NEC3 Term Service Contract (TSC3)

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

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

for **the Provision of Emergency Diesel Generators Maintenance Services at Kusile Power Station Project**

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

PART C1: AGREEMENTS & CONTRACT DATA

Contents:		No of pages
C1.1	**Form of Offer and Acceptance**	**[●]**
	[to be inserted from Returnable Documents at award stage]	
C1.2a	**Contract Data provided by the *Employer***	**[●]**
C1.2b	**Contract Data provided by the *Contractor***	**[●]**
	[to be inserted from Returnable Documents at award stage]	
C1.3	**Proforma Guarantees**	**[●]**

C1.1 Form of Offer & Acceptance

Offer

The Provision of Emergency Diesel Generators Maintenance Services at Kusile Power Station Project

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

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

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

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

Signature(s) .....

Name(s) .....

Capacity .....

For the tenderer: .....

(Insert name and address of organisation)

Name & signature of witness ..... Date .....

Tenderer's CIDB registration number: .....

Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s) .....

Name(s) .....

Capacity .....

for the Employer

.....

(Insert name and address of organisation)

Name & signature of witness .....

Date .....

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

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

Not applicable

	For the tenderer:	**For the Employer**
Signature		
Name		
Capacity		
On behalf of		
	(Insert name and address of organisation)	*(Insert name and address of organisation)*
Name & signature of witness		
Date		

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	**General**	
	The *conditions of contract* are the core clauses and the clauses for main Option:	
	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** **Z: *Additional conditions of contract***
	of the NEC3 Term Service Contract April 2013[2] (TSC3)	
10.1	The *Employer* is (name):	**Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa.**
	Address	**Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg.**
	Tel No.	**011 800 8000**
	Fax No.	**086 6666 0338**
10.1	The *Service Manager* is (name):	**Zandile Zwane**
	Address	**Kusile Power Station Project** **R545 Kendal/Balmoral Rd** **Haartebeesfontein Farm** **Witbank** **Postnet Suite 46** **Emalahleni 1035 - SA**
	Tel	**+27 013 699 7863**

	Fax	**086 6666 0338**
	e-mail	**ZwaneZV@eskom.co.za**
11.2(2)	The Affected Property is	**Kusile Power Station Project**
11.2(13)	The *service* is	**The provision of Emergency Diesel Generators Maintenance Services at Kusile Power Station.**
11.2(14)	The following matters will be included in the Risk Register	• **All Risks identified during the execution of the contract will be raised on the Site Services Risk Register, managed, and closed out as they retire.**
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 *law of the contract* is the law of	**the Republic of South Africa.**
13.1	The *language of this contract* is	**English.**
13.3	The *period for reply* is	**Seven (7) working days.**
2	**The *Contractor*'s main responsibilities**	**Data required by this section of the core clauses is also provided by the *Contractor* in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data.**
21.1	The *Contractor* submits a first plan for acceptance within	**Two (2) weeks of the Contract start date.**
3	**Time**	
30.1	The *starting date* is.	**TBC.**
30.1	The *service period* is	**Eighteen (18) months.**
4	**Testing and defects**	**There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.**
5	**Payment**	
50.1	The *assessment interval* is	**Between the 15th and 20th day of each successive month. Five (5) working days for the Employer to complete its own assessment, excluding time for correction of the Contractor's assessment.**
9151.1	The *currency of this contract* is the	**South African Rand.**
51.2	The period within which payments are made is	**Fourteen (14) working days after submission of each invoice, excluding time for correction of the Contractor's invoice.**

51.4	The *interest rate* is	**the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands.**
6	**Compensation events**	**Applicable as per core clause 6 NEC3 Term Service Contract April 2013.**
7	**Use of Equipment Plant and Materials**	**No data is required for this section of the conditions of the contract.**
8	**Risks and insurance**	
80.1	These are additional *Employer*'s risks	**Damage to Eskom property due to criminal activity/negligence.**
9	**Termination**	**Applicable as per core clause 9 NEC3 Term Service Contract April 2013.**
10	**Data for main Option clause**	
A	**Priced contract with price list**	
20.5	The *Contractor* prepares forecasts of the final total of the Prices for the whole of the *service* at intervals no longer than	**Four (4) weeks.**
11	**Data for Option W1**	
W1.1	The *Adjudicator*	**the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).**
W1.2(3)	The *Adjudicator nominating body* is:	**the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.**
W1.4(2)	The *tribunal* is:	**arbitration**
W1.4(5)	The *arbitration procedure* is	**the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.**
	The place where arbitration is to be held is	**Republic of South Africa**
	The person or organisation who will choose an arbitrator	

	- if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is	**the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.**

12 Data for secondary Option clauses

X1	**Price adjustment for inflation**	**Applicable after 12 months from the start date**
	The *base date* for indices is	**TBC**

The proportions used to calculate the Price Adjustment Factor are:	**Proportion**	The proportions used to calculate the Price Adjustment Factor are:	**Proportion**
Consumer Price Inflation			
Food Price Inflation			
Wage Increase			
Transport			

The first price adjustments will be effective in Date TBC

X2	**Changes in the law**	The contractor to align to the latest business requirements, standards, legal and regulatory requirements the Employer shall not be liable for any cost due to changes in any law.
X17	**Low service damages**	

X17.1	If a part of the *service* does not meet the service level stated in the *service level table*, the *Contractor* pays the amount of low service damages stated in the *service level table*.	**0.1% per day of the total of the Price for each item or group of items of the relevant part of the service that does not meet the required service level to a maximum of 10% of the applicable Prices. E.g If the Contractor fails to provide the service and/or provide any mitigations to correct the non-conformance within five (5) working days, the penalty of 0.1% per day will kicks in from the first day of the non-conformance.**
X18	**Limitation of liability**	
X18.1	The *Contractor*'s liability to the *Employer* for indirect or consequential loss is limited to	**R0.0 (zero Rand)**
X18.2	For any one event, the *Contractor*'s liability to the *Employer* for loss of or damage to the *Employer*'s property is limited to	**The amount of the applicable deductibles at contract date.**
X18.3	The *Contractor*'s liability for Defects due to his design of an item of Equipment is limited to	**The greater of** • **the total of the Prices at the Contract Date and** • **the amounts excluded and unrecoverable from the *Employer*'s insurance (other than the resulting physical damage to the *Employer*'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 excluded matters, is limited to	**the total of the Prices other than for the additional excluded matters.** **The *Contractor's* total liability for the additional excluded matters is not limited.** **The additional excluded matters are amounts for which the *Contractor* is liable under this contract for** • **loss of or damage to property (other than the *Employer*'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	**Two [2] months after the end of the *service period*.**
Z	**The *additional conditions of contract* are**	**Z1 to Z14 always apply.**

Z1 Cession delegation and assignment

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

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

Z2 Joint ventures

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

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

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

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

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

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

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

Z3.4 Failure by the *Contractor* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Confidentiality

Z4.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.

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

Z4.3 In the event that the *Contractor* is, at any time, required by law to disclose any such

information which is required to be kept confidential, the *Contractor*, to the extent permitted by law prior to 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,

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.

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*

Z12.1 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.

83.1 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 o indemnity
Loss of or damage caused by the *Contractor* to the *Employer*'s property	The replacement cost where not covered by t *Employer*'s insurance. The *Employer*'s policy deductible as at Contra Date, where covered by the *Employer*'s insura
Loss of or damage to Plant and Materials	The replacement cost where not covered by t *Employer*'s insurance. The *Employer*'s policy deductible as at Contra Date, where covered by the *Employer*'s insura

Loss of or damage to Equipment	The replacement cost where not covered by the *Employer*'s insurance. The *Employer*'s policy deductible as at Contract Date, where covered by the *Employer*'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 *Contractor* arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law

Z12.2 Replace core clause 86 with the following:

Insurance by the *Employer*

86. The Employer provides the insurances stated in the Insurance Table B 1

INSURANCE TABLE B

Insurance against or name of policy	**Minimum amount of cover or minimum l 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 44 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 44 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.

C1.2 Contract Data

Part two - Data provided by the *Contractor*

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

Clause	Statement	Data
10.1	The *Contractor* is (Name): Name Tel No. Fax No. Email address	
11.2(8)	The *direct fee percentage* is The *subcontracted fee percentage* is	**%** **Not applicable**
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the *Contractor*'s plan is in:	**C3.1: EMPLOYER'S SERVICE INFORMATION**
21.1	The plan identified in the Contract Data is contained in:	**C3.1: EMPLOYER'S SERVICE INFORMATION**
24.1	The key people are:	
	1 Name:	
	Job:	
	Responsibilities:	
	Qualifications:	
	Experience:	
24.1	The key people are:	
	2 Name:	
	Job	
	Responsibilities:	
	Qualifications:	
	Experience:	

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

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

1. 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*	1

C2.1 Pricing assumptions: Option A

How work is priced and assessed for payment

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

Identified and defined terms 11 11.2

(12) The Price List is the *price list* 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 *Contractor* has completed and
where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the *Contractor* has completed by the rate.

(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

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

Function of the Price List

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

Link to the *Contractor*’s plan

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

Preparing the *price list*

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

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

- Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A;
- Understands the function of the Price List and how work is priced and paid for;

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

Format of the *price list*

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

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

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

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

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

C2.2 the *price list*

Refer to the attached Annexure B – **Price List (Excel)**

The total of the Prices	**R**

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	1
C3.1	*Employer*'s Service Information	16
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C3.1: EMPLOYER'S SERVICE INFORMATION

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Introduction

The work covers Emergency Diesel Generator Maintenances and Services at Kusile Power Station Project Construction Site. The Employer plans to maintain and service all emergency backup Generators in the Project for the period of 18 months, from 01 October 2026 to 31 March 2028.

The Construction Site is situated approximately 35 kilometres from Witbank on the R545 in the Balmoral District.

The Contractor shall provide all labour, supervision, equipment, tools, supplies and material to perform the maintenance services as specified herein as the Generators need to be serviced on a quarterly and annual basis to avoid permanent damage which could result in unplanned electrical outages on site.

Supporting Clauses

1.1 Scope of works (Contractual)

1.1.1 Purpose

The Contractor shall perform routine services and or breakdown maintenance, as and when directed by the Employer's Service Manager/Supervisor, the services include supply of batteries, battery terminals, starters, alternators, fan belts, cables, cable lugs, equipment and repair the damaged components but not limited to the below high-level scope of work.

1.1.2 Applicability

This document shall apply to Kusile Power Station project and all Emergency Diesel generators covered in this scope of work.

1.1.3 Effective date

These works are required for 18 months, from 01 October 2026 to 31 March 2028.

1.2 Normative/Informative References

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

1.2.1 Normative

[1] ISO 9001 Quality Management Systems

[2] 240-105658000 "Supplier Quality Management: Specification" (QM 58)

[3] ISO 9001 International Organisation for Standards: Quality Management System

1.2.2 Informative

[4] 32-727 Safety, Health, Environmental & Quality Policy

[5] 203-54671 Kusile SHE specification

[6] 203-42702 LV Mini-Sub Power Supply Application Procedure

[7] 203-13801 Procedure to test run the standby Generators at Kusile Power Station

[8] 240-150475305 “Kusile Defects Management Process Work Instruction”

[9] 240-132156363 “Kusile NC Process”

[10] 240-43921898 “Kusile Project Audit Process Flow”

[11] 240-134232676 “Final Submission Process”

[12] ISO10006:2003 “Quality Management Systems – Guidelines for Quality Management in Projects”

[13] ISO 10005 – Quality Management – Guidelines for Quality Plan

1.2.3 Compliance

Contractor must comply with the following (Mandatory requirements)

- The contractor to have an Electrical Contractor Certificate and registered with the Department of Labour
- The contractor to comply and be registered with the **Construction Industry Development Board (CIDB)** – **Grade 3** “in class of works **ME (Mechanical Engineering)”**
- The contractor to have a Wireman’s license to Issue a **Certificate of Compliance (COC)**

1.3 Definitions

1.3.1 Definition Explanations

Definition	Explanation
SD&L	Supplier Development and Localisation
SHE	Safety Health and Environment
QCP	Quality Control Plan
CPA	Cost Price Adjustment
PLA	Project Level Agreement
B-BBEE	Broad-Based Black Economic Empowerment
CIDB	Construction Industry Development Board

1.4 Roles and Responsibilities

The Contractor shall provide the Employer with a detailed organogram of all staff and management on the contract. This must be revised quarterly and must reflect any changes to the staff and management structure. Organogram shall detail the contact person in case of break downs, scheduled services, finance etc.

The Contractor must ensure that all personnel assigned to this contract hold the appropriate trade qualifications for the work to be performed:

- All **mechanical work** (including but not limited to engine servicing, filter replacements, lubrication, belt inspections, cooling system maintenance, and diesel/oil spillage clean-up) must be performed by **qualified Diesel Mechanical Artisan** holding recognised trade certifications

- All **electrical work** (including but not limited to alternators, change-over panels, breaker panels, batteries, terminals, cable lugs, and rewiring) must be performed by **qualified Electrical Artisan** holding a valid Wireman's license issued by the Department of Employment and Labour
- An assistant **Electrician/ Diesel Mechanic** is also required to work with both the **Electrician and Diesel Mechanic**

1.5 Process for Monitoring

- The Contractor is responsible for providing quality inspections as per the scope requirements and rectifies all defects within the agreed timelines.
- The Contractor shall supply at the end of the job documentation associated with the services. The end of job documentation consists of the signed off (where applicable) completion forms of acceptance by the Employer.
- The Contractor shall submit the report in writing of progress made to the activities in his responsibility.
- During the contract execution phase, the *Contractor* shall be monitored by the *Employer* for performance on quality-related aspects. The outcomes of such monitoring will enable the *Employer* to take any appropriate actions pertaining to the *Contractor*.
- The monitoring shall be carried out periodically by the *Employer* or at predetermined intervals during the execution of a contract.
- The monitored key performance areas include the following:

a. Quality
b. Delivery
c. Design
d. Cost
e. Management system

- Subsequent key performance indicators associated with these areas will include the following:

a. Nonconformity monitoring
b. Audit and assessment evaluation scoring
c. Management system compliance and accreditation
d. Achievement of delivery targets as per contractual agreements
e. Process improvements
f. Corrective and preventive action response and closure

1.6 Related/Supporting Documents

Title and purpose	Frequency
Service report	On every service
Job card (instruction form)	On every call out
Maintenance report	On every maintenance

1) The Contractor shall ensure that Quality Assurance is performed at all levels and phases of work carried out for the Employer.

2) The Contractor shall use processes to ensure that quality is built into their products/services i.e. its business processes are organized such that quality is built into the process of producing goods and rendering services.

3) The Contractor shall ensure that it can be relied on to deliver quality goods and services without the need for the Employer to have to inspect all the time.

1.6.1 Quality Control Requirements

1) Quality Control is a product-oriented set of activities for ensuring quality in products/services. These activities focus on inspection and identifying defects before these reach the Employer.
2) The Contractor shall ensure that Quality Control is performed at all levels and phases of work carried out for the Employer.
3) The Contractor shall comply with all requirements specified in section 3.4 of the Supplier Quality Management Specification.
4) The Contractor shall compile check sheets for services and maintenance records before contract award. This shall be reviewed and signed off by the Employer within 30 days after contract award.
5) The Contractor shall submit the following documents within 30 days after the contract date, prior to the commencement of work, for acceptance by the Employer:
6) Check sheets for review and acceptance by Eskom prior to the commencement of any work, inclusive of subcontracted work, within 30 days after contract award.
7) The sub-contractor Check sheets shall be submitted for review and comment by the Contractor and by the Employer within 30 days after the award of the tender. All Contractor and Employer comments shall be resolved prior to commencing work.
8) The Check sheets show each activity/requirement of the Works Information.
9) These documents are to be compiled in line with Eskom's requirements and will have to be discussed and approved by the Employer prior to any work commencing.
10) In the event of poor quality, re-work or incidents where products inspected by the Employer fail to meet requirements, the Contractor shall receive a Non-conformance (NCR) if deemed so by the Employer. The Contractor shall be liable for the Employers costs of re-inspection as well as be liable to pay penalties as specified in this contract.

1.6.2 Inspections

- The Contractor shall be responsible for the inspection of all the Works that is performed and the Employer only verifies that the Works is acceptable.
- The Contractor conducts all inspections in accordance with the specifications provided or compiled Check sheets.
- The Contractor provides suitably qualified personnel to conduct the maintenance services
- Damages as a result of the Contractor's failure to comply with the requirements as specified in this section will be borne by the Contractor and no compensation event or variation order will arise out of this.

- The Contractor shall provide all tools and equipment required by the Employer to perform any verification during the maintenance for example measuring equipment etc.

1.6.3 Quality Documentation Requirements

- For all products and services, the Contractor shall submit the following quality documents as a minimum:
  a. Method statement (describing how work will be executed)
  b. Equipment list
  c. Check sheets
  d. Inspections report
  e. Updated onsite, inspection schedules
  f. Material certificates
  g. Data sheets
  h. Quality Plan (as earlier described)
  i. Non-conformance and Defects registers and reports

Scope of Works (Technical)

1.7 General

The works includes the visual and physical inspections to identify water leaks, oil spillage, pipe damage, battery loose connection, battery terminals, starters, alternators, fan belts, cable lugs in the generator. The Contractor takes full professional accountabilities for all the works as per the scope contained herein. Any discrepancy or ambiguity between the Employer's Technical Specification is immediately brought to the attention of the Employer for clarification. The Contractor repairs all damage caused to existing infrastructure resulting from the execution of the works. The Contractor submits ALL design calculations, reports, documents, drawings (detailed, fabrication and as built) and certifications to the Employer for his record keeping, both in soft and hard copy formats.

1.8 Technical Requirements

The contractor shall provide all the tools, equipment, services, labour, and supervision and every item of expense necessary for the necessary engineering services related to the following:

- A Project Managers Instruction (PMI) or Site Instruction (SI) with the applicable Job plan and work instruction will be issued for any work to be carried out. Feedback required for each specific job will be stipulated on the Job plan.
- Inspection reports will be retained on hardcopy, and the electronic format should be forwarded to the manager responsible and retained for as long as the line or line section is in commercial operation.
- The Work Coordinator who conducts the Inspection will convert the inspection report from a Hard copy to digital format.
- The Contractor familiarizes himself with plant systems philosophies, operation and requirements. The Contractors are conversant with the relevant Generation formal reference documents (i.e. specifications, guidelines and procedures)
- The Contractor' does not attach copy right to any of the produced reports or drawings and allows Employer to copy and reproduce the reports and drawings for any purpose related to

power generation.

- All consultant intellectual documentation supplied by the contractor i.e., Test procedures, test check sheets, working instructions etc. are copy right protected and will not be reproduced or distributed without written permission from the contractor.

1.8.1 Activities to be performed

The Contractor shall perform routine services and or breakdown maintenance, as and when directed by the Employer's Service Manager/Supervisor, the services include supply of batteries, battery terminals, starters, alternators, fan belts, cables, cable lugs, equipment and repair the damaged components but not limited to the below high-level scope of work.

- Replace lubricant
- Replace all filters
- Check all safeties for proper operations
- Check all V belts for wear and tension
- Check and clean engine and radiators
- Lubricate all necessary points (breaker contacts)
- Check and clean change over panels
- Check battery and terminal conditions
- Test run unit to check for any defects
- Clean unit and plant chamber after completion of work
- Diesel and oil spillage clean-up
- Breaker panels clean-up
- To check and correct loose connections on the breaker panels

3.2.2 Tests and Inspections

Description of tests and Inspections

- The Contractor is responsible for providing quality inspections as per the scope requirements and rectifies all defects within the agreed timelines.
- The Contractor shall supply at the end of the job documentation associated with the services. The end of job documentation consists of the signed off (where applicable) completion forms of acceptance by the Employer.
- The Contractor shall submit the report in writing of progress made to the activities in his responsibility.

Repairs and Upgrades

- Repair of defective or non-compliant installations, replacement of damaged fittings, rewiring in areas with changes.

Generator Specifications

Generator details	Location/description
CATERPILLAR 900kVA,720kW,400V C32	1200-Seater Canteen Generator
OLYMPIAN 330kVA,240kW,400V	IR Generator
CATERPILLAR 1100kVA,880kW,400V C32	2000-Seater Canteen Generator
OLYMPIAN 165kVA,132kW,400V GEP 165	Security and Induction Generator
CATERPILLAR 500kVA,400kW,400V C15	CM Building Generator
CATERPILLAR 500kVA,400kW,400V C15	HV Yard Generator
CATERPILLAR 1100kVA,800kW,400V C32	CM Park-home - MSP 29 Generator

1. Response Times and Maintenance Intervals

Area	Response Time	Planned Maintenance
Corrective Maintenance (defects) on any of the detailed Generators	1 Hour	On Request
Call out/standby to attend to failures on any of the Generators onsite	1 Hour	On Request
Three monthly service for all Generators	48 Hours	Every Three months (Regular Service)
Annual service for all Generators	48 Hours	Yearly (Major Service)

Management Strategy and Start Up

4.1 Management Meetings

The following requirements for conducting Project Site meetings apply to the Works.

The Contractor and all Sub-Contractors shall actively participate in and adhere to the Employer's requirements and other procedures initiated for the purpose of maintaining the Project Site administrative control. The Contractor and all Sub-Contractors shall attend other Project Site meetings when deemed required by the Employer to coordinate the Works.

Title and Purpose	Approximate Time & Interval	Location	Attendance by:
Progress feedback meeting	On request	Kusile site Boardroom to be communicated on meeting request	Employer and Contractor Representative

Documentation Control

The Contractor will submit the following documents to the Employer for review, the Employer will review the documents for acceptance and inform the Contractor if the documents have been accepted or if it is not accepted and stating the reasons of not accepting the documentation. The Employer will give the Contractor reasonable time which will be agreed to between the Contractor and the Employer to respond or re-submit the documents.
All correspondence of either commercial or technical nature, whether hard copy or email, either to Contractor or from Contractor shall clearly include the following information: file number, package number, contract number and subject matter.
Documents shall be delivered in electronic format (Microsoft Office 2003 compatible or Adobe Acrobat (pdf) files). In addition, a document list shall be delivered in Microsoft Excel format that contains the following fields: “document name”, “document type”, “version number”, “date created” and “created by”.

4.3 Invoicing and Payment

Within one week of receiving a payment certificate from the Employer in terms of Core Clause 51.1, the *Contractor* provides the Employer with a tax invoice, by no later than the first day of the month, showing the amount due for payment equal to that stated in the Employer’s payment certificate.

The *Contractor* shall address the Tax Invoice to:

Eskom Holdings SOC Limited

Kusile Power Station Project Suite 46

Postnet 1035

Attention: Makaladi Tjabadi Tel (013) 693 6369

Invoices shall be emailed to the following email address:

InvoicesgrpcapitalKCT@eskom.co.za

ONLY ORIGINAL INVOICES WILL BE ACCEPTED.

The following must be stated on the Tax Invoice:

Name and address of the *Contractor* and the Employer.

- The contract number and title.
- Contractor’s VAT registration number.

- The Employer's VAT registration number 4740101508.
- Description of service provided for each item invoiced based on the Price List.
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT.

4.4 Contract Change Management

The Employer may instruct changes to the scope at any time, each instruction shall set out the change and the date on which it becomes effective; and must be issued to the Contractor in writing to be valid.

Health and Safety, the Environment and Quality Assurance

1.9 Health and Safety Risk Management

- The Contractor shall comply with The Occupational Health and Safety Act 85 of 1993 and its regulations, furthermore the contractor must conform to the health and safety requirements contained in Kusile Safety, Health and Environmental Specification as updated.
- The contractor shall conform to Eskom's Business Unit & Sitework Instructions Procedures and Standards this includes Doc. 32-95 for Incident management, Doc. 32-727 for Safety, Health, Environment and Quality Policy and Doc. 203-847 for Kusile Traffic Management Plan.

The Employer's Safety Officers shall inspect the Contractor Working Areas and Facilities for compliance to Eskom's standards.

The following are the SHE requirements needed to be compiled in detail and submitted by the contractor

- A baseline risk assessment
- H&S costing
- Competency
- Acknowledgement of Eskom's rules & requirements
- Health and Safety Plan
- Valid Letter of Good Standing
- Medical
- SHE policy

The contractor shall be provided with the latest SHE Specification, Baseline risk assessment and annexure B (Acknowledgement of Eskom rules).

1.10 Environmental Constraints and Management

- The Contractor shall comply with the requirements of as stated in the following:
- Kusile Environmental Management Plan (EMP) as updated
- Standard Environmental Specification (SES)
- Record of Decision (RoD)
- Waste Management Procedure
- National Waste Norms and Standards
- Method statements as per EMP/ SES requirements

1.11 Quality Assurance Requirements

The *Contractor* shall comply with all requirements specified in the Eskom standard, 240-10565800" Supplier Quality Management Specification" (QM58).

Procurement

The Contractor provides the following procurement services in performing the scope:

- Preparation of Employer approved supplier and Sub-Contractor's lists for equipment and contracts to be submitted to the Employer for review and approval.
- Follows the least cost and time procurement strategies.
- Contract management services for the selection, appointment and management of Sub-Contractors requires them to execute the scope.
- The services of all buyers, contracts officers, inspectors, expeditors and other personnel necessary to procure and deliver all plant, material, equipment, supplies and services necessary to provide the scope.
- Receives and evaluates all bids/quotations and compiles a bidders evaluation report detailing the technical, commercial and costing components of each bid.
- Obtains the Employers' approval prior to committing any contracts or orders.
- Obtains delivery dates from Sub-Contractors and suppliers to realize the Completion Date.
- Receiving invoices, verification thereof in terms of purchase orders and contract provisions, certification of invoices as being correct and payable and supply of correct invoices to the Employer within.
- Management of and negotiating of all suppliers and Sub-Contractors compensation events and recommendations to the Employer as to the validity, amount and payment of such events.
- Determination of penalties payable by suppliers and Sub-Contractors and recommendation to the Employer as to the enforcement of such penalties prior to any communication to suppliers and Contractors.
- Ensuring that all suppliers and Sub-Contractors, from whom the Contractor procures equipment, and materials do not retain, encumber or reserve title to such items.

Working on the Affected property

1.12 *Employer*'s Site Entry and Security Control, Permits, and Site Regulations

1.12.1 Security and Access

The Employer will provide perimeter security and access control for the Project Site. Strict access control shall be implemented 24 hours a day at all entrances to the Project Site. All persons and vehicles entering or exiting the Project Site may be subjected to searches and the Employer reserves the right to refuse entrance to Project Site to any person not meeting security and/or access

requirements.
From time to time, and as required, the Employer will issue policies and procedures regarding Project Site security and access control. These policies and procedures shall be strictly adhered to by the Contractor. The Employer shall be entitled, at his discretion, to amend or relax the Project Site security and/or access requirements to deal with emergencies or other circumstances justifying such amendment or relaxation.

Any breach of security must be reported to the Employer immediately.

1.12.2 Access Control for Persons

The Contractor's Personnel and any visitors on the Project Site must be in possession of a valid identification card supplied by the Employer. Applications for identification cards shall be made in the form prescribed by the Employer. The identification cards and fingerprint identification shall be used to gain access to the Project Site and only people with legitimate business on the Project Site and in possession of such identification cards will be allowed access.
Applications for identification cards and fingerprint imaging shall be made at a good time prior to access being required. Lost, stolen or damaged cards shall be reported to the Employer immediately. A fee shall be charged for replacement cards.
Identification card holders will be required to produce their identification cards for a photo to face and fingerprint check at the security check points. Where a card holder's right of access to the Project Site is withdrawn, his identification card will be electronically cancelled. It is the responsibility of the Contractor to ensure the card is returned to the Employer.

1.12.3 Removal of Persons from the Project Site and other places, if any, as may be specified under the Contract as forming part of the Site

The Employer may remove from the Project Site (or from any other places, if any, as may be specified under the Contract as forming part of the Site) any person who poses a risk to the Project Works or to the progress thereof, or who poses a risk to security or to the health and safety of persons at the Project Site (or at such other places, if any, as may be specified under the Contract as forming part of the Site).

The Employer furthermore remove from the Project Site (or from any other places, if any, as may be specified under the Contract as forming part of the Site) any person who ceases, for any reason, to have legitimate business thereon.

If any such person was permitted access as Contractor's Personnel or as a visitor of the Contractor, the Contractor shall, at the request of the Employer, take all steps necessary to ensure his removal from the Project Site (or from such other places forming part of the Site, as the case may be).

1.12.4 Removal of Goods from the Project Site

All persons removing inter alia materials, equipment, toolboxes, temporary facilities etc. from the Project Site must be in possession of a valid gate release permit. Applications for general or specific gate release permits shall be made in the form prescribed by the Employer.

1.12.5 Access Control for Vehicles

Only a limited number of Contractor and Subcontractor non-construction vehicles will be allowed onto the Project Site. As a general rule, however, Contractors' and visitors' personal vehicles are not

allowed within the Project Site and must be parked in the designated area and the Contractor is required to collect his visitors from the access point.

Vehicle entry discs will be issued at the discretion of the Employer on receipt of an application signed by the Contractor. Applications for vehicle entry discs shall be made in a form prescribed by the Employer.

1.12.6 Visitors

Before entering the Project Site, visitors (meaning any person other than the Contractor's Personnel) must be in possession of a valid identification card supplied by the Employer.

Applications shall be made in a form prescribed by the Employer prior to access being required and visitors must be in possession of positive identification.

The Contractor's visitors shall be subject to all Project Site rules and regulations including those related to Health & Safety and discipline. As a minimum requirement, visitors must wear safety shoes, hard hats and any other personal protective equipment as required by the Employer and must be accompanied by their hosts at all times whilst on the Project Site.

1.12.7 Firearms

Fire-arms will not be permitted on the Project Site (nor at other places, if any, as may be specified under the Contract as forming part of the Site). This restriction does not, however, apply to the South African Police Services (SAPS) in the pursuance of official duties

1.12.8 Project Site Fences

The modification or removal of Project Site fences is strictly prohibited unless otherwise instructed by the Employer.

1.12.9 Helicopter Traffic

In addition to compliance with applicable Law, helicopter landings at the Project Site (except emergency aid Helicopters) require the prior approval of the Employer. Applications for landing shall be submitted in the form prescribed by the Employer. Applications shall include the following details, as a minimum:

- Purpose of visit.
- Date of landing.
- Estimated time of arrival on and departure from Project Site.
- Number and names of passengers.
- Company represented and registration number of helicopter.

1.12.10 Contractor's Security

The Contractor is solely responsible for the protection and security of the Works and all areas allocated to him, including his allocated lay-down areas and areas outside the Project Site, if any, which are specified under the Contract as forming part of the Site.
For areas outside the Project Site which are specified under the Contract as forming part of the Site, the Contractor shall also be responsible for implementing access control for persons (including

Contractor's Personnel and visitors) and vehicles. Such access control shall be to the satisfaction of the Employer and shall be subject to the direction and control of the Employer.

1.12.11 Cleanliness and Housekeeping

The Contractor shall maintain a high standard of cleanliness during the conduct of his activities on the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site). The Contractor shall, at all times maintain, clean and attend to the upkeep of the Site and such other areas as may be allocated for storage of materials, site offices, etc. to the satisfaction of the Employer. The Contractor shall at all times keep these areas, clean and free from accumulation of waste materials and refuse regardless of the source.
During sweeping and dusting, the Contractor shall ensure that a minimum amount of dust is liberated into the atmosphere. Cleaning by vacuum cleaners is preferred and the use of compressed air for cleaning is prohibited.

1.12.12 Signage

No signage shall be erected by the Contractor at the Project Site (or at other places, if any, as may be specified under the Contract as forming part of the Site) without the prior specific or general approval of the Employer. The positioning and content of signage, whether required by applicable Law and/or otherwise required to be displayed by the Contractor under the Contract, shall be subject to applicable policies and procedures issued by the Employer from time to time.
No Contractor notice boards will be allowed on the main road, other than signs necessary to facilitate deliveries, but the Contractor will be permitted to erect his own notice board on the Project Site, in the vicinity of the Site, or at other places, if any, as may be specified under the Contract as forming part of the Site, the positioning of which, must have the prior approval of the Employer.

1.12.13 Works Area Limits

The Employer will designate the working area boundary limits and assign for the Contractor's use access roads, parking areas, storage areas, existing facilities areas and construction areas. The Contractor shall not trespass in or on areas not so designated. The Contractor shall be responsible for keeping Contractor's Personnel out of areas not designated for Contractor's use, except, in the case of isolated work located within such areas for which the Contractor shall have been authorised under the Work Co-ordination Process.

1.12.14 Project Site Traffic

The Contractor shall comply with the Employer's directions for the movement of traffic, vehicular or pedestrian, at the Project Site. The Contractor shall interfere as little as possible with Project Site traffic, vehicular or pedestrian, during the performance of the Works. When necessary to cross, obstruct or close roadways or walks, the Contractor shall provide advance notice to the Employer, obtain the permission from the Employer and maintain suitable detours or other expedients for the accommodation of other Project Site traffic. In making open cuts across traffic paths, the Contractor, unless otherwise approved by the Employer, shall cut only one-half of the traffic paths at a time.

These Project Site traffic provisions shall likewise apply to places, if any, outside the Project Site as may be specified under the Contract as forming part of the Site.

1.12.15 Dust Suppression

Except as otherwise directed by the Employer, the Contractor shall provide dust suppression for the Contractor's working areas. The Employer will, however, provide dust suppression for roads and other common areas which are not used exclusively or primarily by the Contractor.

1.13 People restrictions, hours of work, conduct and records

1.13.1 Hours of Work

Working hours on the Construction Site is from 7:00 till 17:00, Monday to Friday. However, the Contractor would be expected to work during weekends and after hours during the week as and when required.

1.13.2 Competence Testing of Contractor's Personnel

Contractor's Personnel to be employed at the Project Site (or at other places, if any, as may be specified under the Contract as forming part of the Site) for any semi-skilled or skilled operation may be tested by the Employer at any time at the Project Site. This may include, at the Employer's discretion, the actual performance of the operation and/or training and testing related to performance of the operation. The Employer reserves the right to prevent any person from carrying out any operation that such person is not fit or qualified to perform. The satisfactory passing of the induction operation test requirements will result in the certification of the Contractor's Personnel to perform that specific operation on the Project Site (and/or at such other places, if any, as may be specified under the Contract as forming part of the Site). This certification shall not reduce in any way the Contractor's responsibilities to perform the Works as per the Contract requirements, including in a safe manner. The certification may be revoked by the Employer if such person ceases to be fit or qualified to perform the work in question at any time.

1.13.3 Anti-poaching Undertaking

The Contractor shall not recruit or attempt to recruit staff and labour from amongst the personnel of Other Project Contractors during the execution of the Project Works.

- This restriction shall not, however, prevent the Contractor from recruiting a person where: That person has been demobilised, or the employment of that person has been terminated for any reason other than by resignation.
- The person has resigned, and a period of 90 days has lapsed from the date of resignation; or
- The person has been released by the Other Project Contractor for employment by the Contractor (evidenced by written confirmation to this effect by the Other Project Contractor).

Notwithstanding the above, if a person has been dismissed by any other Project Contractor for misconduct or for poor performance, he shall not be employed by the Contractor on the Project Site (or at any other places, if any, as may be specified under the Contract as forming part of the Site) without the prior approval of the Employer.

1.13.4 Transportation of Contractor's Personnel

Due to the remoteness of the Project Site, the Contractor is required to provide suitable transportation facilities to and from the Project Site (and/or to and from other places, if any, as may be specified under the Contract as forming part of the Site) for Contractor's Personnel, particularly for unskilled and semi-skilled workers.

The Employer will provide a bus loading and unloading area and bus parking outside the Project Site entrance for the Contractor's use. An unloading area for the Contractor's Personnel at the Contractor's yard will be permitted by prior arrangement with, and subject to the approval of the Employer.

Without limiting the Contractor's other obligations under the Contract relating to transport of persons, the Contractor shall ensure that Contractor's Personnel are transported only in licensed and roadworthy vehicles, driven by licensed drivers, which are fit for purpose, properly maintained and which comply with applicable Law as a minimum. Transport of Contractor's Personnel in the back of trucks, tractors or light delivery vehicles is strictly prohibited.

1.13.5 Project Site Induction Programme

The Employer will provide a generic Project Site induction program for personnel and visitors to the Project Site. This program will include, as appropriate, information regarding identification and access, work rules, environmental protection, industrial relations, health & safety, Project information, and miscellaneous Project Site-specific requirements.

All persons entering the Project Site will be required to attend induction training and to attend repeat induction training as appropriate. The induction training is expected to take up one full day. Contractor's Personnel must be in possession of a valid identification card to undergo induction training.

The provision of a Project Site induction program by the Employer does not, however, relieve the Contractor of his obligation to ensure that Contractor's Personnel and visitors receive appropriate induction training, and the Employer assumes no liability by providing induction training.

1.13.6 Substance Abuse Testing

There shall be zero tolerance for substance abuse at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site).

Throughout the Works at the Project Site (and/or to other places, if any, as may be specified under the Contract as forming part of the Site), periodic seminars and instruction programs may be given by the Employer on the recognition of the characteristics, behaviours, detection, and reporting of substance abuse and persons fitness for duty. All Contractor's supervisory personnel, (including superintendents and foremen), and other key Contractor's Personnel involved at in the Works at the Project Site (and/or to other places, if any, as may be specified under the Contract as forming part of the Site) shall be required to attend this training and the Contractor shall make Contractor's Personnel available for and encourage their participation in these programs.

Any person who is, or appears to the Employer to be, under the influence and/or has failed or refused to submit to a substance abuse test may be refused access to the Project Site. If such

person is Contractor's Personnel, the Contractor shall take necessary steps against such person (including disciplinary action, where appropriate, and the removal of the person from the Project Site or from other places, if any, as may be specified under the Contract as forming part of the Site).

Being "under the influence" includes the presence of drugs or alcohol in a person's system (whether detectable through behavior and/or testing) to the extent the person's facilities are in any way impaired and/or to the extent the person is unable to perform work in a safe and productive manner. Insofar as the consumption of alcohol is concerned, alcohol levels in the blood in excess of 0.02 percent shall be considered as being under the influence. Without limitation, persons shall likewise be considered to be under the influence where the presence of drugs or alcohol corresponds to or exceeds accepted medical standards or those prescribed under applicable Laws.

The Employer shall be entitled to conduct random testing of any person at the Project Site (or at other places, if any, as may be specified under the Contract as forming part of the Site) and/or require the Contractor to test any Contractor's Personnel suspected of being under the influence of any substance or suspected of being in possession of alcohol or drugs.

The Contractor shall, at his cost, put in place measures (including all required testing capabilities) necessary to ensure compliance herewith. The measures to be employed by the Contractor will include a drug detection and prevention program which will include, but not be limited to, the following:

1.13.7 Pre-Assignment Testing

Contractor's Personnel at the Project Site must pass a pre-assignment drug screening / alcohol test. This pre-assignment test must be undertaken within ten days prior to reporting for work to the Project Site. Contractor's Personnel will only be permitted initial access to the Project Site against evidence of this test having been passed and such person having been certified drug / alcohol free to the Employer's satisfaction. Contractor's Personnel who visit the Project Site on a short-term basis (being not longer than 14 days unless otherwise approved by the Employer) are not subject to this pre-assignment drug testing requirement.

1.13.8 Continuing Random Drug Testing

The Contractor shall conduct periodic unannounced (random) testing at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site) at least once each month. The date of such testing shall be selected using a means that, to the Employer's satisfaction, randomly selects the date within the time frame specified, so that the date is unpredictable to the potential subject of the testing.

Contractor's supervisory personnel at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site) will not be informed of the date of testing and the selected Contractor's Personnel will not be notified until the morning of the selected day.

Contractor's Personnel to be tested shall be selected using a means which, to the Employer's satisfaction, randomly selects the number of subjects (10% minimum) from among the pool of all Contractor's Personnel actually at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site). Possible subjects shall include all Contractor's Personnel present at the Project Site (and at other places, if any, as may be specified under the Contract as forming part of the Site) on the day selected for random testing, including those who have been selected for testing on previous occasions. The subjects shall be identified by a unique

and individual identification number. It is therefore conceivable that an individual could be selected to undergo testing more than one time in any given period.

1.13.8.1 Testing shall, as a minimum,

- Comprise onsite enzyme immunoassay screening and/or colorimetric alcohol saliva screening; and
- Include for cocaine, opiates, amphetamines, and marijuana.
- The Contractor shall be required to confirm all positive tests by gas chromatography / mass spectrometry laboratory analysis (or by other means acceptable to the Employer).
- The Contractor shall provide regular updates of these random tests to the Employer. All positive tests shall be reported to the Employer immediately and in writing. Evidence that Contractor's Personnel has passed a substance test shall be provided to Employer within three days of completion of the test.

1.13.9 Accommodation Policy

No accommodation will be provided by the Employer. The Contractor will be required to recruit within the Nkangala District Municipality, including any other areas that are within 65 km radius from the Kusile Construction Site.

1.13.10 Industrial Action Policy

N/A

1.14 Health and Safety Facilities on the Affected Property

1.14.1 Medical Facilities

The Employer will provide a trauma and rescue medical facility at the Project Site to provide initial medical treatment to Project Site personnel. The facility will be staffed with professional medical personnel. These personnel will be on the Project Site when significant construction operations are in progress. The Contractor shall be responsible for all emergency transportation including ambulances and helicopters.

1.15 Environmental Controls, Fauna and Flora

The Contractor shall comply with the environmental criteria and constraints stated in Kusile Environmental Management Plan (EMP) as updated.

1.16 Cooperating with and Obtaining Acceptance of Others

Except as directed by the Employer, the Contractor shall in no way interfere with, remove, adjust or operate plant, materials and/or equipment of or being supplied or operated by Other Project Contractors. Without derogating from the foregoing, the Contractor shall not cut reinforcing steel, remove concrete, drill holes into concrete or structural steel, weld on to reinforcing bars or structural steel without the approval of the Employer. The Contractor shall, at all times, keep the work of Other Project Contractors free from dropping, dripping and spattering of materials used in the Works.

1.17 Records of *Contractor*'s Equipment

The Contractor is responsible for replacement and replenishment of equipment and vehicle. Asset registers of such equipment shall be maintained by the Contractor and shall be audited by the Employer from time to time.

1.18 Equipment Provided by the *Employer*

None.

1.18.1 Project Site Roads and Parking

The Employer will provide and maintain construction parking and general use roads on the Project Site. A construction parking lot will be located outside the main security fence for Contractor's Personnel and visitors. Parking facilities will be limited. Contractor's Personnel and visitors failing to park as directed while using this lot may have their vehicle removed and/or be banned from future use of the lot.

A limited number of Contractor and Sub-Contractor non-construction vehicles will be allowed onto the Project Site. The Employer's approval and an appropriate permit will be required as authorisation for such vehicles to be brought on to the Project Site.

1.18.2 Water

The Contractor shall exercise economy in use of the water obtained from the Employer.

Potable water use shall be limited to servicing Project Works related activities requiring potable quality water. The Contractor shall provide, install, maintain, and remove when no longer required all pipes, fixtures, equipment, and metering (if necessary) from the Employer supplied source to the point of Contractor's use. Pipes shall be placed at least 900 mm underground or as otherwise approved by the Employer and on routes approved by the Employer. Installation shall meet all applicable codes and standards and always be to the satisfaction of the Employer.

1.18.3 Sanitation and Sewage

The Employer will provide and operate a sewage treatment plant and general use toilet facilities at the Project Site. Until this plant and toilet facilities are in operation and to supplement Contractor's remote work areas, the Employer will provide the necessary sanitary facilities for all Contractors. This will include chemical toilets and toilets with holding tanks as needed. Routine maintenance and emptying of these facilities shall be based on the level of usage to assure sanitary and health requirements are met. The Contractor shall provide, maintain, and remove when no longer needed, all pipe, pumps, and hardware to connect the sewage treatment plant to his office facilities from a connection point designated by the Employer. Installations shall be to the satisfaction of the Employer.

1.18.4 Lighting

The Employer will provide and maintain general use Project Site lighting in the form of pole or mast mounted lighting fixtures. This general use lighting will comprise area lighting at the construction

parking area and the Project Site entrance, at the site office areas, immediately outside the Boiler and Turbine houses and near power centres.

No local or Project Works lighting will be provided by the Employer. Accordingly, all temporary local lighting required by the Contractor, including lighting required to comply with the applicable Law, shall be provided by the Contractor at his own expense.

1.19 Hook ups to Existing Works

Not applicable.

1.19.1 Materials Facilities and Samples for Tests and Inspections

Not Applicable.

Acceptance

This document has been seen and accepted by:

Full Name and Surname	Designation
Anville Rhode	Safety Departmental Manager
Sandile Sibanyoni	Environmental Officer
Fundisiwe Mahlangu	Quality Officer

Revisions

N/A

Development Team

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Acknowledgements

N/A