety belts properly, and must never put the shoulder belt under their arm or behind their backs. Drivers and all passengers must buckle-up at all times for the sake of themselves and their families.

- d) Rule 4: Be sober (no person is allowed to work under the influence of drugs and Alcohol).
- e) Rule 5: Use a permit to work – where an authorization limitation exists, no person shall work without the required permit to work.

The *Supplier* acknowledges that it is fully aware of the requirements of all the above and undertakes to employ only people who have been duly authorised in terms thereof and who have received sufficient safety training to ensure that they can comply therewith.

The *Supplier* undertakes not to do, or not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.

The *Supplier* shall appoint a person who will liaise with the *Purchaser's* Safety Officer responsible for the premises relevant to this contract.

Do safety audits at the *Contractor's* premises, its work-places and on its employees;

Refuse any employee, sub-*Supplier* or agent of the *Supplier* access to its premises if such person has been found to commit any unlawful act or any unsafe working practice or is found to be not authorised or qualifies in terms of the OHSACT;

Issue the *Supplier* with a work stop order or a compliance order should *Purchaser* become aware of any unsafe working procedures or conditions or any non-compliance with the Act, Regulations and Procedures by the *Supplier* or any of its employees, sub-Contractors or agents.

The *Contractors* Health and safety file is to be submitted for approval to the *Purchaser's* Safety Officer before contract commencement.

All work stoppages called by the *Purchaser* to be adhered to

*Supplier's* Responsible to ensure that his Letter of Good standing is valid at all times as stipulated in the construction regulations point 7 (C) (iv) and she specifications 2.5.2 (iv) and 3.10 *Supplier* will not be allowed on site if his letter of good standing is not valid

### **Security, fire protection and safety**

The *Supplier* shall be responsible for ensuring the security of the works, and of his plant, equipment and materials. To that end he shall make adequate provision for access control, lighting and watchman to the works where required.

### **Fire protection**

The provision of the *Employer's* standard NWS 1494 "Fire Prevention and Protection of *Contractor's* premises at New Works sites" shall be applicable.

### **Safety and incident prevention**

The *Supplier* shall implement and maintain an active Site Safety and Accident Prevention Programme in accordance with the the *Purchaser's* SHEQ Specifications. The overriding regulations will however be the Occupational Health and Safety Act.

Incident Management, Corrective & Prevention Action Procedure to be adhered to – 14Risk IM PC-019

### **Reporting of accidents**

The *Purchaser* follows an accident prevention policy that includes the investigation of all accidents involving personnel and property. This is done with the intention of introducing control measures to prevent a recurrence of the same incidents. The *Supplier's* expected to fully co-operate to achieve this objective. The *Supply Manager* must be informed immediately of any incidents. A written report to be submitted to the *Purchaser* within 24 Hours of incidents and any damage to property or equipment

**NOTE!** This report does not relieve the *Supplier* of his legal obligations to report certain incidents to the Department of Labour, or to keep records in terms of the Occupational Health and Safety Act, and Compensation for Occupational Injuries and Diseases Act.

### **Occupational Health and Safety Act 85 Of 1993 – SECTION 37**

In accordance with Section 37 (2) of the Act, the *Supplier's* appointed by the *Purchaser's* mandatory to assume Health and Safety duties and responsibilities. The *Supplier* ensures compliance with all requirements of the Act and any instruction or notification that enhances those requirements.

The *Supplier* acknowledges that he is fully aware of all the requirements of the Occupational Health and Safety Act and undertakes to employ only staff who have been duly authorised in terms thereof and who receive sufficient safety training to ensure that they can comply therewith.

The *Supplier* undertakes not to do, and not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.

## **5.10 Environmental constraints and management**

Not Applicable

## **5.11 Quality**

- The *Supplier* must conform to Quality Management System-ISO 9001:2015 requirements.
- The *Supplier* to conforms to ISO 9001:2015 requirements (Quality Management System). *Supplier* is bound to conform to Eskom documented information such as procedures (Control of non-conforming output products and services), policies etc.
- *Supplier* to ensure all quality checks are done prior dispatch of components and where needed proof to be provided to the client.
- The *Supplier* will fully conform to the requirement of the *Supplier* Quality Requirement Specification (QM-58), standards, procedures, Eskom policies and etc.
- The *Supplier* might be subjected to audits and as part of monitoring.
- All documents that will be arising from this project must remain with the client such as manuals.
- Where applicable the service provider must conform to any statutory requirements

## **5.12 Invoicing and payment**

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

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

- A. Name and address of the *Supplier* and the *Supply Manager*.
- B. The contract number and title.
- C. *Contractor's* VAT registration number.
- D. The *Purchaser's* VAT registration number 4740101508.
- E. Description of service provided for each item invoiced based on the Price List.
- F. Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT.
- G. Purchase order number
- H. CPA calculation sheet
- I. PA calculation sheet and the Invoice for CPA on the Invoice to be send to the financial department as per the *Employer's* Invoicing procedure / instruction.

## **5.13 Insurance provided by the Purchaser.**

NEC3 SC Insurance Core Clauses shall be applied and Z13 Insurance clause.

#### **5.14 Contract change management.**

- a) In a case where one *Supplier* takes over from another *Contractor*, the Site *Supply Manager* must be notified in writing immediately.
- b) The *Supplier* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Purchaser*.
- c) Changing the Service Information
- d) Access
- e) Provision by the *Purchaser*
- f) Stopping work
- g) Work of the *Purchaser* or others
- h) Reply to communication.
- i) Changing a decision
- j) Withholding acceptance
- k) Delayed tests or inspections
- l) Change of Affected property
- m) Materials, facilities, etc. for tests
- n) *Purchaser* risks
- o) Assumption about Compensation Events
- p) *Purchaser* breach of contract

#### **5.15 Provision of bonds and guarantees.**

Not Applicable

#### **5.16 Records of Defined Cost, payments & assessments of compensation events to be kept by the *Supplier*.**

Will be done as per the *Employer's* invoicing and payment procedure and requirement.

### **6 Procurement**

#### **6.1 Subcontracting**

##### **6.1.1 Preferred subcontractors**

Not Applicable

##### **6.1.2 Limitations on subcontracting**

Not Applicable

##### **6.1.3 Spares and consumables.**

Not Applicable

##### **6.1.4 Other requirements related to procurement.**

Not Applicable



**6.1.5 Cataloguing requirements by the *Supplier***

Not Applicable

**7 List of drawings**

**7.1 Drawings issued by the *Purchaser*.**

Not Applicable

**C3.2 SUPPLIER'S GOODS INFORMATION**

- a) All relevant documentation to be handed in as requested from *Purchaser / Supply Manager*

Low performance damages

| <b>X17.1 SERVICE LEVEL TABLE</b> |  |   |   |
|----------------------------------|--|---|---|
| <b>No</b>                        | <b>DESCRIPTION OF TASK</b>                               | <b>QUALITY OF PERFORMANCE REASON FOR DAMAGES</b>  | <b>DAMAGES TO BE IMPLEMENTED</b>                              |
| 1                                | Goods not meeting the quality specifications             | Failure to meet quality specifications requirements.  | Goods to be collected and replaced by the <i>Contractor</i> . |
| 2                                | Packing and preliminary marking of goods before delivery | All items must be wrapped with clear, plastic, bubble wrap that is clear or be placed inside cardboards for preservations purposes. The marking should be as follows Name of Supplier, Purchase order number, Part number and delivery date | 2 % of order value and to be taken back for preservations     |

**Risk Register**

| Description of the risk            |                                | Action to avoid or reduce the risk  |
|------------------------------------|--------------------------------|---|
| Risk event                         | Cause & possible outcome       | Action to be taken and who in terms of the contract is responsible for taking it                                |
| <b>Delays on delivery</b>          | Load and production loss       | Any expected delays must be communicated 2 days before delivering or earlier                                    |
| <b>Natural Disasters</b>           | Delay completion               | Supplier asses the risks that are likely and plan accordingly.  |
| <b>Correct material use</b>        | Premature failure of component | Material certificates for each new component used on the equipment to be submitted to Eskom with the data pack. |
| <b>Delivery of defective Goods</b> | Load and production loss       | QC, tests and inspections to be done by Purchaser prior delivery  |
| <b>Delivery of incorrect Goods</b> | Load and production loss       | QC, tests and inspections to be done by Purchaser on delivery   |