NEC3 Term Service Contract (TSC3)

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

AND.....(Tenderer)
(Reg No. _____)

for An Enabling Agreement for The Provision of Outcome-Based Physical Guarding Services and Security Technology Solutions for Eskom Distribution Division, Central East Cluster - KwaZulu Natal Operating Unit on an as and When Required Basis for a Period of Sixty Months (60) Months.

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TENDER No.: E2086DXKZNOUR

PART C1: AGREEMENTS & CONTRACT DATA

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C1.1 Form of Offer & Acceptance

Offer

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

An Enabling Agreement for The Provision of Outcome-Based Physical Guarding Services and Security Technology Solutions for Eskom Distribution Division, Central East Cluster - KwaZulu Natal Operating Unit on an as and When Required Basis for a Period of Sixty Months (60) Months.

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

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

Options A	The offered total of the Prices exclusive of VAT is	**RATES ONLY**
	Sub total	**RATES ONLY**
	Value Added Tax @ 15% is	**RATES ONLY**
	The offered total of the amount due inclusive of VAT is[1]	**RATES ONLY**
	(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: .....

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

Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)		
Name(s)		
Capacity		
for the Employer	Eskom Holdings SOC Ltd No 2 Maxwell Drive Sunninghill Sandton	
Name & signature of witness		Date

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

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

Note:

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

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

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

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

	For the tenderer:	**For the Employer**
Signature	.....	.....
Name	.....	.....
Capacity	.....	Eskom Holdings SOC Ltd No 2 Maxwell Drive Sunninghill Sandton
On behalf of	..... *(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:	
		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**
		X3: **Multiple currencies**
		X4: **Parent company guarantee**
		X12 **The Partnering Option**
		X13: **Performance Bond**
		X17: **Low service damages**
		X18: **Limitation of liability**
		X19: **Task Order**
		X20: **Key performance indicators**
		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, no 2 at Maxwell Drive, Sandton, Johannesburg**
	Tel No.	**(011) 800 811**

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

10.1	The *Service Manager* is (name):	**Musa Mchunu**
	Address	**1 Portland Road ,Mkondeni Pietermaritzburg**
	Tel	**033 395 3445**
	Fax	**n/a**
	e-mail	**mchunum@eskom.co.za**
11.2(2)	The Affected Property is	**Three Zones (Pietermaritzburg, Newcastle and Empangeni) within Central East Cluster (KZNOU)**
11.2(13)	The *service* is	**An Enabling Agreement for The Provision of Outcome-Based Physical Guarding Services and Security Technology Solutions for Three Zones (Pietermaritzburg, Newcastle and Empangeni) in the Eskom Distribution Division, Central East Cluster – KwaZulu Natal Operating Unit for a Period of Sixty (60) Months.**
11.2(14)	The following matters will be included in the Risk Register	**1.Loss of Eskom assets** **2. Poor handling of Firearms and ammunition.** **3. Strike action by Contract Security employees** **4. legal contraventions by Service Providers with regards to the Firearms Control Act and Private Security Industry Regulatory Authority (Psira).** **5. The employment of illegal foreign nationals to work as security officers** **6. Non-compliance to Psira national wage regulation** **7. Providing security officers that are incompetent and non-compliant to Eskom requirement, etc.**
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	**12 hours**
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	**1 week of the Contract Date**

3	**Time**	
30.1	The *starting date* is.	**To be confirmed**
30.1	The *service period* is	**5 years (60 months)**
4	**Testing and defects**	**Refer to Scope of Work / Works Information Section**
5	**Payment**	
50.1	The *assessment interval* is	**Last day of the month**
51.1	The *currency of this contract* is the	**South African Rand**
51.2	The period within which payments are made is	**To be confirmed during negotiations**
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 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 Compensation events

60.1 The following are compensation events.

(1) The *Service Manager* gives an instruction changing the Service Information except

- a change made in order to accept a Defect or
- a change to the Service Information provided by the *Contractor* for his plan which is made either at his request or to comply with other Service Information provided by the *Employer*.

(2) The *Employer* does not provide the right of access to the Affected Property in accordance with the Accepted Plan.

(3) The *Employer* does not provide something which he is to provide as stated in the Service Information in accordance with the Accepted Plan.

(4) The *Service Manager* gives an instruction to stop or not to start any work.

(5) The *Employer* or Others do not work in accordance with the Accepted Plan or within the conditions stated in the Service Information.

(6) The *Service Manager* does not reply to a communication from the *Contractor* within the period required by this contract.

(7) The *Service Manager* changes a decision which he has previously communicated to the *Contractor.*

(8) The *Service Manager* withholds an acceptance (other than acceptance of a quotation for not correcting a Defect) for a reason not stated in this contract.

(9) A test or inspection done by the *Service Manager* causes unnecessary delay.

(10) A change to the Affected Property other than a change as a result of Providing the Service.

(11) The *Employer* does not provide materials, facilities and samples for tests and inspections as stated in the Service Information.

(12) An event which is an *Employer*'s risk in this contract.

(13) The *Service Manager* notifies a correction to an assumption which he has stated about a compensation event.

(14) A breach of contract by the *Employer* which is not one of the other compensation events in this contract.

61	**Notifying compensation events**
61.1	For compensation events which arise from the *Service Manager* giving an instruction, changing an earlier decision or correcting an assumption, the *Service Manager* notifies the *Contractor* of the compensation event at the time of that communication. He also instructs the *Contractor* to submit quotations, unless the event arises from a fault of the *Contractor* or quotations have already been submitted. The *Contractor* puts the instruction or changed decision into effect.
61.2	The *Service Manager* may instruct the *Contractor* to submit quotations for a proposed instruction or a proposed changed decision. The *Contractor* does not put a proposed instruction or a proposed changed decision into effect.
61.3	The *Contractor* notifies the *Service Manager* of an event which has happened or which he expects to happen as a compensation event if • the *Contractor* believes that the event is a compensation event and • the *Service Manager* has not notified the event to the *Contractor*. 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 unless the event arises from the *Service Manager* giving an instruction, changing an earlier decision or correcting an assumption.
61.4	If the *Service Manager* decides that an event notified by the *Contractor* • arises from a fault of the Contractor, • has not happened and is not expected to happen, • has no effect upon Defined Cost or • is not one of the compensation events stated in this contract he notifies the *Contractor* of his decision that the Prices are not to be changed. If the *Service Manager* decides otherwise, he notifies the *Contractor* accordingly and instructs him to submit quotations. The *Service Manager* notifies his decision to the *Contractor* and, if his decision is that the Prices are to be changed, instructs him to submit quotations before the end of either • one week after the *Contractor*'s notification or • a longer period to which the *Contractor* has agreed. If the *Service Manager* does not notify his decision, the *Contractor* may notify the *Service Manager* of his failure. A failure by the *Service Manager* to reply within two weeks of this notification is treated as acceptance by the *Service Manager* that the event is a compensation event and an instruction to submit quotations.

61.5	If the *Service Manager* decides that the *Contractor* did not give an early warning of the event which an experienced contractor could have given, he notifies this decision to the *Contractor* when he instructs him to submit quotations.
61.6	If the *Service Manager* decides that the effects of a compensation event are too uncertain to be forecast reasonably, he states assumptions about the event in his instruction to the *Contractor* to submit quotations. Assessment of the event is based on these assumptions. If any of them is later found to have been wrong, the *Service Manager* notifies a correction.
61.7	A compensation event is not notified after the end of the *service period*.
62	**Quotations for compensation events**
62.1	After discussing with the *Contractor* different ways of dealing with the compensation event which are practicable, the *Service Manager* may instruct the *Contractor* to submit alternative quotations. The *Contractor* submits the required quotations to the *Service Manager* and may submit quotations for other methods of dealing with the compensation event which he considers practicable.
62.2	Quotations for compensation events comprise proposed changes to the Prices assessed by the *Contractor*. The *Contractor* submits details of his assessment with each quotation. If the plan for remaining work is altered by the compensation event, the *Contractor* includes the alterations to the Accepted Plan in his quotation.
62.3	The *Contractor* submits quotations within three weeks of being instructed to do so by the *Service Manager.* The *Service Manager* replies within two weeks of the submission. His reply is • an instruction to submit a revised quotation, • an acceptance of a quotation, • a notification that a proposed instruction will not be given or a proposed changed decision will not be made or a notification that he will be making his own assessment.
62.4	The *Service Manager* instructs the *Contractor* to submit a revised quotation only after explaining his reasons for doing so to the *Contractor*. The *Contractor* submits the revised quotation within three weeks of being instructed to do so.
62.5	The *Service Manager* extends the time allowed for • the *Contractor* to submit quotations for a compensation event and • the *Service Manager* to reply to a quotation if the *Service Manager* and the *Contractor* agree to the extension before the submission or reply is due. The *Service Manager* notifies the extension that has been agreed to the *Contractor*.
	If the *Service Manager* does not reply to a quotation within the time allowed, the *Contractor* may notify the *Service Manager* of his failure. If the *Contractor* submitted more than one quotation for the compensation event, he states in his notification which quotation he proposes is to be accepted. If the *Service Manager* does not reply to the notification within two weeks, and unless the quotation is for a proposed instruction or a proposed changed decision, the *Contractor*'s notification is treated as acceptance of the quotation by the *Service Manager*.
63	**Assessing compensation events**
63.1	For a compensation event which only affects the quantities of work shown in the Price List, the change to the Prices is assessed by multiplying the changed quantities of work by the appropriate rates in the Price List.
63.2	For other compensation events, the changes to the Prices are assessed as the effect of the compensation event upon • the actual Defined Cost of the work already done,

- the forecast Defined Cost of the work not yet done and
- the resulting Fee.

If the compensation event arose from the *Service Manager* giving an instruction, changing an earlier decision or correcting an assumption, the date which divides the work already done from the work not yet done is the date of that communication. In all other cases, the date is the date of the notification of the compensation event.

Effects on the Defined Cost are assessed separately for

- people who are employed by the *Contractor*,
- Plant and Materials,
- work subcontracted by the *Contractor* and
- Equipment.

The *Contractor* shows how each of these effects is built up in each quotation for a compensation event.

63.3 If the *Service Manager* and the *Contractor* agree, rates and Prices in the Price List may be used as a basis for assessment instead of Defined Cost and the resulting Fee.

63.4 If the effect of a compensation event is to reduce the total Defined Cost, the Prices are not reduced except as stated in this contract.

63.5 The rights of the *Employer* and the *Contractor* to changes to the Prices are their only rights in respect of a compensation event.

63.6 If the *Service Manager* has notified the *Contractor* of his decision that the *Contractor* did not give an early warning of a compensation event which an experienced contractor could have given, the event is assessed as if the *Contractor* had given early warning.

63.7 Assessment of the effect of a compensation event includes risk allowances for cost for matters which have a significant chance of occurring and are at the *Contractor*'s risk under this contract.

63.8 Assessments are based upon the assumptions that the *Contractor* reacts competently and promptly to the compensation event, that any Defined Cost due to the event is reasonably incurred and that the Accepted Plan can be changed.

63.9 A compensation event which is an instruction to change the Service Information in order to resolve an ambiguity or inconsistency is assessed as if the Prices were for the interpretation most favorable to the Party which did not provide the Service Information.

64 **The Service Manager's assessments**

64.1 The *Service Manager* assesses a compensation event

- if the *Contractor* has not submitted a quotation and details of his assessment within the time allowed,
- if the *Service Manager* decides that the *Contractor* has not assessed the compensation event correctly in a quotation and he does not instruct the *Contractor* to submit a revised quotation,
- if, when the *Contractor* submits quotations for a compensation event, he has not submitted a plan or alterations to a plan which this contract requires him to submit or

if, when the *Contractor* submits quotations for a compensation event, the *Service Manager* has not accepted the *Contractor*'s latest plan for one of the reasons stated in this contract.

64.2 The *Service Manager* notifies the *Contractor* of his assessment of a compensation event and gives him details of it within the period allowed for the *Contractor*'s submission of his quotation for the same event. This period starts when the need for the *Service Manager*'s assessment becomes apparent.

64.3	If the *Service Manager* does not assess a compensation event within the time allowed, the *Contractor* may notify the *Service Manager* of his failure. If the *Contractor* submitted more than one quotation for the compensation event, he states in his notification which quotation he proposes is to be accepted. If the *Service Manager* does not reply within two weeks of this notification the notification is treated as acceptance of the *Contractor's* quotation by the *Service Manager*.
65	**Implementing compensation events**
65.1	A compensation event is implemented when • the *Service Manager* notifies his acceptance of the *Contractor*'s quotation, • the *Service Manager* notifies the *Contractor* of his own assessment or a *Contractor*'s quotation is treated as having been accepted by the *Service Manager*.
65.2	The assessment of a compensation event is not revised if a forecast upon which it is based is shown by later recorded information to have been wrong.

7	**Use of Equipment Plant and Materials**	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
8	**Risks and insurance**	
80.1	These are additional *Employer*'s risks	**1. Loss and /or theft Eskom's assets** **2. Damage to Eskom property due to criminal conduct** **3. Safety of Eskom staff and contractors due to criminal activity** **4. Strikes and riots**
9	**Termination**	9

90.1	If either Party wishes to terminate the *Contractor*'s obligation to Provide the Service, he notifies the *Service Manager* and the other Party giving details of his reason for terminating. The *Service Manager* issues a termination certificate to both Parties promptly if the reason complies with this contract.
90.2	The *Contractor* may terminate only for a reason identified in the Termination Table. The *Employer* may terminate for any reason. The procedures followed and the amounts due on termination are in accordance with the Termination Table.

TERMINATION TABLE

Terminating Party	Reason	Procedure	Amount due
The *Employer*	A reason other than R1–R21	P1, P2 and P4	A1, A2 and A4
	R1–R15 or R18	P1, P2, P3 and P4	A1, A2 and A3
	R17 or R20	P1 and P4	A1 and A2
	R21	P1, P3 and P4	A1 and A2
The *Contractor*	R1–R10, R16 or R19	P1, P2 and P4	A1, A2 and A4
	R17 or R20	P1, P2 and P4	A1 and A2

90.3 The procedures for termination are implemented immediately after the *Service Manager* has issued a termination certificate.

90.4 Within thirteen weeks of termination, the *Service Manager* certifies a final payment to or from the *Contractor* which is the *Service Manager*'s assessment of the amount due on termination less the total of previous payments. Payment is made within three weeks of the *Service Manager*'s certificate.

90.5 After a termination certificate has been issued, the *Contractor* does no further work necessary to Provide the Service.

91 Reasons for termination

91.1 Either Party may terminate if the other Party has done one of the following or its equivalent.

- If the other Party is an individual and has
  - presented his petition for bankruptcy (R1),
  - had a bankruptcy order made against him (R2),
  - had a receiver appointed over his assets (R3) or
  - made an arrangement with his creditors (R4).
- If the other Party is a company or partnership and has
  - had a winding-up order made against it (R5),
  - had a provisional liquidator appointed to it (R6),
  - passed a resolution for winding-up (other than in order to amalgamate or reconstruct) (R7),
  - had an administration order made against it (R8),
  - had a receiver, receiver and manager, or administrative receiver appointed over the whole or a substantial part of its undertaking or assets (R9) or

made an arrangement with its creditors (R10).

91.2 The *Employer* may terminate if the *Service Manager* has notified that the *Contractor* has defaulted in one of the following ways and not put the default right within four weeks of the notification.

- Substantially failed to Provide the Service (R11).
- Not provided a bond or guarantee which this contract requires (R12).

Appointed a Subcontractor for substantial work before the *Service Manager* has accepted the Subcontractor (R13).

91.3 The *Employer* may terminate if the *Service Manager* has notified that the *Contractor* has defaulted in one of the following ways and does not stop defaulting within four weeks of the notification.

- Substantially hindered the *Employer* or Others (R14).

Substantially broken a health or safety regulation (R15).

91.4 The *Contractor* may terminate if the *Employer* has not paid an amount due under the contract within eleven weeks of the date that it should have been paid (R16).

91.5 Either Party may terminate if the Parties have been released under the law from further performance of the whole of this contract (R17).

91.6 If the *Service Manager* has instructed the *Contractor* to stop or not to start any substantial work or all work and an instruction allowing the work to re- start or start has not been given within thirteen weeks,

- the *Employer* may terminate if the instruction was due to a default by the *Contractor* (R18),
- the *Contractor* may terminate if the instruction was due to a default by the *Employer* (R19) and

either Party may terminate if the instruction was due to any other reason (R20).

91.7 The *Employer* may terminate if an event which the Parties could not reasonably prevent has substantially affected the *Contractor*'s work for a continuous period of more than thirteen weeks (R21).

92 Procedures on termination

92.1 On termination, the *Employer* may complete the *service* and may use any Plant and Materials provided by the *Contractor* (P1).

92.2 The procedure on termination also includes one or more of the following as set out in the Termination Table.

P2 The *Employer* may instruct the *Contractor* to remove any Equipment, Plant and Materials and assign the benefit of any subcontract or other contract related to performance of this contract to the *Employer*.

P3 The *Employer* may use any Equipment to which the *Contractor* has title to complete the *service*. The *Contractor* promptly removes the Equipment when the *Service Manager* notifies him that the *Employer* no longer requires it to complete the *service*.

P4 The *Contractor* provides to the *Employer* information and other things which the Service Information states he is to provide at the end of the *service period*.

93 Payment on termination

93.1 The amount due on termination includes (A1)

- an amount due assessed as for normal payments,
- the Defined Cost for Plant and Materials
  - which have been delivered and retained by the *Employer* or
  - which the *Employer* owns and of which the *Contractor* has to accept delivery,
- other Defined Cost reasonably incurred in expectation of completing the whole of the *service* and

any amounts retained by the *Employer*.

93.2 The amount due on termination also includes one or more of the following as set out in the Termination Table.

A2 The forecast Defined Cost of removing the Equipment.

A3 A deduction of the forecast of the additional cost to the *Employer* of completing the whole of the *service*.

A4 The *direct fee percentage* applied to

- for Options A and C, any excess of the total of the Prices at the Contract Date over the Price for Services Provided to Date or

for Option E, any excess of the first forecast of the Defined Cost for the *service* over the Price for Services Provided to Date less the Fee.

10 Data for main Option clause

A	**Option A**	
20.5	The *Contractor* prepares forecasts of the final total of the Prices for the whole of the *service* at intervals no longer than	**One (1) month**

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

12 Data for secondary Option clauses

X1 Price adjustment for inflation

X1.1 The rates will be fixed and firm for the first twelve (12) months of the contract, thereafter they will be escalated in line with the table below.

DESCRIPTION	FIXED	VARIABLE	INDEX USED	BASE DATE	BASE INDEX
All Labour Rates ***(excl Security Guards)***	15%	85%	SEIFSA C3a	Nov-26	To be advised
Transport Rates ***(Diesel 0.005%)***	15%	85%	SEIFSA L3a	Nov-26	To be advised
All Supplied Material, Accommodation & Meals ***(Maximum Rate Allowable, Actual Cost Paid excl Vat)***	15%	85%	SEIFSA D4	Nov-26	To be advised
Security Guards (Base Index April 2026)	***As Per PSIRA Annual Published rates Plus Tendered Overhead & Profit Percentage***				

For Security Guards / PSIRA items, PSIRA rates applicable for the specific year will apply plus the agreed overheads percentage ***(overheads percentage to remain fixed for the duration of the contract).***

X2	**Changes in the law**	**The current law must be applied and adhered to at all times.**
X17	**Low service damages**	
X17.1	The *service level table* is in	**Contract Data, Key Primary Indicators**
X18	**Limitation of liability**	
X18.1	The *Contractor*'s liability to the *Employer* for indirect or consequential loss is limited to	**the amount of the deductibles relevant to the event (To be negotiated)**
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 deductibles relevant to the event (To be negotiated)**
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** • **Defects due to his design, plan and specification,** • **Defects due to manufacture and fabrication outside the Affected Property,** • **loss of or damage to property (other than the *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	**Sixty (60) months**
X19	**Task Order**	

X19.5	The *Contractor* submits a Task Order program to the *Service Manager* within	**One (1) week of receiving the Task Order**
X20	**Key Performance Indicators (not used when Option X12 applies)**	
X20.1	The *incentive schedule* for Key Performance Indicators is in	**Not applicable**
X20.2	A report of performance against each Key Performance Indicator is provided at intervals of	**Quarterly**
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

Z_12_.1 Replace core clause 83 with the following:

Insurance cover 83

83.1 When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.

83.2 The *Contractor* provides the insurances stated in the Insurance Table A from the *starting date* until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

Insurance against	Minimum amount of cover or minimum limit of indemnity

Loss of or damage caused by the *Contractor* to the *Employer*'s property	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.
Loss of or damage to Plant and Materials	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.
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	<u>Loss of or damage to property</u> The replacement cost <u>Bodily injury to or death of a person</u> 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

Z 12.2 Replace core clause 86 with the following:

Insurance by the *Employer*

86

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

INSURANCE TABLE B

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

Z13 Nuclear Liability

Z13.1 The *Employer* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.

Z13.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against any and all liabilities which the *Contractor* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.

Z13.3 Subject to clause Z13.4 below, the *Employer* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Contractor* or any other person, or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.

Z13.4 The *Employer* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.

Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 Asbestos

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

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 *Employer*'s Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
SANAS	means the South African National Accreditation System.
TWA	means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.

Z14.2 Upon written request by the *Contractor*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Contractor* may perform Parallel Measurements and related control measures at the *Contractor*'s expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.

Z14.3 The *Employer* manages asbestos and ACM according to the Standard.

Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.

Z14.5 The *Contractor*'s personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.

Z14.6 The *Contractor* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.

Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer*'s expense, and conducted in line with South African legislation.

C1.2 Contract Data

Part two - Data provided by the Contractor

Notes to a tendering contractor:

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

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

Clause	Statement	Data
10.1	The *Contractor* is (Name): Address Tel No. Fax No.	
11.2(8)	The *direct fee percentage* is The *subcontracted fee percentage* is	**%** **%**
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:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job Responsibilities: Qualifications:	

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

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	**RATES ONLY**

C1.3 Forms of Securities

Pro formas for Bonds & Guarantees

For use with the NEC3 Term Service Contract (TSC3)

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

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

Option X4: Parent company guarantee
Option X13: Performance Bond

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

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

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

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

Eskom Holdings SOC Ltd
Megawatt Park
Maxwell Drive
Sandton
Johannesburg Date:

Dear Sirs,

Parent Company Guarantee for Contract No

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

Eskom Holdings SOC Ltd (the *Employer*) and

{Insert registered name and address of the *Contractor*} (the *Contractor*), for

{Insert details of the *works* from the Contract Data} (the *works*).

I/We the undersigned .....

on behalf of the *Contractor*'s parent company .....

of physical address .....

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

1. If for any reason the *Contractor* fails to Provide the Service, we hereby agree to cause to Provide the Service at no additional cost to the *Employer*.

2. If we fail to comply with the terms of this Deed of Guarantee, the *Employer* may itself procure such performance (whether or not the Agreement be formally determined). The *Employer* is to notify us and we shall indemnify the *Employer* for any additional cost or expense it incurs.

3. Our liability shall be as primary obligor and not merely as surety and shall not be impaired or discharged by reason of any arrangement or change in relationship made between the *Contractor* and the *Employer* and/or between us and *Contractor*; nor any alteration in the obligations undertaken by the *Contractor* or in the terms of the Agreement; nor any indulgence, failure, delay by you as to any matter; nor any dissolution or liquidation or such other analogous event of the *Contractor*.

4. The *Employer* shall not be obliged before taking steps to enforce the terms of this Deed of Guarantee to obtain judgement against the *Contractor* in any court or other tribunal, to make or file any claim in liquidation (or analogous proceedings) or to seek any remedy or proceed first against the *Contractor*.

5. This Deed of Guarantee shall be governed by and construed in accordance with the laws of the Republic of South Africa and we hereby submit to the non-exclusive jurisdiction of the High Court of South Africa.

Signed at ..... on this ..... day of ..... 20_

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

Pro forma Performance Bond – Demand Guarantee (for use with Option X13)

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

Eskom Holdings SOC Ltd
Megawatt Park
Maxwell Drive
Sandton
Johannesburg

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

Date:

Dear Sirs

Performance **Bond – Demand Guarantee**: *[Drafting Note: Name of Contractor to be inserted]*

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

1. In this Guarantee the following words and expressions shall have the following meanings:-

1.1 "Bank" - means [●], [●] Branch, (Registration No. [●]); [Drafting Note: Name of Bank to be inserted]

1.2 "Bank's Address" - means [●]; [Drafting Note: Bank's physical address to be inserted]

1.3 "Contract" – means the written agreement relating to the Services, entered into between Eskom and the Contractor, on or about the [●] day of [●] 200[●] (Contract Reference No. [.] as amended, varied, restated, novated or substituted from time to time; [Drafting Note: Signature Date and Contract reference number to be inserted]

1.4 "Contractor" – means [●] a company registered in accordance with the laws of [●] under Registration Number [●]. [Drafting Note: Name and details of Contractor to be inserted]

1.5 "Eskom" - means Eskom Holdings SOC Ltd, a company registered in accordance with the laws of the Republic of South Africa under Registration Number 2002/015527/30].

1.6 "Expiry Date" - means the earlier of

- the date that the Bank receives a notice from Eskom stating that all amounts due from the Contractor as certified in terms of the contract have been received by Eskom and that the Contractor has fulfilled all his obligations under the Contract, or
- the date that the Bank issues a replacement Bond for such lesser or higher amount as may be required by Eskom

1.7 "Guaranteed Sum" - means the sum of R [●] ([●] Rand);

1.8 "Services" - means [insert as applicable.].

2. At the instance of the Contractor, we the undersigned _____and _____, in our respective capacities as _____and _____of the Bank, and duly authorized thereto, confirm that we hold the Guaranteed Sum at the disposal of Eskom, as security for the proper performance by the Contractor of all of its obligations in terms of and arising from the Contract and hereby undertake to pay to Eskom, on written demand from Eskom received prior to the Expiry Date, any sum or sums not exceeding in total the Guaranteed Sum.

3. A demand for payment under this guarantee shall be made in writing at the Bank's address and shall:

3.1 be signed on behalf of Eskom by a Group Executive, Divisional Executive, Senior General

Manager or its delegate;

3.2 state the amount claimed ("the Demand Amount');

3.3 state that the Demand Amount is payable to Eskom in the circumstances contemplated in the Contract.

4. Notwithstanding the reference herein to the Contract the liability of the Bank in terms hereof is as principal and not as surety and the Bank's obligation/s to make payment:

4.1 is and shall be absolute provided demand is made in terms of this bond in all circumstances; and

4.2 is not, and shall not be construed to be, accessory or collateral on any basis whatsoever.

5. The Bank's obligations in terms of this Guarantee:

5.1 shall be restricted to the payment of money only and shall be limited to the maximum of the Guaranteed Sum; and

5.2 shall not be discharged and compliance with any demand for payment received by the Bank in terms hereof shall not be delayed, by the fact that a dispute may exist between Eskom and the Contractor.

6. Eskom shall be entitled to arrange its affairs with the Contractor in any manner which it sees fit, without advising us and without affecting our liability under this Guarantee. This includes, without limitation, any extensions, indulgences, release or compromise granted to the Contractor or any variation under or to the Contract.

7. Should Eskom cede its rights against the Contractor to a third party where such cession is permitted under the Contract, then Eskom shall be entitled to cede to such third party the rights of Eskom under this Guarantee on written notification to the Bank of such cession.

8. This Guarantee:

8.1 shall expire on the Expiry Date until which time it is irrevocable;

8.2 is, save as provided for in 7 above, personal to Eskom and is neither negotiable nor transferable;

8.3 shall be returned to the Bank upon the earlier of payment of the full Guaranteed Sum or expiry hereof;

8.4 shall be regarded as a liquid document for the purpose of obtaining a court order; and

8.5 shall be governed by and construed in accordance with the law of the Republic of South Africa and shall be subject to the jurisdiction of the Courts of the Republic of South Africa.

8.6 Any claim which arises or demand for payment received after expiry date will be invalid and unenforceable.

9. The Bank chooses domicilium citandi et executandi for all purposes in connection with this Guarantee at the Bank's Address.

Signed at _____ Date _____

For and behalf of the Bank

Bank Signatory: _____ Bank Signatory: _____

Witness: _____ Witness: _____
Bank's seal or stamp

PART 2: PRICING DATA

TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	
C2.2	The *price list*	

C2.1 Pricing assumptions: Option A

1. 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.

2. 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.

3. 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).

4. 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.

4.1 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*

NOTE: The Pricing Schedule provided is for illustrative purposes only.
It is intended to illustrate the minimum level of pricing detail required for indicative pricing and will enable a comprehensive evaluation of the tender.

Tenderers may adopt the provided template or submit pricing in their own template, provided that all required pricing information is clearly and adequately detailed.

Eskom Central East Cluster - Security Technology Upgrade		
Electrical & Electronic Services		
Summary Page		
No.	**Description**	**Total**
NOTE:	***The Pricelist must be priced in accordance with Contract Specifications included in the tender Documents. All rates to exclude VAT***	
1.1	Section A : Labour - ALL TIERS - Rates Only	***R0.00***
2.1	Section B : Supply & Install - ALL TIERS	***R0.00***
3.1	Section C : Security Guards - ALL TIERS	***R0.00***
	GRAND TOTAL EXCL VAT	***R0.00***

Eskom Central East Cluster - Security Technology Upgrade			
Section A : Labour - ALL TIERS			
ITEM	**DESCRIPTION**	**UNIT**	**RATES ONLY**
NB: Rates below to be inclusive of Profit, Overheads & any other costs required to Complete the Activity. All rates to exclude VAT			
Rates below will be applicable across ALL tiers and Sites of Eskom Central East Cluster. Where the item rate is greyed out, this Item should not be priced.			
1	**Normal Working Time** ***(For Work to be done from Mon to Fri Between 7h30 And 16h30)***		
1.1	Technician / Skilled Worker	Hour	
1.2	Assistant Technician / Semi Skilled Worker	Hour	
1.3	Project Manager	Hour	
1.4	Safety Officer	Hour	
1.5	Design Engineer	Hour	
1.6	Senior Systems Engineer	Hour	
1.7	CAD / GUI Operator	Hour	
1.9	Trainer	Hour	
1.10	Quality Control (QC) Officer	Hour	
1.11	Administrator / Document Controller	Hour	
2	**Call-Out Rate** ***(For Work to be done after Normal Working Hours & Saturdays)***		
2.1	Technician / Skilled Worker	Hour	
2.2	Assistant Technician / Semi Skilled Worker	Hour	
2.3	Project Manager	Hour	
2.4	Safety Officer	Hour	
2.5	Design Engineer	Hour	
2.6	Senior Systems Engineer	Hour	
2.7	CAD / GUI Operator	Hour	
2.8	Trainer	Hour	
2.9	Quality Control (QC) Officer	Hour	
2.10	Administrator / Document Controller	Hour	
3	**Call-Out Rate** ***(For Work to be done on Sundays & Public Holidays)***		
3.1	Technician / Skilled Worker	Hour	
3.2	Assistant Technician / Semi Skilled Worker	Hour	
3.3	Project Manager	Hour	
3.4	Safety Officer	Hour	
3.5	Design Engineer	Hour	
3.6	Senior Systems Engineer	Hour	
3.7	CAD / GUI Operator	Hour	
3.8	Trainer	Hour	
3.9	Quality Control (QC) Officer	Hour	

Eskom Central East Cluster - Security Technology Upgrade			
Section A : Labour - ALL TIERS			
ITEM	**DESCRIPTION**	**UNIT**	**RATES ONLY**
NB: Rates below to be inclusive of Profit, Overheads & any other costs required to Complete the Activity. All rates to exclude VAT			
Rates below will be applicable across ALL tiers and Sites of Eskom Central East Cluster. Where the item rate is greyed out, this Item should not be priced.			
3.10	Administrator / Document Controller	Hour	
4	**Disbursements**		
4.1	Transport (4x2 LDV) ***Distance to be measured from Closest Eskom Area Office in the Specific Zone work is being executed to Site & Return. Any Additional Trips to be pre-approved by the Eskom Service Manager/ Supervisor***	Per Km	
4.2	Transport (4x4 LDV) ***Distance to be measured from Closest Eskom Area Office in the Specific Zone work is being executed to Site & Return. Any Additional Trips to be pre-approved by the Eskom Service Manager/ Supervisor***	Per Km	
4.3	Accommodation Per Person Per Night. ***(Actuals paid must be below Maximum Eskom Approved Accommodation Rate)***	P/Night	
4.4	Subsistence Per Person Per Day. ***(Actuals paid must be below Maximum Eskom Approved Meal Rate)***	P/Day	
5	**Other Contractual Requirements**		
5.1	Health & Safety Compliance. ***(Percentage of each Purchase Order/ Task Order LABOUR Total, Excluding Supply) State Proposed % in RATE Column***	*Percentage*	
5.2	All inclusive 60 month post-handover guarantee and maintenance on all materials and workmanship. ***(Percentage of each Purchase Order/ Task Order Value Total - Labour & Supply) State Proposed % in RATE Column***	*Percentage*	
	Section A - RATES TOTAL ONLY		**R0.00**

Eskom Central East Cluster - Security Technology Upgrade						
Section B : Supply & Install - ALL TIERS						
ITEM	**DESCRIPTION**	**UNIT**	**QTY**	**SUPPLY RATE**	**INSTALL RATE**	**TOTAL**
NB: Rates below will be applicable across ALL tiers and Sites of Eskom Central East Cluster. Where the item Cell is greyed out, the Item should not be priced.						
NB: Rates below to be inclusive of Profit, Overheads & any other costs required to Complete the Activity. All rates to exclude VAT						
1	**Detailed List of all Material / Items to be Supplied & Installed.** ***(Additional Rows may be added by tenderers if needed)***					
1.1						R0.00
1.2						R0.00
1.3						R0.00
1.4						R0.00
1.5						R0.00
1.6						R0.00
1.7						R0.00
1.8						R0.00
1.9						R0.00
1.10						R0.00
1.11						R0.00
1.12						R0.00
1.13						R0.00
1.14						R0.00
1.15						R0.00
1.16						R0.00

Eskom Central East Cluster - Security Technology Upgrade						
Section B : Supply & Install - ALL TIERS						
ITEM	**DESCRIPTION**	**UNIT**	**QTY**	**SUPPLY RATE**	**INSTALL RATE**	**TOTAL**
NB: Rates below will be applicable across ALL tiers and Sites of Eskom Central East Cluster. Where the item Cell is greyed out, the Item should not be priced.						
NB: Rates below to be inclusive of Profit, Overheads & any other costs required to Complete the Activity. All rates to exclude VAT						
1.17						R0.00
1.18						R0.00
1.19						R0.00
1.20						R0.00
1.21						R0.00
1.22						R0.00
1.23						R0.00
1.24						R0.00
1.25						R0.00
1.26						R0.00
1.27						R0.00
1.28						R0.00
1.29						R0.00
1.30						R0.00
						R0.00
	Section B Sub Total			**R0.00**	**R0.00**	**R0.00**

Eskom Central East Cluster - Security Technology Upgrade							
Section C : Security Guards - ALL TIERS							
ITEM	**DESCRIPTION**	**UNIT**	**QTY**	**RATE**	**QTY**	**RATE**	**TOTAL**
NB: Rates below to be inclusive of Profit, Overheads & any other costs required to Complete the Activity. All rates to exclude VAT				***PSIRA AREA 1 & 2***		***PSIRA AREA 3 & 4***	
Rates below will be applicable across ALL tiers and Sites of Eskom Central East Cluster. Where the item Cell is greyed out, the Item should not be priced.							
1	**Security Guards**						
1.1	Grade A Guard Armed Day Shift	Per Hour					R0.00
1.2	Grade A Guard Armed Night Shift	Per Hour					R0.00
1.3	Grade A Guard Unarmed Day Shift	Per Hour					R0.00
1.4	Grade A Guard Unarmed Night Shift	Per Hour					R0.00
1.5	Grade B Guard Armed Day Shift	Per Hour					R0.00
1.6	Grade B Guard Armed Night Shift	Per Hour					R0.00
1.7	Grade B Guard Unarmed Day Shift	Per Hour					R0.00
1.8	Grade B Guard Unarmed Night Shift	Per Hour					R0.00
1.9	Grade C Guard Armed Day Shift	Per Hour					R0.00
1.10	Grade C Guard Armed Night Shift	Per Hour					R0.00
1.11	Grade C Unarmed Day Shift	Per Hour					R0.00
1.12	Grade C Unarmed Night Shift	Per Hour					R0.00
1.13	Grade C Armed Dog Handler Security Officer Day Shift	Per Hour					R0.00
1.14	Grade C Armed Dog Handler Security Officer Night Shift	Per Hour					R0.00
1.15	Grade C Unarmed Dog handler Security Officer Day Shift	Per Hour					R0.00
1.16	Grade C Unarmed Dog handler Security Officer Night Shift	Per Hour					R0.00
1.17	Grade C NKP Guard Armed Day Shift	Per Hour					R0.00
1.18	Grade C NKP Guard Armed Night Shift	Per Hour					R0.00

Eskom Central East Cluster - Security Technology Upgrade							
Section C : Security Guards - ALL TIERS							
ITEM	**DESCRIPTION**	**UNIT**	**QTY**	**RATE**	**QTY**	**RATE**	**TOTAL**
NB: Rates below to be inclusive of Profit, Overheads & any other costs required to Complete the Activity. All rates to exclude VAT				***PSIRA AREA 1 & 2***		***PSIRA AREA 3 & 4***	
Rates below will be applicable across ALL tiers and Sites of Eskom Central East Cluster. Where the item Cell is greyed out, the Item should not be priced.							
1.19	Grade C NKP Guard Unarmed Day Shift	Per Hour					R0.00
1.20	Grade C NKP Guard Unarmed Night Shift	Per Hour					R0.00
1.21	K9 Patrol and Protection Dog DH 1-DH2 Level Day Shift	Per Hour					R0.00
1.22	K9 Patrol and Protection Dog DH 1-DH2 Level Night Shift	Per Hour					R0.00
2	**Guard Hut facility**						
2.1	Size: 1,2m x 2,4m	Per day					R0.00
2.2	Size: 1,2m x 2,4m	Per Month					R0.00
2.3	Size: 2,4m x 2,4m	Per day					R0.00
2.4	Size: 2,4m x 2,4m	Per Month					R0.00
2.5	Ablution Facilities ***(Including Service Cost)***	Per day					R0.00
2.6	Ablution Facilities ***(Including Service Cost)***	Per Month					R0.00
2.7	Ablution Facilities Fixed Charge ***(Including Establishment & De Establishment Cost)***	Each (Once off)					R0.00
3	**Transport**						
	Daily rate for transport to be used ONLY when the specified vehicle has been used for the full day. otherwise a km rate will be applied.						
3.1	Patrol Utility Van (4x2) - Day shift 06:00 – 18:00	Per Day					R0.00
3.2	Patrol Utility Van (4x2) - Night Shift 18:00 – 06:00	Per Day					R0.00
3.3	Patrol Utility Van (4x2)	Per Km					R0.00
3.4	Patrol Double Cab (4x4) - Day shift 06:00 – 18:00	Per Day					R0.00
3.5	Patrol Double Cab (4x4) - Night Shift 18:00 – 06:00	Per Day					R0.00
3.6	Patrol Double Cab (4x4)	Per Km					R0.00

Eskom Central East Cluster - Security Technology Upgrade							
Section C : Security Guards - ALL TIERS							
ITEM	**DESCRIPTION**	**UNIT**	**QTY**	**RATE**	**QTY**	**RATE**	**TOTAL**
NB: Rates below to be inclusive of Profit, Overheads & any other costs required to Complete the Activity. All rates to exclude VAT				***PSIRA AREA 1 & 2***		***PSIRA AREA 3 & 4***	
Rates below will be applicable across ALL tiers and Sites of Eskom Central East Cluster. Where the item Cell is greyed out, the Item should not be priced.							
3.7	Armoured Vehicle - Day shift 06:00 – 18:00	Per Day					R0.00
3.8	Armoured Vehicle - Night Shift 18:00 – 06:00	Per Day					R0.00
3.9	Armoured Vehicle - Rental Per 24 Hour Day	Per Day					R0.00
3.10	Armoured Vehicle - Rental per Hour	Per Hour					R0.00
3.11	Armoured Vehicle - Rental per KM	Per Km					R0.00
4	**Health and Safety management**						
4.1	Costing for Health and Safety management ***Labour Total of Security Bill Multiplied by the Proposed % in the rate Column will be the Line Item Total due per Task Order/ Project (State Percentage in Rate Column)***	***Percentage***					R0.00
5	**PPE**						
5.1	Bullet Proof Vest: Level III SA MIX . ***To be included as part of Overheads built into the Applicable Item Rates***						
5.2	Panic button. ***To be included as part of Overheads built into the Applicable Item Rates***						
5.3	Body camera. ***To be included as part of Overheads built into the Applicable Item Rates***						
6	**Independent Armed response**						
6.1	Armed response service ***(Rate per Month per Site)***	Per Month					R0.00
7	**Visitor's Management system**						
7.1	Visitors' management system ***(Per Day Per Site)***	Per Day Per Site					R0.00
7.2	Tactical Response Team, Crime prevention Patrols, Security Tactical Escorting ***(Per Day Per Site)***	Per Day Per Site					R0.00
7.3	Tactical Response Team, Crime prevention Patrols, Security Tactical Escorting ***(Per HOUR Per Site)***	Per Hour Per Site					R0.00

Eskom Central East Cluster - Security Technology Upgrade								
Section C : Security Guards - ALL TIERS								
ITEM	**DESCRIPTION**	**UNIT**	**QTY**	**RATE**	**QTY**	**RATE**	**TOTAL**	
NB: Rates below to be inclusive of Profit, Overheads & any other costs required to Complete the Activity. All rates to exclude VAT				***PSIRA AREA 1 & 2***		***PSIRA AREA 3 & 4***		
Rates below will be applicable across ALL tiers and Sites of Eskom Central East Cluster. Where the item Cell is greyed out, the Item should not be priced.								
8	***State Profit Percentage that is included in the Rates tendered for Security Items above.***	***Percentage***						
9	***State Overhead Percentage that is included in the Rates tendered for Security Items above.***	***Percentage***						
		Section C Sub Totals		**R0.00**		**R0.00**	**R0.00**	

C3.1: EMPLOYER'S SERVICE INFORMATION

Description of the service

PART 3: SCOPE OF WORK

1. Introduction

Eskom Holdings SOC Ltd invites qualified and experienced service providers to submit proposals for the provision of outcome-based physical guarding services and technology solutions at Eskom facilities within the Central East Cluster-KZN Zones. The objective is to enhance security outcomes through the integration of advanced technology, innovation, and measurable performance metrics. The contract will focus on delivering physical guarding services, technology-driven solutions, and continuous improvement to ensure the safety and protection of Eskom's assets, personnel, and operations.

This contract will include (TaaS). The successful service provider will be required to maintain the installed system and train all relevant stakeholders on the installed security system equipment.

2. Supporting Clauses

2.1. Scope

2.1.1 Purpose

The purpose of this document is to procure outcome-based security services that integrate advanced technology solutions with physical guarding measures to protect Eskom facilities within the Central East Cluster -KZN Zones through measurable performance outcomes. This is a five-year contract, with payments distributed equally over the contract period.

All equipment, technology and systems supplied and installed under this contract shall remain vested in the Contractor for the duration of the contract. Upon expiry of the contract and successful completion of the handover process, ownership shall transfer to Eskom at no additional cost. The Contractor shall remain responsible for all maintenance, licensing, insurance, replacement and operational support until ownership is formally transferred to Eskom

The technology installed must comply with Eskom technical standards as a minimum requirement, with higher specifications preferred where technically and commercially viable. Tenderers may submit proposals for multiple zones; however, successful bidders will be permitted to operate in a single zone only.

1.1.2. Applicability

This document shall apply to Central East Cluster -KZN Zones.

1.1.3. Effective date

This document is effective from the date of signature.

2.2 Normative/Informative References

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

2.2.1 Normative

ISO 9001 Quality Management Systems

559-970769434 Scope of Work Statements for Guarding Contracts – Guideline Document

240-102220945 Specification for Integrated Access Control System for Eskom sites

240-91190304 Specification for CCTV Surveillance with Intruder Detection

240-86738968 Specification for Integrated Security Alarm System for Protection of Eskom Installations and its subsidiaries

240-170000096 Physical security integration standard

240-170000257 Technical Evaluation Criteria for the Integrated Security System

240-170000691 Standard for Intrusion pre-detection systems used at Eskom sites

240-78980848 Specification for Non-Lethal Energized Perimeter Detection System (NLEPDS) for protection of Eskom installations and its subsidiaries

240-171000171 Commissioning guideline for secondary plant physical security system

240-180100001 Secondary Plant Security Systems Maintenance Procedure

2.2.2 Informative

N/A

2.3 Definitions

Definition	Explanation
Tender	Refers to an open or closed competitive request for quotations / prices against a clearly defined scope / specification.
Integrated Access Control System	It is an electronic system that aims to collaborate and align efforts across the logical and physical security domains to standardise access control within Eskom.
Control Centre	Where alarms and CCTV footage are monitored and needed response/s initiated from. The alarms and CCTV footage can be aggregated to a national security control centre that can initiate requisite actions from a national perspective.

2.4 Abbreviations

Abbreviation	Explanation
OBC	Outcome-Based Contract
CCTV	Closed Circuit Television
GPS	Global Positioning System
KPI	Key Performance Indicator
RFP	Request for Proposal
SSP	Security Solutions Physical
PFMA	Public Finance Management Act
EPSCMP	Eskom Procurement and Supply Chain Management Procedure

2.5 Roles and Responsibilities

a) Eskom responsibilities

a. Appoint the Contract Manager, Service Manager and other authorised representatives responsible for contract administration, operational coordination and acceptance of deliverables.

b. Provide the Contractor with approved site information, access requirements, applicable Eskom standards, risk assessments and the agreed rollout priorities necessary for implementation.

c. Review and approve the Contractor’s implementation plan, technical designs, integration architecture, commissioning records and handover documentation before the relevant work proceeds or is accepted.

d. Coordinate access to Eskom sites and facilitate engagement with relevant site owners, zone Security Managers, Information Technology, Telecommunications and other affected stakeholders.

e. Monitor the Contractor’s performance against the scope, rollout plan, service levels and key performance indicators, and issue instructions, early-warning responses and corrective-action requirements through the authorised Eskom representative.

f. Provide authorised Eskom personnel for user acceptance testing, operational monitoring, training and formal handover of the installed systems and associated records.

b) successful bidder responsibilities

i. Use the latest approved revision of this document and comply with all applicable legislation, contractual requirements, Eskom standards, approved designs and authorised instructions.

ii. Prepare and submit for Eskom's approval a detailed, risk-based implementation and rollout plan covering design, installation, integration, testing, commissioning, training, maintenance and handover activities for the awarded zone.

iii. Supply, install, configure, integrate, test, commission, operate and maintain the physical guarding and security technology solutions required under the contract.

iv. Establish and operate the centralised control room where this forms part of the awarded scope, and ensure that all designated alarms, video feeds, access-control systems and communication links are securely integrated and continuously available.

v. Where the Contractor is appointed for a zone but not for establishment of the centralised control room, connect and maintain the zone's alarms, video feeds and related systems to the Eskom-approved centralised control room in accordance with the approved integration requirements and or link such alarm, video feeds and related systems to his own control room until Eskom control room is ready to connect such systems.

vi. Provide suitably qualified, competent and appropriately registered personnel, together with all required licences, equipment, software, warranties, support services and statutory certifications for the duration of the contract.

vii. Maintain complete and accurate design, asset, configuration, maintenance, incident, performance and training records, and submit reports in the form and frequency required by Eskom.

viii. Promptly notify the Eskom Service Manager of risks, delays, defects, security incidents, integration constraints or other matters that may affect cost, time, performance or continuity of service, and implement approved corrective measures.

ix. Protect Eskom information and system data, provide authorised Eskom personnel with secure real-time monitoring access, and comply with Eskom information-security requirements and applicable data-protection legislation.

x. At contract expiry or termination, complete the formal handover of all applicable assets, data, licences, credentials, warranties, manuals, system backups, records and operational knowledge in accordance with the contract's ownership and handover provisions.

2.6 Process for Monitoring

Monitoring will be conducted through a layered governance structure to ensure compliance with PFMA, EPSCMP, the Constitution and alignment with Eskom's long-term security objectives:

- **Contract Manager**: Oversees contract execution, tracks supplier performance against agreed outcomes and enforces consequence management.
- **SCM Oversight**: Designs and governs the procurement process, ensuring compliance with PFMA and procurement regulations.
- **Internal Audit Review**: Provides independent assurance through periodic reviews of performance data, risk management and governance controls.
- **Line Division Managers**: Provide operational input and day-to-day monitoring, supporting continuous improvement and identifying areas for enhancement.

2.7 Related/Supporting Documents

The successful bidder or bidders will be required to provide comprehensive security services across the three Central East Cluster -KZN Zones, subject to operational requirements. Services must be tailored to four distinct risk tiers, each with unique threat profiles and operational challenges.

The site-classification framework below defines the minimum-security outcomes required across the Central East Cluster -KZN Zones. It must be read together with the scope of work, technology integration requirements, service-level expectations, and KPI framework contained in this document.

2.8. Classification of Sites

Tier 1: High-Risk Critical Infrastructure

- **Sites**: Key substations, national control centres, Regional Distribution Centres (RDCs) /Warehouse.
- **Threat Profile**: Organised crime syndicates; coordinated theft, vandalism and sabotage; sophisticated external attacks; insider-enabled security breaches; cyber-physical
  compromise of integrated security systems; violent intrusion; protest action and civil unrest; and deliberate disruption of critical electricity infrastructure and essential services.

- **Operational Challenge**:
- Continuous 24/7 protection
- Maximum security protocols
- Zero tolerance for service disruption

Tier 2: Critical Operational Sites (Medium–High Risk)

- **Sites**: Distribution substations, Customer Network Centres (CNCs), regional offices, warehouses, walk-in centres, training centres
- **Threat Profile**: Copper theft syndicates, equipment vandalism, opportunistic crime, protest action

- **Operational Challenge**:

- Effective security coverage
- Cost optimization without compromising safety
- Scalable response strategies

Tier 3: Standard Operational Sites (Low–Medium Risk)

- **Sites**: Mini substations, customer hubs, secondary facilities
- **Threat Profile**: Opportunistic theft, vandalism, trespassing, protest action
- **Operational Challenge**:
- Basic security measures
- High cost-efficiency
- Preventive deterrence

Tier 4: Low-Risk Remote Sites (Minimum Security)

- **Sites**: Vacant properties, remote mini-substations, low-value storage units
- **Threat Profile**: Trespassing, minor vandalism, environmental hazards, protest action
- **Operational Challenge**:

- Remote monitoring solutions
- Minimal physical presence
- Budget-conscious surveillance

2.9. Contract Duration

The contract for the provision of services shall be scheduled for a period of five years.

2.10. Documentation

Prior to installation, the contractor shall produce a technical design that shall be signed off for acceptance by a suitably qualified Eskom engineer. The contractor shall maintain full documentation of which sites have undergone installation, what equipment has been installed, the configuration of the systems, as well as a system backup. A copy of the backups of the systems shall be given to Eskom for archiving and disaster management preparations. After installation, the contractor shall produce all applicable operator, maintenance and technical manuals. The Contractor shall submit all applicable operator, maintenance and technical manuals to Eskom after installation and commissioning, and before final acceptance of the relevant system or site. The manuals shall be updated following any system modification or upgrade, and a complete and current set shall be included in the final handover documentation at contract expiry or termination.

2.11. Technology Implementation

Within the period specified in the contract data or applicable Task Order, the Contractor shall submit a detailed implementation plan to the Eskom Service Manager for written approval. No installation work may commence until Eskom has approved the relevant technical design, implementation plan and Task Order and has confirmed site access. The plan shall specify the implementation sequence for each site, prioritised according to the approved site risk tier, threat assessment and operational requirements, and shall include milestones, responsibilities, resource requirements, dependencies, installation dates, integration, testing, commissioning, training and handover activities.

Any proposed deviation from the approved plan shall be supported by an early-warning notification and shall require the Service Manager’s prior written approval.

2.12. Performance review meeting

The Eskom Service Manager shall convene and chair a formal performance review meeting once every calendar month. The Contractor’s authorised contract representative and relevant operational and technical representatives shall attend. Relevant Eskom representatives, including the Contract Manager, zone Security Manager, site owner and assurance functions, may attend where required. The Contractor shall submit the monthly performance report, KPI scorecard and all supporting evidence to the Service Manager at least three working days before the meeting.

The meeting shall review performance against the scope, Task Orders, approved implementation plan, service levels and KPIs; security incidents and losses; guard deployment; response times; system availability and faults; maintenance; compliance; risks and early warnings; corrective actions; implementation progress; stakeholder feedback; and invoicing support. Decisions and actions shall be recorded in formal minutes and an action register identifying the responsible person and due date. The Contractor shall submit the draft minutes and updated action register to the Service Manager within two working days after the meeting for confirmation.

The Service Manager may convene an additional ad hoc performance meeting on reasonable notice, or immediately where a serious incident, material risk, service failure or operational emergency requires urgent attention. The Contractor’s failure to attend, submit required reports or implement agreed corrective actions shall constitute non-performance and may result in escalation or contractual remedies. Participation in a performance review meeting shall not limit or waive any contractual right or remedy available to Eskom.

2.13. Termination due to poor performance

Any termination for poor performance shall be administered strictly in accordance with NEC3 Term Service Contract core clauses 90 to 93, as amended by the Contract Data and any applicable Z clauses. Poor performance shall not, by itself, constitute an additional ground for termination. Eskom may rely on the applicable Contractor-default reason in clause 91 only where the verified failure amounts to a substantial failure by the Contractor to comply with its obligations to Provide the Service.

Where the Service Manager considers that such a substantial failure has occurred, the Service Manager shall notify the Contractor of the default in writing, identify the contractual obligation not complied with and state that the failure is considered substantial. The Contractor shall promptly take corrective action and provide the Service Manager with the supporting recovery information required for monitoring. The Contractor shall have the four-week period prescribed by the NEC3 TSC to put the default right, unless the contract has been validly amended to provide otherwise.

If the Contractor does not put the notified default right within that period, the Employer may notify the Contractor and the Service Manager that it wishes to terminate for the applicable reason stated in the NEC3 TSC termination table. The Service Manager shall issue a termination certificate promptly only if the stated reason complies with the contract. Termination takes effect when the termination certificate is issued and shall not be effected merely through a KPI score, performance-review decision, warning, non-conformance notice or instruction to stop work.

Upon issue of the termination certificate, the Parties and the Service Manager shall follow the procedures applicable to that termination reason under clause 92, including cessation of the affected Service where required, protection of the Affected Property, removal or handover of Equipment and other items as instructed, delivery of records, data, licences, credentials, manuals and system backups, and reasonable cooperation necessary to maintain security-service continuity. Any instruction for continued or transition services shall be given and assessed in accordance with the contract.

The amount due on termination shall be assessed in accordance with clause 93 and the payment basis linked in the NEC3 TSC termination table to the certified reason for termination. Service credits, deductions, withholding, set-off, recovery of losses or termination of an individual Task Order may be applied only where expressly permitted by the contract. Nothing in this clause creates an automatic right to terminate after three consecutive months of KPI failure or permits the Service Manager to terminate the contract on behalf of the Employer.

2.14. Early Termination of Contract

Any early termination shall be effected only for a reason permitted under NEC3 Term Service Contract clauses 90 and 91, as amended by the Contract Data and applicable Z clauses, and in accordance with the notice and termination-certificate procedure prescribed by the contract. The Employer may terminate for a reason available to it under the termination table. The Contractor may terminate only for a reason expressly available to the Contractor under that table; the Contractor may not terminate merely by giving notice for convenience.

Termination shall take effect only when the Service Manager issues the termination certificate. Following certification, the Parties and the Service Manager shall apply the procedures in clause 92 and the assessment of the amount due in clause 93 corresponding to the certified termination reason.

Assets supplied and owned by the Contractor shall not transfer automatically on early termination. Where Eskom requires such assets for continuity of the Service, the Service Manager may instruct their protection, continued use, removal or handover only to the extent permitted by the applicable clause 92 procedure. Eskom may acquire Contractor-owned assets only through the payment basis applicable under clause 93 or under a separate written sale agreement concluded by authorised representatives of both Parties. Any agreed purchase price shall be supported by an independent valuation using the asset register, age, condition, remaining useful life and verifiable depreciation methodology, and shall exclude amounts already recovered through the Prices.

Pending completion of the termination procedures and any agreed transition arrangements, the Contractor shall protect the Affected Property, preserve all Eskom data and records, and cooperate in the orderly transfer of security operations in accordance with the contract.

2.15. Surges and emergencies

The Contractor shall maintain the preparedness, contingency arrangements and standby capability stated in the Service Information and applicable Service Level Agreement. A surge or emergency deployment shall be initiated only by an instruction from the Service Manager, except where immediate action is reasonably necessary to protect life, Eskom personnel, the Affected Property, critical infrastructure or continuity of electricity supply and it is impracticable to obtain the instruction beforehand. In such circumstances, the Contractor shall take only the minimum reasonable action required to contain the immediate risk and shall notify the Service Manager without delay.

2.15.1. Support obligations and contract administration

The Service Manager’s instruction shall identify the event, affected location, required outcome, resources or capabilities required, commencement time, expected duration, reporting arrangements and any operational

constraints.

The Contractor shall acknowledge the instruction promptly, deploy within the response period stated in the Service Level Agreement, keep contemporaneous records of personnel, equipment, time, incidents and costs, and provide status updates at the frequency directed by the Service Manager.

The Contractor shall give an early warning as soon as it becomes aware of any matter that could increase the Prices, delay performance or impair the Service. Where the instruction changes the Service Information, it shall be administered as a compensation event under NEC3 TSC clause 60.1(1) and the applicable clauses 61 to 65. Where Option X19 applies and the work constitutes a separate task, the Service Manager shall issue a Task Order in accordance with X19 and the approved Task Order process. No additional payment is due for surge or emergency capability already included in the Prices. Additional instructed work shall be assessed using the applicable Price List rates or, where no applicable rate exists, Defined Cost plus the Fee in accordance with the contract.

An oral emergency direction shall be confirmed in writing by the Service Manager as soon as practicable and shall not remove the requirement to follow the applicable NEC3 TSC notification, quotation and assessment procedures.

2.15.2. Definition of Surges

For purposes of this contract, a **surge** means a temporary, material increase in the volume, geographic coverage, operating hours, resource levels or response capability required to Provide the Service above the normal operational baseline stated in the Service Information, Price List, applicable Task Order or approved deployment plan.

A surge is planned or time-limited additional demand and does not, solely by reason of increased workload, constitute an emergency. The Service Manager shall determine whether the additional requirement falls within the priced baseline capability or requires an instruction changing the Service Information or, where Option X19 applies, a separate Task Order.

The instruction shall define the scope, affected sites, required resources, commencement time, expected duration, reporting requirements and demobilisation criteria.

Repeated, foreseeable or continuing demand shall not be treated indefinitely as a surge and shall be reviewed for incorporation into the Service Information and Prices through the applicable NEC3 TSC procedure. Surges may arise from, among other things:

- security incidents or threats to Eskom infrastructure.
- labour unrest, protests, or civil disturbances in affected areas.
- major public events or seasonal spikes requiring heightened protection.

- network failures, vandalism, or sabotage resulting in increased demand for guarding and monitoring.
- natural disasters, extreme weather, or other force majeure events impacting the operational environment.

2.15.3. Definition of Emergencies

For purposes of this contract, an **emergency** means a sudden, unforeseen or rapidly escalating event that presents an actual or imminent material threat to life, public safety, Eskom personnel, the Affected Property, critical electricity infrastructure, security-system integrity or continuity of electricity supply and requires immediate action that cannot reasonably await the normal instruction, quotation or Task Order process.

An increase in workload, staffing demand or geographic coverage shall not constitute an emergency unless it meets this threshold.

The Service Manager shall determine whether an event is to be administered as an emergency and shall issue an instruction defining the immediate protective outcome, affected location, authorised resources, reporting requirements and, where practicable, the expected duration. Where delay in obtaining an instruction would materially increase the risk, the Contractor shall take only the minimum reasonable action necessary to preserve life, protect the Affected Property, contain the threat and maintain essential security services, and shall notify the Service Manager without delay.

The Contractor shall maintain contemporaneous records of the event, decisions, deployment, time, resources and costs. Once the immediate threat has been stabilised, any continuing or additional work shall be confirmed by a written Service Manager instruction and administered under the applicable NEC3 TSC compensation-event procedure or, where Option X19 applies and the work constitutes a separate task, through a Task Order. Emergencies may include, but are not limited to:

- fire, flood, storm, or similar natural disasters
- major equipment failure, explosions, or hazardous incidents.
- criminal acts such as theft, arson, sabotage, or violent attacks directed at Eskom assets or personnel.
- any event threatening continuity of electricity supply or posing a risk to public safety.

2.15.4. Response Times and Flexibility

Before the starting date, the Contractor shall submit for the Service Manager’s acceptance a surge and emergency response plan aligned with the Service Information and Service Level Agreement.

The plan shall define, for each site-risk category and event type, the notification channel, acknowledgement time, mobilisation time, arrival-on-site or remote-intervention time, required capability, escalation route, backup arrangements and reporting frequency.

Response time shall be measured from the time the Contractor's designated control point receives the Service Manager's instruction or, where immediate protective action is permitted under section 2.14.3, from the time the Contractor first becomes aware of the event.

Compliance shall be evidenced by time-stamped control-room logs, communication records and GPS or system records, as applicable.

The Contractor shall maintain the minimum standby resources and contingency arrangements included in the Prices and shall deploy them within the corresponding SLA period. Any requirement to increase staffing, equipment, geographic coverage or operating hours beyond the priced baseline shall require a Service Manager instruction and shall be administered under the applicable NEC3 TSC compensation-event procedure or, where Option X19 applies, through a Task Order.

The Contractor shall promptly notify the Service Manager of any actual or anticipated inability to meet a response time, give an early warning where the matter could increase the Prices, delay performance or impair the Service, and implement the agreed mitigation or recovery measures.

Redeployment or upscaling shall not reduce security below the approved minimum at another Eskom site without the Service Manager's prior written acceptance. The instruction or Task Order shall state the review point and demobilisation criteria, after which the Contractor shall return resources to the approved baseline unless otherwise instructed.

2.15.5. Compensation and Cost Recovery

Surge and emergency services included in the Service Information, Service Level Agreement, Price List, accepted Task Order or Contractor's priced standby obligations are included in the Prices and do not entitle the Contractor to additional payment.

Additional payment arises only where the Service Manager gives an instruction that changes the Service Information and the event is notified and administered as a compensation event under NEC3 TSC clauses 60 to 65, or where Option X19 applies and the Service Manager issues a Task Order for a separate task. The Contractor shall comply with the applicable notification time limits and shall not assume that an instruction, emergency response, early warning, operational request or expenditure automatically creates an entitlement to additional payment.

Where a compensation event is notified, the Contractor shall submit its quotation within the period required by the contract and shall include the forecast effect on the Prices, the timing of the Service and any Key Dates, together with assumptions and sufficient supporting detail. The quotation shall be assessed using the applicable Price List rates where the contract requires their use or, where applicable, forecast Defined Cost plus the Fee in accordance with the selected main Option, the Schedule of Cost Components and the Contract Data. The assessment shall avoid duplication of amounts already included in the Prices, standby allowances, overheads, insurance, licences, maintenance obligations or any other priced provision.

For immediate emergency action taken before a written instruction could reasonably be obtained, the Contractor shall notify the Service Manager without delay and provide contemporaneous records showing the event, necessity of the action, personnel, equipment, time, location, quantities, third-party charges and resulting costs.

The Service Manager shall determine whether the work is within the existing Prices, is to be instructed as a change to the Service Information or is to be administered under an Option X19 Task Order. Costs incurred without contractual entitlement, adequate records or the required notification are not recoverable merely because they were incurred.

The Contractor shall not delay action required to protect life or the Affected Property while awaiting agreement of a quotation. Any quotation acceptance or Service Manager assessment shall be implemented in accordance with the NEC3 TSC compensation-event procedure. Acceptance of a quotation confirms the contractual assessment of the compensation event and is not approval of an invoice or evidence that the work has been completed.

2.16. Invoicing and Payment

Payment shall be administered in accordance with NEC3 Term Service Contract clauses 50 to 52, the selected Main Option, the Contract Data and any applicable Z clauses. The Contractor shall submit an application for payment on or before each assessment date stated in the Contract Data. The application shall show the amount the Contractor considers due at the assessment date, broken down by applicable Price List items, Service provided under issued Task Orders, implemented compensation events, applicable taxes and any other amount expressly permitted by the contract. The Service Manager’s obligation to assess the amount due at each assessment date is not suspended or deferred solely because the Contractor has not submitted an application or because supporting information is incomplete.

2.16.1. Supporting documentation

Each application shall be supported by the relevant Service Manager instructions, issued Task Orders, verified attendance and deployment records, approved timesheets where applicable, system-availability and maintenance records, delivery or acceptance evidence, KPI scorecards, compensation-event references, accepted quotations or Service Manager assessments, and any other substantiation required by the Service Information or Contract Data. Submission of supporting records does not constitute acceptance of the Service or agreement that an amount is due. Where information is missing or cannot be verified, the Service Manager shall make the assessment using the information reasonably available and may correct the amount in a later assessment in accordance with the contract.

2.16.2. Assessment and certification

At each assessment date, the Service Manager shall assess the amount due as the Price for Service Provided to Date under the selected Main Option, plus other amounts to be paid to the Contractor, less amounts to be paid by or retained from the Contractor under the contract. The assessment shall include implemented

compensation events and Service provided under issued Task Orders as applicable, take account of amounts previously certified, and apply only those additions, deductions or retentions expressly permitted by the contract. Unless the Contract Data or an applicable Z clause validly provides otherwise, the Service Manager shall certify the amount due within one week after the assessment date. The Service Manager may correct a previous assessment in a later payment certificate as permitted by the NEC3 TSC.

2.16.3. Invoice submission: Following receipt of the Service Manager's payment certificate, the Contractor shall submit a valid tax invoice for the amount certified. The invoice shall quote the contract number, purchase order number, assessment period, payment-certificate reference and all information required by applicable tax legislation and Eskom's approved invoice process and shall be submitted through the channel and to the address stated in the Contract Data or notified in writing. These administrative requirements do not alter the assessment date, the certification period, the final date for payment or the Contractor's entitlement to interest under the NEC3 TSC unless the Contract Data or an applicable Z clause expressly provides otherwise.

2.16.4. Payment and interest: Eskom shall pay the amount due within the period stated in the Contract Data. Unless the Contract Data or an applicable Z clause validly provides otherwise, payment is due within three weeks after the assessment date. Interest shall be payable in accordance with NEC3 TSC clause 51 on late payment and on any underpayment corrected in a later certificate. Payment does not constitute acceptance of defective or incomplete Service, waiver of any contractual right, or confirmation that supporting information was accurate.

2.16.5. Incomplete, incorrect or disputed submissions: If an application or invoice is incomplete, inaccurate, duplicated, unsupported or submitted through an incorrect channel, the Service Manager or Eskom shall notify the Contractor of the deficiency, and the Contractor shall correct it promptly. A deficient application or invoice does not remove the Service Manager's obligation to assess and certify the amount due within the contractual timetable. Any disagreement regarding an assessment or amount due shall be dealt with under the contract's dispute-resolution procedure and shall not entitle the Contractor to suspend or reduce the Service except where the contract expressly permits.

2.16.6. Deductions and financial controls: Low service damages may be deducted only where Secondary Option X17 has been selected, and the applicable service level and amount are stated in the contract. Any other service credit, Price List adjustment, retention, contractual deduction, recovery of overpayment or set off may be applied only where expressly permitted by the NEC3 TSC, the Contract Data, an applicable Z clause or applicable law, and shall be reflected transparently in the Service Manager's assessment and payment certificate. The Contractor shall maintain accurate financial and performance records and make them available for audit in accordance with the contract. Changes to banking details shall be accepted only through Eskom's prescribed verification process and shall not be implemented solely on the basis of an invoice or informal communication.

2.17. Technology Ownership

This section shall be read with NEC3 Term Service Contract core clauses 70 to 72, 80 to 86 and 90 to 93, the selected Main Option, the Contract Data, the Service Information and applicable Z clauses. The Service Information shall include a Technology Asset Transfer Schedule identifying each asset category, title holder during the service period, risk allocation, insurance responsibility, transfer status, transfer trigger, licence requirements, residual-value treatment and handover evidence. If there is any conflict, the NEC3 TSC conditions as validly amended take precedence.

2.17.1. Classification and title during the contract

The Technology Asset Transfer Schedule shall distinguish between Equipment used by the Contractor to Provide the Service and Plant and Materials intended to form part of the Affected Property or to transfer to Eskom. Unless the Contract Data, Service Information, an issued Task Order or an authorised amendment to the contract states otherwise, Contractor Equipment and Contractor-supplied technology shall remain owned by the Contractor during the service period. Connection, installation, commissioning, payment for the Service or use by Eskom does not of itself transfer title. No side agreement or informal communication changes ownership unless incorporated through the contract's authorised amendment and communication procedures.

2.17.2. Risk, insurance and Contractor obligations

Ownership, risk and insurance are separate matters. The Parties' risks and the required insurances shall be those stated in NEC3 TSC clauses 80 to 86, the Insurance Table, Contract Data and applicable Z clauses, irrespective of title. The Contractor shall perform the financing, licensing, warranty, maintenance, repair, replacement, cybersecurity, support and obsolescence-management obligations stated in the Service Information and included in the Prices. Removal, disabling, substitution or disposal of installed technology shall be governed by the Service Information and any instruction the Service Manager is authorised to give under the contract. The Contractor shall not encumber any asset identified for transfer to Eskom.

2.17.3. Eskom access and operational rights

The Service Information shall state Eskom's required real-time, secure and role-based access to surveillance, alarm, access-control and related systems, together with the required interfaces, connectivity, credentials, audit trails, cybersecurity controls and continuity arrangements. These requirements are included in the Prices to the extent stated in the Service Information. Any later instruction changing those requirements shall be administered under the applicable NEC3 TSC compensation-event procedure. Eskom's access and use do not of themselves transfer title or alter the contractual allocation of risk.

2.17.4. Asset register and configuration control

The Contractor shall maintain and submit to the Service Manager, at the intervals stated in the Service Information and before handover, a current asset and configuration register recording each item's NEC classification, location, description, make, model, serial number, title holder, risk and

insurance responsibility, installation and commissioning date, condition, warranty, licence, maintenance history, configuration, replacement status and transfer status. Review, comment or acceptance of the register by the Service Manager does not transfer title, risk or liability or relieve the Contractor of its obligations.

2.17.5. Eskom data and information

As expressly provided in the Service Information and applicable data-processing provisions, Eskom owns its source data and all surveillance recordings, access-control records, alarm and incident data, reports, system logs and configurations created specifically for Eskom, except for embedded Contractor or third-party intellectual property identified in the contract. The Contractor acts as custodian and authorised processor only for purposes of Providing the Service and shall not assert a lien over, withhold, exploit, disclose, delete or retain Eskom data except as permitted by the contract or required by law. Storage, access, backup, retention, export, incident notification and secure destruction shall comply with the Service Information, POPIA and applicable Eskom information-security requirements.

2.17.6. Intellectual property and licences

Pre-existing intellectual property remains with its owner. The Contract Data, Service Information and applicable Z clauses shall identify all intellectual-property rights, source-code or escrow requirements, third-party licences, subscriptions, warranties and support agreements needed to operate, maintain, modify and support technology during and after handover. For assets identified for transfer, the Contractor shall procure for Eskom, from the transfer date, the perpetual or other expressly stated rights required for Eskom and its replacement contractors to operate and support the systems. The Contractor shall disclose before installation any non-transferable, time-limited or restrictive licence. No broader right is created by this section unless expressly stated in the contract.

2.16.7. Transfer at expiry

Only Equipment, Plant and Materials expressly identified for transfer in the Technology Asset Transfer Schedule shall pass to Eskom. The transfer trigger and date shall be the objective condition stated in that schedule, which may include expiry of the service period, completion of specified tests, correction of notified Defects, delivery of required records and confirmation by the Service Manager where the contract expressly grants that function. The Prices include the agreed acquisition or residual value, transferable warranties and licences, documentation, training and planned handover; transfer therefore occurs without further payment except where the contract expressly states otherwise. Assets shall transfer free of liens and encumbrances.

2.17.8. Handover, testing and Defects

The Contractor shall submit the handover plan by the date stated in the Service Information. The plan shall cover asset verification, condition assessment, testing, correction of notified Defects, licence transfer, data export, backup and restoration testing, cybersecurity checks, administrator credentials, manuals, as-built records, training and knowledge transfer. Testing, notification and correction of Defects shall follow the NEC3 TSC procedures, and any periods stated in the Contract Data and Service Information. A handover record evidences compliance and transfer where the contract so provides but does not constitute a general final-acceptance certificate or relieve the Contractor of obligations that expressly survive transfer.

2.17.9. Early termination

Contractor-owned Equipment and technology do not transfer automatically on early termination. Their protection, use, removal or transfer shall follow NEC3 TSC clauses 90 to 93, the procedure and payment basis applicable to the certified termination reason, the Contract Data and applicable Z clauses. Eskom may acquire Contractor-owned assets only where the applicable termination procedure and payment basis permit it or through an authorised amendment or purchase agreement that does not contradict the termination provisions. Any separate purchase price shall be supported by verifiable valuation and shall exclude amounts already recovered through the Prices.

2.17.10. Exit and transition obligations

The Service Information shall define and price the planned exit and transition Service, including delivery of data in an open and secure format, transfer or revocation of access rights, return of Eskom property, data migration, secure deletion and certification, assistance to a replacement contractor and continuity arrangements. On expiry or termination, the Contractor shall perform those stated obligations and comply with authorised instructions given under the contract. Any additional transition work not included in the Prices shall be instructed and assessed only in accordance with the applicable NEC3 TSC procedure.

3. Scope and Risk Levels

The scope of this engagement covers all three zones within the Central East Cluster -KZN facilities, categorized by their risk levels and corresponding minimum-security requirements as detailed below:

Table 1: Pietermaritzburg Zone substations/Area offices/offices and network infrastructure (268 sites).

Risk Level	Sites (Count & Type)	Minimum Security Requirements (Outcomes-Based)
Tier 4	**63 substations**	**Outcome:** Detect and deter unauthorised entry, trespassing, opportunistic theft and vandalism, and enable the control room to verify an alarm event remotely within the response time stated in the Service Level Agreement. Verified incidents shall be recorded, classified and escalated, and the appropriate response resource shall be dispatched in accordance with the approved incident-response procedure. **Integrated Video Alarms:** Motion or perimeter breach detection with immediate video verification capabilities. **24/7 Remote Monitoring:** Centralized monitoring of alarms and video feeds. **Tiered Armed Response:** Pre-arranged rapid armed response services triggered by verified alarms, with defined Service Level Agreements (SLAs). Note: Deployments shall occur as and when required, in response to operational requirements

Risk Level	Sites (Count & Type)	Minimum Security Requirements (Outcomes-Based)
Tier 2	3 Area offices 1 Warehouse 2 Training Centres 16 Customer Network Centres 10 Walk in Centres 1 Control Centre 1 Radio Site	**Outcome:** Prevent unauthorized access, detect and deter criminal activity, and enable swift, coordinated response. **Comprehensive CCTV Surveillance:** High-definition cameras with analytical capabilities (e.g., motion, loitering) covering critical areas. **Advanced Integrated Alarm Systems:** Multi-layered sensors (e.g., perimeter, vibration, volumetric) linked to the CCTV and access control. **Integrated Access Control:** Card/biometric access for all entry/exit points, with audit trails and remote management capabilities. **24/7 Centralized Monitoring:** Dedicated control room operators for continuous oversight, alarm management, and dispatch. **Rapid Armed Response:** Priority armed response with shorter SLAs, pre-identified routes, and site familiarization.
		On-site Deterrence: Visible, uniformed Security Guards (C-grade, ideally armed or with clear escalation protocols to armed response) for access control and initial visual deterrence during vulnerable periods (e.g., peak crime times, specific operational windows). Their primary role is access management and observation, relying on technology and armed response for engagement. Note: Deployments shall occur as and when required, in response to operational requirements

Risk Level	Sites (Count & Type)	Minimum Security Requirements (Outcomes-Based)
Tier 3	36 Substations	**Outcome:** Maximize prevention of sophisticated attacks, ensure immediate detection, and enable overwhelming response to protect critical assets. **AI-Powered Advanced Surveillance:** High-definition cameras with AI analytics for anomaly detection, facial recognition (where permissible), object tracking, and predictive analysis, integrated with a Public Address (PA) system for audio warnings. **Multi-Layered Perimeter Défense:** Advanced sensors (e.g., fibre optic fence, ground radar, thermal imaging) coupled with physical hardening measures. **Robust Integrated Access Control:** Biometric systems, anti-pass back, and visitor management. **24/7 Dedicated Monitoring & Intelligence:** Proactive monitoring by highly trained operators, leveraging security business intelligence feeds for pre-emptive actions. **Immediate Armed Response:** Direct armed response deployment with the shortest possible SLAs, possibly including dedicated on-call teams or co-location agreements. **Highly Trained On-site Security Guards (Armed Recommended):** Visible, well-trained and armed security personnel (or highly trained unarmed guards supported by immediate armed response presence) to provide a robust physical barrier, rapid initial response, and coordination with external armed response. Patrols should be intelligence driven. Note: Deployments shall occur as and when required, in response to

Risk Level	Sites (Count & Type)	Minimum Security Requirements (Outcomes-Based)
		operational requirements.

Risk Level	Sites (Count & Type)	Minimum Security Requirements (Outcomes-Based)
Tier 3&4	**All Feeder Lines, Pole Mounted Transformers, Reclosers, lines in operation and lines not in operation linked to substations**	**Outcome:** Detect and deter widespread opportunistic theft and vandalism across distributed assets, enabling targeted intervention. **Targeted Drone Surveillance:** Regular or on-demand drone patrols with high-resolution and thermal imaging to identify suspicious activity or damage along lines and at remote assets. **IoT/Smart Sensor Deployment:** Intelligent sensors on high-value pole-mounted transformers and reclosers to detect tampering, removal, or unusual activity, providing real-time alerts. **GPS Tracking & Asset Tagging:** For portable or high-value components. **Proactive Remote Monitoring:** Alerts from sensors and drone feeds are centralized for analysis and dispatch. **Mobile Armed Response:** Dedicated mobile armed response teams covering specific geographic clusters, dispatched based on alerts, and utilizing intelligence-led patrols. **Community Engagement & Whistleblower Programs:** Encouraging public reporting of suspicious activity. Note: Deployments shall occur as and when required, in response to operational requirements

Table 2:Empangeni Zone substations/Area offices/offices and network infrastructure (148 sites)

Risk Level	Sites (Count & Type)	Minimum Security Requirements (Outcomes-Based)
Tier 4	**32 Substations**	**Outcome:** Deter casual intrusion and enable rapid incident verification. **Integrated Video Alarms:** Motion or perimeter breach detection with immediate video verification capabilities. **24/7 Remote Monitoring:** Centralized monitoring of alarms and video feeds. **Tiered Armed Response:** Pre-arranged rapid armed response services triggered by verified alarms, with defined Service Level Agreements (SLAs). Note: Deployments shall occur as and when required, in response to operational requirements

Risk Level	Sites (Count & Type)	Minimum Security Requirements (Outcomes-Based)
Tier 2	**1 area Office** **1 Empangeni Warehouse** **56 Substations** **18 Network Centre** **6 Hubs** **6 Radio Site**	**Outcome:** Prevent unauthorized access, detect and deter criminal activity, and enable swift, coordinated response. **Comprehensive CCTV Surveillance:** High-definition cameras with analytical capabilities (e.g., motion, loitering) covering critical areas. **Advanced Integrated Alarm Systems:** Multi-layered sensors (e.g., perimeter, vibration, volumetric) linked to the CCTV and access control. **Integrated Access Control:** Card/biometric access for all entry/exit points, with audit trails and remote management capabilities. **24/7 Centralized Monitoring:** Dedicated control room operators for continuous oversight, alarm management, and dispatch. **Rapid Armed Response:** Priority armed response with shorter SLAs, pre-identified routes, and site familiarization. **On-site Deterrence:** Visible, uniformed Security Guards (C-grade, ideally armed or with clear escalation protocols to armed response) for access control and initial visual deterrence during vulnerable periods (e.g., peak crime times, specific operational windows). Their primary role is access management and observation, relying on technology and armed response for engagement. Note: Deployments shall occur as and when required, in response to operational requirements

Risk Level	Sites (Count & Type)	Minimum Security Requirements (Outcomes-Based)
Tier 3	**28 Substations**	**Outcome:** Maximize prevention of sophisticated attacks, ensure immediate detection, and enable overwhelming response to protect critical assets. **AI-Powered Advanced Surveillance:** High-definition cameras with AI analytics for anomaly detection, facial recognition (where permissible), object tracking, and predictive analysis, integrated with a Public Address (PA) system for audio warnings. **Multi-Layered Perimeter Défense:** Advanced sensors (e.g., fibre optic fence, ground radar, thermal imaging) coupled with physical hardening measures. **Robust Integrated Access Control:** Biometric systems, anti-pass back, and visitor management. **24/7 Dedicated Monitoring & Intelligence:** Proactive monitoring by highly trained operators, leveraging security business intelligence feeds for pre-emptive actions. **Immediate Armed Response:** Direct armed response deployment with the shortest possible SLAs, possibly including dedicated on-call teams or co-location agreements. **Highly Trained On-site Security Guards (Armed Recommended):** Visible, well-trained and armed security personnel (or highly trained unarmed guards supported by immediate armed response presence) to provide a robust physical barrier, rapid initial response, and coordination with external armed response. Patrols should be intelligence driven. Note: Deployments shall occur as and when required, in response to operational requirements

Table 3: Newcastle Zone substations/Area offices/offices and network infrastructure (188 sites)

Risk Level	Sites (Count & Type)	Minimum Security Requirements (Outcomes-Based)
Tier 4	**71 Substations**	**Outcome:** Deter casual intrusion and enable rapid incident verification. **Integrated Video Alarms:** Motion or perimeter breach detection with immediate video verification capabilities. **24/7 Remote Monitoring:** Centralized monitoring of alarms and video feeds. **Tiered Armed Response:** Pre-arranged rapid armed response services triggered by verified alarms, with defined Service Level Agreements (SLAs). Note: Deployments shall occur as and when required, in response to operational requirements

Risk Level	Sites (Count & Type)	Minimum Security Requirements (Outcomes-Based)
Tier 2	**2 Area Offices** **1 Warehouse** **79 Substations** **11 Control Network Centre** **7 Radio Site**	**Outcome:** Prevent unauthorized access, detect and deter criminal activity, and enable swift, coordinated response. **Comprehensive CCTV Surveillance:** High-definition cameras with analytical capabilities (e.g., motion, loitering) covering critical areas. **Advanced Integrated Alarm Systems:** Multi-layered sensors (e.g., perimeter, vibration, volumetric) linked to the CCTV and access control. **Integrated Access Control:** Card/biometric access for all entry/exit points, with audit trails and remote management capabilities. **24/7 Centralized Monitoring:** Dedicated control room operators for continuous oversight, alarm management, and dispatch. **Rapid Armed Response:** Priority armed response with shorter SLAs, pre-identified routes, and site familiarization. **On-site Deterrence:** Visible, uniformed Security Guards (C-grade, ideally armed or with clear escalation protocols to armed response) for access control and initial visual deterrence during vulnerable periods (e.g., peak crime times, specific operational windows). Their primary role is access management and observation, relying on technology and armed response for engagement. Note: Deployments shall occur as and when required, in response to operational requirements

Risk Level	Sites (Count & Type)	Minimum Security Requirements (Outcomes-Based)
Tier 3	**17 Substations**	**Outcome:** Maximize prevention of sophisticated attacks, ensure immediate detection, and enable overwhelming response to protect critical assets. **AI-Powered Advanced Surveillance:** High-definition cameras with AI analytics for anomaly detection, facial recognition (where permissible), object tracking, and predictive analysis, integrated with a Public Address (PA) system for audio warnings. **Multi-Layered Perimeter Défense:** Advanced sensors (e.g., fibre optic fence, ground radar, thermal imaging) coupled with physical hardening measures. **Robust Integrated Access Control:** Biometric systems, anti-pass back, and visitor management. **24/7 Dedicated Monitoring & Intelligence:** Proactive monitoring by highly trained operators, leveraging security business intelligence feeds for pre-emptive actions. **Immediate Armed Response:** Direct armed response deployment with the shortest possible SLAs, possibly including dedicated on-call teams or co-location agreements. **Highly Trained On-site Security Guards (Armed Recommended):** Visible, well-trained and armed security personnel (or highly trained unarmed guards supported by immediate armed response presence) to provide a robust physical barrier, rapid initial response, and coordination with external armed response. Patrols should be intelligence driven. Note: Deployments shall occur as and when required, in response to operational requirements

Risk Level	Sites (Count & Type)	Minimum Security Requirements (Outcomes-Based)
Network Infrastructure Tier 3&4	**All Feeder Lines, Pole Mounted Transformers, Reclosers, lines in operation and lines not in operation linked to substations**	**Outcome:** Detect and deter widespread opportunistic theft and vandalism across distributed assets, enabling targeted intervention. **Targeted Drone Surveillance:** Regular or on-demand drone patrols with high-resolution and thermal imaging to identify suspicious activity or damage along lines and at remote assets. **IoT/Smart Sensor Deployment:** Intelligent sensors on high-value pole-mounted transformers and reclosers to detect tampering, removal, or unusual activity, providing real-time alerts. **GPS Tracking & Asset Tagging:** For portable or high-value components. **Proactive Remote Monitoring:** Alerts from sensors and drone feeds are centralized for analysis and dispatch. **Mobile Armed Response:** Dedicated mobile armed response teams covering specific geographic clusters, dispatched based on alerts, and utilizing intelligence-led patrols. **Community Engagement & Whistleblower Programs:** Encouraging public reporting of suspicious activity. Note: Deployments shall occur as and when required, in response to operational requirements

4. Scope of Work

4.1. Physical Security Services

The Contractor Provides the physical security Service at the sites and for the periods identified in the Site Service Schedule, issued Task Orders and accepted deployment plan. The Prices include all personnel, supervision, relief resources, uniforms, personal protective equipment, vehicles, communications, licences, permits, consumables and other resources required to meet the stated service levels. A requirement outside the priced baseline is implemented only by a Service Manager instruction and, where applicable, the NEC3 TSC compensation-event procedure or an Option X19 Task Order.

Guard deployment: The Contractor provides PSIRA-registered personnel of the grades, competencies, shift patterns, post numbers, operating hours and firearm status stated for each site in the Site Service Schedule. Every post is continuously filled during the scheduled period by an authorised and site-inducted person. Absence, lateness or replacement is recorded and remedied within the applicable service level. The Contractor does not reduce or redeploy the approved baseline without the Service Manager's instruction or acceptance where the contract requires it.

Access control: The Contractor applies Eskom's approved access-control, search, key-control, visitor, vehicle and contractor-management procedures at every designated entry and exit point. Identity, authority and access rights are verified before entry; exceptions are escalated; and time-stamped access records are retained and submitted in the format and period stated in the Service Information.

Patrols and inspections: The Contractor performs patrols at the routes, frequencies, time windows and control points stated in the Site Service Schedule. Completion is evidenced by an electronic guard-tour system, GPS record or other accepted time-stamped record. Missed, incomplete or abnormal patrols are reported immediately, investigated and corrected. Vulnerabilities requiring physical, procedural or technology changes are notified as an early warning where they may increase the Prices, delay performance or impair the Service.

Incident response: The Contractor maintains 24-hour alarm-verification, dispatch and armed-response capability in accordance with the site-risk tier and Service Level Agreement. Response time is measured from the recorded dispatch time to confirmed arrival at the incident location. The Contractor records the event, preserves the scene, protects life and Eskom property, notifies the designated Eskom representative and SAPS where required, and submits preliminary and final incident reports within the stated periods.

Emergency management: The Contractor implements the accepted emergency and surge response plan, maintains the priced standby capability, follows the incident-command and escalation structure, supports evacuation and business-continuity measures, and liaises with emergency services through authorised channels. Additional resources beyond the priced baseline are instructed and assessed in accordance with section 2.15 and the NEC3 TSC.

Control-room operations: For the duration of the contract, the Contractor shall connect and continuously monitor all alarms, CCTV cameras, access-control systems, intrusion-detection devices and any other security technology installed or supported under the contract through the Contractor's control room. The Contractor shall establish and maintain a dedicated Eskom monitoring desk, staffed by suitably trained operators on a 24-hour basis, with dedicated workstations, displays, communications, incident-management capability, secure connectivity, system-health monitoring, recording capacity, resilience and cybersecurity controls as specified in the Control Room Interface Schedule. The Contractor shall provide Eskom with authorised real-time access to relevant alarms, video feeds, incident records and system-health information.

Migration to Eskom's control room: If Eskom's newly established control room is ready for operational use before expiry of the contract, the Contractor shall, on instruction from the Service Manager and in accordance with the approved migration plan, link and migrate all installed and monitored security systems from the Contractor's control room to Eskom's control room. The Contractor shall provide all interfaces, configurations, network information, licences, credentials, system backups, data mappings, as-built records and technical support included in the Prices for the planned migration; conduct end-to-end integration, failover, cybersecurity and operational acceptance testing; train authorised Eskom personnel; and maintain parallel monitoring until the Service Manager confirms that the Eskom control room is operationally ready and the migration has been successfully completed. The migration shall not interrupt monitoring, recording, alarm handling, dispatch or incident response. Any requirement that changes the stated Control Room Interface Schedule or falls outside the priced migration obligation shall be administered through the applicable NEC3 TSC instruction and compensation-event procedure.

Records and performance evidence: The Contractor maintains auditable deployment, access, patrol, incident, dispatch, response, control-room and compliance records and submits daily exceptions and monthly performance reports to the Service Manager. Records are retained, protected and made available for verification in accordance with the Service Information, POPIA and Eskom information-security requirements.

4.2. Technology Integration Services

The Contractor supplies, installs, configures, integrates, tests, commissions and supports only the technology identified for each site in the Site Technology Schedule, approved design and issued Task Order. The schedule states the minimum functional outcomes, capacity, availability, retention, interoperability, resilience and cybersecurity requirements. Technology not identified in the priced baseline is not deployed without a Service Manager instruction and the applicable NEC3 TSC procedure.

Design and approval: Before installation, the Contractor performs the required site survey and submits the technical design, bill of materials, coverage plan, network architecture, power and backup design, cybersecurity controls, integration method, test scripts and implementation programme for acceptance by the Service Manager and relevant Eskom technical authority. Acceptance does not relieve the Contractor of responsibility for the design or compliance with the contract.

CCTV and video surveillance: Cameras, recording platforms and analytics meet the applicable Eskom specifications and the measurable image-quality, field-of-view, low-light, storage, retention and availability criteria stated in the Site Technology Schedule. Coverage includes the designated perimeter, access points and critical areas, with privacy masking and lawful monitoring controls where required.

Intrusion detection and alarms: Detection devices are selected from the approved design according to the site threat and environment and are zoned, supervised and integrated for time-stamped alarm generation, video verification, health monitoring and dispatch. False-alarm performance and detection testing comply with the acceptance criteria stated in the Service Information.

Electronic access control: The Contractor provides the card, biometric or other approved authentication technology, anti-passback, visitor management, audit trail and remote administration functions stated in the Site Technology Schedule. Personal information and biometric data are processed only for approved purposes and in accordance with POPIA and Eskom requirements.

Drone services: Drone operations are provided only were identified in the priced schedule or instructed under an issued Task Order. The Contractor obtains and maintains all required aviation approvals, operator certificates, remote-pilot competencies, aircraft registrations, insurance and site or airspace permissions; submits an approved flight and safety plan; observes weather and operational limitations; protects recorded data; and provides the images, flight logs, findings and incident notifications stated in the Task Order.

Analytics and automated decision support: Analytics are limited to use cases approved in the Service Information. The Contractor states the detection objective, configuration, accuracy threshold, false-alarm tolerance, human-review process, data sources, audit trail and privacy controls. Facial recognition, behavioural profiling or predictive analysis is not activated unless expressly authorised following Eskom legal, privacy, cybersecurity and technical approval.

Integration: All new systems integrate with the Eskom-approved control room identified in the Control Room Interface Schedule using approved, documented and supportable interfaces. The Contractor supplies the required hardware, software, licences, interface documentation, network configurations and data feeds included in the Prices. Systems support the auxiliary sensors and open interfaces identified in the approved design; no undisclosed proprietary restriction may prevent operation, maintenance or future authorised integration.

Contractor control-room monitoring and migration: For the duration of the contract, the Contractor shall link all alarms, CCTV cameras, access-control systems, intrusion-detection devices and any other security technology installed or supported under the contract to the Contractor's control room and shall provide a dedicated Eskom monitoring desk staffed by suitably trained operators on a 24-hour basis. The Contractor shall provide secure connectivity, dedicated workstations, displays, communications, incident-management capability, recording, system-health monitoring, resilience and cybersecurity controls in accordance with the Control Room Interface Schedule, together with authorised real-time Eskom access to relevant alarms, video feeds, incident records and system-health information. If Eskom's newly established control room is ready for operational use before expiry of the contract, the Contractor shall, on instruction from the Service Manager and in accordance with the approved migration plan, link and migrate all installed and monitored security systems from the Contractor's control room to Eskom's control room. The Contractor shall provide the interfaces, configurations, network information, licences, credentials, system backups, data mappings, as-built records, training and technical support included in the Prices for the planned migration; conduct end-to-end integration, failover, cybersecurity and operational acceptance testing; and maintain parallel monitoring until the Service Manager confirms that Eskom's control room is operationally ready and the migration has been successfully completed. The migration shall not interrupt monitoring, recording, alarm handling, dispatch or incident response. Any requirement that changes the Control Room Interface Schedule or falls outside the priced migration obligation shall be administered through the applicable NEC3 TSC instruction and compensation-event procedure.

Existing systems: The Contractor completes and submits a condition, ownership, compatibility, cybersecurity and lifecycle audit of existing or inactive systems before proposing reuse, upgrade or recommissioning. Only work expressly included in the Site Technology Schedule is in the priced baseline. Additional remedial or replacement work is undertaken only following a Service Manager instruction, notified compensation event or issued Task Order, as applicable.

Testing and commissioning: Commissioning includes factory or bench tests where required, installation inspection, functional and integration tests, alarm and response simulation, failover and recovery tests, cybersecurity checks, data-retention verification, user training and submission of as-built records, configurations, backups, asset-register entries and manuals. The relevant system enters operational service only after the objective acceptance criteria in the test plan have been met and the Service Manager has confirmed the contractual record.

4.3. Maintenance and Support

The Contractor maintains all security technology, control-room infrastructure, interfaces and supporting services identified in the Site Technology Schedule, Control Room Interface Schedule, Asset and Maintenance Schedule and issued Task Orders so that each system achieves the availability, functionality, fault-response and restoration requirements stated in the Service Level Agreement.

The maintained scope includes site devices, alarms, CCTV, access control, intrusion detection, recording platforms, dedicated Eskom monitoring-desk workstations and displays, communications, network links, interfaces, licences, system-health monitoring, backup power, resilience arrangements and all connections between installed site technology, the Contractor's control room and Eskom's newly established control room.

Maintenance included in the Prices comprises labour, call-out, travel, tools, test equipment, consumables, routine spares, software and firmware support, licences, vendor support, warranty administration, lifecycle replacement, temporary protection and planned migration support expressly allocated to the Contractor.

4.3.1. Maintenance plan and asset scope

Before the starting date, the Contractor submits a maintenance plan for acceptance by the Service Manager. The plan identifies every asset and service in the Site Technology Schedule, Control Room Interface Schedule, Asset and Maintenance Schedule and issued Task Orders; its criticality; preventive-maintenance frequency; inspection and test method; competent person; required spares; maintenance window; temporary protection; escalation route; and required record. Acceptance does not relieve the Contractor of responsibility for Providing the Service.

4.3.2. Availability and downtime measurement

Availability is measured for each asset class over the calendar-month assessment period using the single Availability and Fault Matrix referenced in section 4.7. Downtime begins at the earlier of automatic system detection or receipt of a fault report at the Contractor’s control room and ends only when the affected security function has been permanently restored, tested and returned to service. The matrix defines treatment of degraded or partially functioning systems, dependencies and permitted exclusions. Exclusions are limited to accepted planned-maintenance windows and events expressly allocated to Eskom or otherwise excluded by the contract, supported by time-stamped evidence. Failures of Contractor-provided communications, utilities, redundancy or subcontractors are not excluded. Third-party network or utility failures are excluded only where the relevant service is not a contractor obligation, and the Contractor has implemented the required resilience and escalation measures.

4.3.3. Preventive maintenance

The Contractor performs inspection, testing, cleaning, calibration, battery, storage, communications, failover, backup-power, software-health and cybersecurity checks at the frequencies stated in the Asset and Maintenance Schedule and manufacturer requirements. Planned interruptions require the Service Manager’s prior acceptance, advance notification and activation of the stated temporary protection. Completed work, test results, identified faults and non-compliance are recorded in the maintenance-management system and reported in accordance with section 4.3.14.

4.3.4. Fault classification, timing and corrective maintenance

Every fault or failure is logged at the earlier of automatic detection or report to the Contractor’s control room with a unique reference, affected asset, site, timestamp, source, impact and initial classification. The Availability and Fault Matrix defines critical, major and minor faults and the acknowledgement, remote-diagnosis, attendance, temporary-restoration and permanent-restoration periods for each class. All periods run from that initial timestamp. The Contractor diagnoses, contains, repairs or replaces, tests and returns the system to service, provides updates at the stated frequency and escalates any anticipated breach. A failure of a system is recorded as a fault or failure; non-compliance with the Service Information is notified and corrected as a Defect in accordance with the NEC3 TSC. These terms are not interchangeable.

4.3.5. Temporary protection and continuity

The contingency plan identifies for each critical security control the approved temporary measure, activation trigger, maximum activation period, minimum capability and evidence of implementation. Where a fault reduces a required control, the Contractor activates the applicable temporary measure within the period stated in the Availability and Fault Matrix and maintains it until permanent restoration. Measures may include intensified monitoring, mobile surveillance, temporary detection, additional patrols or guarding. Temporary protection included in the priced contingency and standby baseline forms part of the Prices; additional measures arise only through an authorised Service Manager instruction and the applicable NEC3 TSC procedure.

4.3.6. Restoration, repair and replacement

Temporary restoration means an approved interim arrangement that reinstates the required security outcome pending permanent work. Permanent restoration means repair or replacement followed by successful functional, integration, recording, failover and cybersecurity testing. An obsolete, unsupported, repeatedly failing or irreparable asset is replaced within the period stated in the schedule where lifecycle replacement is included in the Technology-as-a-Service Prices. Temporary restoration does not stop the permanent-restoration clock unless the Availability and Fault Matrix expressly provide otherwise.

4.3.7. Cybersecurity maintenance

The Contractor continuously monitors relevant vulnerabilities and vendor advisories; maintains supported operating systems, firmware, applications, malware protection, certificates and secure configurations; classifies patches by criticality; tests changes in an appropriate environment; maintains backup and rollback arrangements; obtains approvals required by Eskom change control; and reports cybersecurity incidents and material vulnerabilities within the periods stated in the Service Information. Unsupported or end-of-support software or firmware is not used unless the Service Manager has accepted a time-bound risk treatment supported by compensating controls. Critical security patches included in the maintenance baseline are applied within the prescribed period and do not constitute a compensation event merely because the Contractor omitted them from its Prices.

4.3.8. Warranty and vendor support

The Contractor remains responsible for fault containment, temporary protection and restoration within the Service Level Agreement even where an OEM, supplier or subcontractor must honour a warranty. Warranty administration does not extend the restoration period. The Contractor maintains the support contracts, escalation paths and vendor access necessary to meet the Service and enforces warranties without prejudicing Eskom’s transferable rights.

4.3.9. Spares and ownership

The Contractor maintains the minimum critical-spares stock and replenishment periods stated in the Asset and Maintenance Schedule. Each spare is recorded as Contractor Equipment or as Plant and Materials identified for transfer in the Technology Asset Transfer Schedule. Use, replacement and replenishment are recorded against the asset register. At expiry or termination, only spares expressly identified for transfer pass to Eskom in accordance with section 2.17; all other Contractor Equipment is dealt with under the contract.

4.3.10. Patches, licence renewals, lifecycle replacement and upgrades

Routine patches, signature updates, licence and subscription renewals, minor supported-version updates, lifecycle replacements, obsolescence management and other maintenance obligations included in the Technology-as-a-Service baseline are included in the Prices and are not compensation events merely because the Contractor failed to price them. A material upgrade, new functionality or Service Manager instruction that changes the Service Information is administered under the applicable NEC3 TSC compensation-event procedure or, where Option X19 applies, through an issued Task Order.

4.3.11. Control-room integration and migration maintenance

The Contractor maintains the dedicated Eskom monitoring desk, control-room workstations, displays, recording platforms, communications, network configurations, interfaces, backup power, resilience and all links between site technology and the Contractor's control room. When systems are migrated to Eskom's newly established control room, the Contractor maintains both environments and all interconnecting services during parallel operation, resolves faults across the end-to-end service, and continues monitoring, recording, alarm handling, dispatch and incident response without interruption until the Service Manager confirms successful completion of the operational acceptance tests. Planned migration support identified in the Control Room Interface Schedule is included in the Prices.

4.3.12. Training and competency

For maintenance and support, the Contractor maintains a competency matrix for technicians, control-room operators, system administrators and Eskom system users and provides the OEM, cybersecurity, network, safety and system-specific training stated in the Training Schedule. Wider guarding, armed-response and drone competencies are governed by section 4.1 and the same Training Schedule. No person performs regulated or specialist work without current required competency. Attendance, assessment, certification and refresher records are submitted monthly.

4.3.13. Repeated failures, Defects and corrective action

A repeated or critical fault requires root-cause analysis and a corrective-action report within the period stated in the Availability and Fault Matrix. Where the failure also constitutes non-compliance with the Service Information, the Service Manager may notify a Defect under the NEC3 TSC. Corrective action includes containment, permanent remedy, responsible persons, target dates and verification evidence and does not replace the Contractor's obligation to meet the fault-restoration service level.

4.3.14. Records, reporting and early warning

The Contractor maintains time-stamped asset-health, availability, fault, work-order, parts, patch, licence, warranty, technician, cybersecurity and test records throughout the contract. Reporting follows the monitoring cycle in section 2.6: immediate notification of critical failures and security incidents; daily exception reporting; weekly trend and open-fault review; a monthly performance scorecard covering availability, planned and unplanned downtime, fault response and restoration, temporary measures, repeat failures, preventive-maintenance completion, spares and SLA compliance; and a quarterly lifecycle, capacity and obsolescence review. The Contractor gives an early warning as soon as it becomes aware of any matter that may increase the Prices, delay restoration, impair availability or affect continuity of the Service.

4.3.15. KPI and contractual consequence alignment

The Availability and Fault Matrix in the Service Level Agreement is the single source for technology availability, functionality, fault classification, temporary-restoration and permanent-restoration targets. Section 4.7 KPI tables shall measure performance using the same definitions, formulas, exclusions, timestamps and evidence and shall not create overlapping or conflicting targets. A KPI failure gives rise to a deduction or low service damages only where the contract expressly provides the applicable mechanism, including Option X17 where selected and completed.

4.4. Technology Roadmap

The Contractor shall develop, maintain and implement a Technology Roadmap aligned with the Site Technology Schedule, approved implementation plan, site-risk tiers, Asset and Maintenance Schedule, Control Room Interface Schedule, Technology Asset Transfer Schedule and section 4.7 value-realisation measures. Roadmap preparation, quarterly review and annual update are included in the Prices; acceptance of the roadmap does not authorise deployment, change the Service Information or alter the Prices.

4.4.1. Submission and review: The Contractor shall submit the initial Technology Roadmap to the Service Manager within the period stated in the Service Information and before the first technology deployment. The Contractor shall report progress quarterly and submit an updated Roadmap annually and whenever a material change in threat, technology support status, legislation, Eskom architecture or operational requirements affects the approved approach.

4.4.2. Minimum content: The Roadmap shall identify planned deployments, lifecycle replacements, integration and migration activities, capacity requirements, obsolescence risks, licence and support dependencies, cybersecurity and privacy requirements, expected benefits, costs, milestones, responsible persons, decision points and measurable success criteria. It shall distinguish between obligations included in the Technology-as-a-Service Prices and proposed additional work.

4.4.3. Scalability and interoperability: Proposed solutions shall meet the measurable capacity, performance, availability, retention, resilience and interface requirements stated in the Service Information and shall support expansion without undisclosed proprietary restrictions. A future increase in sites, users, devices, storage, geographic coverage or functionality is not included unless expressly stated in the priced baseline or instructed under the applicable NEC3 TSC procedure.

4.4.4. Pilots and innovation: No pilot, proof of concept or new technology is deployed solely because it appears in an accepted Roadmap. Implementation requires a Service Manager instruction or issued Task Order supported by an approved business case, defined scope, funding basis, technical design, cybersecurity and privacy assessment, legal and regulatory review, test plan, success criteria, data-management controls, operational owner and exit or scale-up decision. The Contractor shall report pilot results against the approved criteria before wider deployment.

4.4.5. Contract administration and value realisation: Lifecycle replacement and maintenance already included in the Prices do not become compensation events merely because they are recorded in the roadmap. A Service Manager instruction changing the Service Information is administered under the NEC3 TSC compensation-event procedure or, where Option X19 applies, through an issued Task Order. Benefits claimed for approved changes shall be measured using the agreed baseline, evidence and section 4.7 value-realisation indicators.

4.5. Community and Stakeholder Involvement

The Contractor shall conduct community, law-enforcement and stakeholder engagement only in accordance with a Stakeholder Engagement and Information-Sharing Plan accepted by the Service Manager. The plan shall identify authorised representatives, approved communication channels, geographic areas, objectives, planned activities, personal-information controls, source-protection measures, escalation routes, records and reporting requirements. The Contractor shall not represent itself as speaking on behalf of Eskom or disclose Eskom information without written authority.

4.5.1. Community liaison: The Contractor shall maintain constructive engagement with approved community structures surrounding protected sites, provide approved awareness messages on electricity-infrastructure protection and safety, and operate approved channels for receiving reports of suspicious activity. Community-sourced information shall be recorded, evaluated, protected and routed to the Contractor’s control room and authorised Eskom representative in accordance with the incident-management and information-security procedures.

4.5.2. Personal information and confidential sources: The Contractor shall collect only information necessary for the approved purpose, protect source identities, restrict access, maintain an audit trail and process personal information in accordance with POPIA, the Service Information and Eskom requirements. Information shall be treated as unverified until assessed and shall not be used for unlawful surveillance, profiling, discrimination or unauthorised investigation.

4.5.3. Local participation: Local employment, skills transfer and procurement obligations apply only where measurable targets, eligibility rules and reporting requirements are stated in the Contract Data, Service Information or applicable procurement schedules. Recruitment, training and procurement shall comply with legislation, Eskom policies and the Contractor’s security, competency and vetting obligations.

4.5.4. SAPS and other security stakeholders: The Contractor shall maintain the authorised communication and escalation protocols stated in the plan with the South African Police Service and relevant statutory agencies. Transnet, PRASA and other corporate or state-owned-entity security functions are treated as security stakeholders and not as law-enforcement agencies unless legislation provides otherwise. Security Business Intelligence or incident information is shared only through authorised, secure and lawful channels.

4.5.5. Joint operations: Participation in roadblocks, inspections, raids or other statutory operations occurs only when lawfully requested by the competent authority, authorised by Eskom and included in the priced programme or instructed by the Service Manager. The Contractor acts within its legal powers and competency and does not exercise police or regulatory powers.

4.5.6. Scene and evidence preservation: Security personnel shall protect life, secure the scene, prevent contamination, preserve relevant recordings and records, maintain continuity and chain-of-custody documentation, and cooperate with SAPS or another competent investigator. Collection, seizure, forensic examination or investigation is undertaken only by authorised and competent persons. Incident reports shall be factual, time-stamped and supported by available records.

4.5.7. Reporting and priced scope: The Contractor shall maintain an engagement register and report planned activities, information received, referrals, outcomes, risks and lessons through the section 2.6 monitoring cycle. Activities identified in the accepted annual plan are included in the Prices. Additional campaigns, travel, joint operations or resources outside the priced programme require a Service Manager instruction and the applicable NEC3 TSC compensation-event or Task Order procedure.

4.6. Handover and Transition

Handover and transition shall be performed in accordance with section 2.17, the Technology Asset Transfer Schedule, Service Information, Control Room Interface Schedule and applicable NEC3 TSC provisions. This section defines the operational deliverables and does not create a general final-acceptance certificate, transfer Contractor Equipment not identified for transfer, or override the procedures and payment basis applicable to early termination.

4.6.1. Planned expiry: The Contractor shall submit a detailed handover and transition plan by the date stated in the Service Information. The plan shall include milestones, accountable persons, asset and data verification, licence and warranty review, documentation delivery, testing, Defect correction, training, knowledge transfer, parallel operation, migration, acceptance evidence, secure deletion and demobilisation. Planned expiry handover and transition obligations stated in the Service Information are included in the Prices.

4.6.2. Eskom control-room migration: Where Eskom’s newly established control room is ready before contract expiry, the Contractor shall perform the migration and parallel operation required by sections 4.1 to 4.3 and the approved migration plan. The Contractor shall maintain both environments and uninterrupted monitoring, recording, alarm handling, dispatch, incident response and maintenance until the objective end-to-end integration, failover, cybersecurity and operational tests have been completed and the Service Manager has confirmed the contractual record.

4.6.3. Assets and physical items: The Contractor shall verify the final asset register and hand over only the Equipment, Plant and Materials, spares, keys, tokens, certificates and other physical items identified for transfer in the Technology Asset Transfer Schedule. Contractor Equipment not identified for transfer remains subject to the contract’s removal and termination provisions. Transferred assets shall meet the stated condition, testing, title and encumbrance requirements.

4.6.4. Documentation and records: The Contractor shall deliver current approved designs, as-built architectural, electrical and network drawings, configurations, asset and maintenance records, test and commissioning results, system backups, operator, maintenance and technical manuals, SOPs, emergency procedures, training records, warranties, licence information, support contacts and open-issue registers. Records shall be indexed, version-controlled and supplied in the open and secure formats stated in the Service Information.

4.6.5. Data transfer and retention: Eskom data shall be exported, verified and transferred in accordance with section 2.17.5, the approved retention schedule, lawful holds, POPIA and information-security requirements. The Contractor shall not transfer an undefined full historical archive where the retention schedule does not require it. Following Eskom's confirmation of successful transfer and expiry of any lawful retention duty, the Contractor shall securely delete residual Eskom data from Contractor-controlled environments and provide the required deletion certificate.

4.6.6. Licences, intellectual property and support: Transfer or continuation of licences, subscriptions, warranties and support agreements shall follow section 2.17.6 and the Technology Asset Transfer Schedule. The Contractor shall disclose non-transferable or time-limited rights and implement the approved replacement, novation or successor-support arrangement. No broader intellectual-property right is transferred unless expressly stated in the contract.

4.6.7. Testing, Defects and acceptance evidence: Handover testing shall cover functionality, integration, alarm and video receipt, recording and retrieval, user access, backups and restoration, failover, cybersecurity, system health, reporting and continuity. Notified Defects are corrected in accordance with the NEC3 TSC and stated correction periods. The handover record identifies tests passed, documents delivered, training completed, assets transferred and outstanding items; it evidences compliance where the contract so provides but does not waive surviving obligations.

4.6.8. Training and knowledge transfer: The Contractor shall deliver the curricula, practical exercises, administrator and operator training, maintenance familiarisation, competency assessments and knowledge-transfer sessions stated in the Training Schedule to nominated Eskom personnel or an authorised successor contractor. Completion is evidenced by attendance, assessment results, training materials and sign-off by the authorised recipient.

4.6.9. Early termination: On early termination, the Contractor shall comply with NEC3 TSC clauses 90 to 93, the procedure and payment basis applicable to the certified termination reason, section 2.17.9 and authorised Service Manager instructions. The timing, asset treatment and transition work shall not be assumed to be the same as planned expiry. Additional transition Service is instructed and assessed only where the contract permits.

4.6.10. Decommissioning and additional work: Decommissioning, removal, data sanitisation or environmental disposal is performed only were stated in the priced exit scope or instructed by the Service Manager. The plan shall protect the Affected Property, preserve required records and data, maintain security continuity and comply with legal and environmental requirements. Work outside the priced handover and transition baseline is administered through the applicable NEC3 TSC instruction, compensation-event or Option X19 Task Order procedure.

4.7. Key Performance Indicators

The Contractor's performance shall be measured against the indicators in this section, the Service Level Agreement and the schedules forming part of the Service Information. The KPI framework supports monitoring, corrective action and continuous improvement and does not create a payment deduction, low service damages, default or termination right unless the contract expressly provides the applicable mechanism.

4.7.1. KPI governance and measurement rules

Before the starting date, the Contractor shall submit the detailed KPI Measurement Schedule for acceptance by the Service Manager. For each KPI, the schedule shall state the definition, site and Tier applicability, baseline, target, numerator, denominator, assessment period, data owner, evidence source, permitted exclusions, calculation method, reporting frequency and corrective-action trigger. All site-risk references shall use Tiers 1 to 4 and the approved network-infrastructure classification.

Performance shall be supported by auditable, time-stamped source data. The Service Manager may verify reported results against control-room records, GPS data, electronic access and guard-tour records, maintenance systems, asset registers, incident reports, training records and financial evidence. Planned downtime, Employer-caused delay, unavailable site access, late Eskom information, instructed changes, compensation events, statutory approvals and other permitted exclusions are excluded only where the contract allows and the Contractor provides supporting evidence. The Service Manager may correct a previous result where later verified information shows that the original result was inaccurate.

Reporting follows section 2.6: critical events and failures are reported immediately; exceptions are reported daily; operational trends are reviewed weekly; formal KPI scorecards are assessed monthly; and risk, lifecycle, stakeholder and value-realisation trends are reviewed quarterly. A disagreement regarding a KPI result is first addressed through the performance-review process and, if unresolved, through the contract's dispute-resolution procedure.

4.7.2. Security outcome indicators

KPI	Requirement and measurement	Frequency
Security incidents and loss trend	Measure confirmed theft, vandalism, sabotage, trespass and security-related outage trends against the Service Manager-approved baseline for each Tier and network-infrastructure category. Report incident count, verified loss, outage impact, detection source and control failure. An incident is not attributed to Contractor failure unless evidence shows non-compliance with a contractual control materially contributed to the event or its impact.	Immediate, monthly and quarterly
Detection and verification	Measure acknowledgement and remote verification from the earliest reliable timestamp of alarm activation, first observable system event or first report received by the Contractor's control room. Targets and Tier-specific times are stated in the SLA. Each verified incident is classified, recorded, escalated and linked to the required response action.	Real time and monthly
Incident reporting and corrective action	Measure completeness and timeliness of preliminary and final reports, scene preservation, notification, evidence continuity, root-cause analysis and closure of approved corrective actions within the periods stated in the SLA.	Per incident and monthly

4.7.3. Guarding and control-room service indicators

KPI	Requirement and measurement	Frequency
Guard-post coverage	Measure authorised and competent guard-hours actually provided divided by scheduled post-hours in the accepted deployment plan. Uncovered time, late relief, unqualified replacement and unauthorised redeployment are non-compliant hours. Mandatory posts shall be filled without interruption; the contingency plan shall provide immediate qualified relief.	Daily, weekly and monthly
Patrol and access-control compliance	Measure completed patrol control points, routes and time windows and compliant access transactions against the Site Service Schedule. Missed patrols, unverified access exceptions and incomplete records are reported and corrected.	Daily and monthly
Control-room service	Measure 24-hour staffing of the dedicated Eskom desk, alarm acknowledgement, verification, dispatch, escalation, incident-record completeness, system-health monitoring and authorised Eskom access against the Control Room Interface Schedule.	Real time and monthly
Armed-response performance	Measure from the time-stamped dispatch instruction to GPS-confirmed arrival at the incident location. The SLA states the target and compliance percentage for urban, rural and remote categories and each applicable Tier. The same response KPI shall not be duplicated elsewhere.	Per incident and monthly

4.7.4. Availability and Fault Matrix

The SLA Availability and Fault Matrix are the single source for end-to-end service availability, device availability, degraded operation, fault classification and response or restoration periods. It applies to site technology, communications, the dedicated Eskom monitoring desk, the Contractor's control room, interfaces and migration links.

Measure	Contract requirement
Availability	Measured monthly for each stated asset or service class as available time divided by required service time, using the downtime start, end, degraded-operation rules and permitted exclusions in sections 4.3.2 and the SLA.
Critical, major and minor faults	For each class, the Matrix states acknowledgement, remote diagnosis, attendance, temporary-restoration, permanent-restoration and update periods. Timing starts at the earlier of automatic detection or receipt of a fault report at the Contractor's control room.
Temporary protection	Measure activation of the approved temporary control within its stated period and maintenance of that control until permanent restoration.
Repeat failures	Measure timely root-cause analysis, approved corrective action and verified closure. A fault is treated as a Defect only where it also constitutes non-compliance with the Service Information.

4.7.5. Compliance and competency indicators

The Contractor shall maintain continuous validity of all licences, registrations, permits and competencies required for deployed personnel and services, including PSIRA, firearm, SACAA, OEM, first-aid and role-specific requirements where applicable. Mandatory Eskom induction and site authorisation shall be completed before deployment. Measure monthly validity scheduled internal audits, timely submission of evidence, closure of non-conformances and cooperation with Eskom or authorised assurance reviews. An external audit is a Contractor KPI only where it is expressly included and priced in the Service Information.

4.7.6. Implementation and migration indicators

Measure completion of Contractor-controlled milestones in the accepted implementation plan, issued Task Orders, testing and commissioning plans, Control Room Interface Schedule and migration plan. A milestone is included in the compliance calculation only where required site access, Eskom information, approvals and statutory permissions were available and it was not affected by an instructed change, compensation event or other Employer risk.

Migration indicators include end-to-end integration, data and alarm continuity, failover, cybersecurity testing, training, parallel operation and uninterrupted monitoring until the Service Manager confirms the contractual record.

4.7.7. Stakeholder and community indicators

Stakeholder satisfaction shall be measured using a methodology accepted by the Service Manager before the baseline survey, including the respondent group, questions, scoring method, minimum response rate, treatment of non-responses and exclusion of matters outside the Contractor’s control. Community and stakeholder performance shall also measure completion of the accepted engagement plan, authorised referrals, protection of personal information and confidential sources, lawful participation in joint activities, and timely reporting through section 2.6.

4.7.8. Value-realisation indicators

Value realisation shall be assessed against a Service Manager-approved baseline and shall consider total cost of ownership, implementation and lifecycle cost, avoided or reduced verified losses, reduced outage impact, productivity, response improvement, asset life, approved risk reduction and benefits attributable to the Contractor. No automatic guard-force or cost-reduction percentage applies. A change to the approved minimum guard deployment occurs only after commissioned and stable technology, updated risk assessment, proven response capability and an authorised contract change.

Innovation performance is measured by the proportion of approved roadmap initiatives and pilots that meet their pre-approved technical, operational, cybersecurity, privacy, financial and user-outcome criteria. The Contractor is not required to deploy a new technology merely to satisfy an annual count, and no unapproved technology is included in the KPI result.

4.7.9. Corrective action and consequence management

A missed KPI is recorded, verified and managed through the section 2.6 non-conformance and corrective-action process. The Contractor shall provide containment, root-cause analysis, responsible persons, completion dates and evidence of closure within the specified periods. Repeated or material failure is escalated in accordance with sections 2.12 and 2.13 and the NEC3 TSC.

A KPI result does not of itself constitute a Defect, substantial failure, payment deduction or termination reason. Low service damages apply only where Secondary Option X17 is selected, and the relevant service level and amount are completed in the contract. Any other service credit, deduction, Price List adjustment or payment consequence applies only where expressly stated in the NEC3 TSC, Contract Data or applicable Z clause and is reflected in the Service Manager's assessment and payment certificate.

4.8. Site Evaluations and Operational-Readiness Verification

Pre-award due diligence: Pre-award inspection or evaluation of a tenderer's capability forms part of the procurement evaluation process and shall be conducted in accordance with the published tender criteria. It may verify information submitted in the tender, including relevant experience, proposed control-room capability, statutory registrations, firearm compliance, vehicle availability, OEM certifications and technology capability. A pre-award evaluation does not constitute acceptance of the future Service or relieve the successful tenderer of any contractual obligation.

Post-award operational readiness: After award and before the starting date, and before Eskom systems are connected to the Contractor's control room, the Service Manager shall arrange an operational-readiness verification. The Contractor shall provide access to the facilities, systems, records, personnel and demonstrations reasonably required to verify readiness against the Service Information, Control Room Interface Schedule, Site Service Schedule, Site Technology Schedule, Training Schedule and accepted mobilisation plan.

Minimum verification scope: The assessment shall verify the dedicated Eskom monitoring desk; 24-hour staffing and supervision; control-room accreditation where required; alarm, CCTV, access-control and incident-management capability; recording and retention; secure connectivity; system-health monitoring; cybersecurity controls; backup power, redundancy, disaster recovery and business continuity; dispatch and escalation arrangements; lawful firearm licences, permits, competencies, storage and registers; authorised, roadworthy, insured and fit-for-purpose owned or leased vehicles; applicable PSIRA, SACAA, OEM and other statutory or technical certifications; critical spares; and the availability of competent personnel and subcontractors.

Testing and evidence: The Contractor shall demonstrate end-to-end alarm receipt, video verification, incident logging, communication, dispatch, failover, recovery and Eskom-authorised access using the accepted readiness test plan. Results, evidence, non-conformances, responsible persons and due dates shall be recorded in an operational-readiness report. Review, witnessing or acceptance by the Service Manager does not relieve the Contractor of responsibility for Providing the Service.

Correction and re-verification: The Contractor shall correct identified non-compliance within the period stated by the Service Manager and submit evidence of closure. Where a failed requirement materially affects safe or reliable commencement, the affected Service or connection shall not commence until the stated readiness criterion is met or an authorised temporary arrangement is accepted. Any effect on the Prices, Key Dates or starting date is administered only in accordance with the NEC3 TSC.

Ongoing verification: Eskom may conduct announced or unannounced compliance and readiness inspections during the contract in accordance with the Service Information. The Contractor shall maintain continuous compliance and provide reasonable access to relevant sites, records, systems and personnel.

4.9. Price Adjustment and Annual Rates

The Prices and any adjustment to them shall be governed only by the selected NEC3 TSC Main Option, the Contract Data, the Price List and any applicable Z clause. No rate increases automatically by reason of a Government Gazette notice, collective agreement, inflation, exchange-rate movement or other cost change unless the contract expressly provides an adjustment mechanism or the event is otherwise dealt with under the NEC3 TSC.

Statutory labour adjustments: Where the Contract Data or an applicable Z clause provides for adjustment arising from a statutory security-sector wage determination, the adjustment shall apply only to the labour cost component expressly identified in the Price List and from the effective date stated in the relevant instrument or contractual mechanism. The Contractor shall submit the published determination, affected categories, base rates, weighting, calculation and evidence that the increase has been implemented for the relevant personnel.

Formula and evidence: The applicable base date, indices, weighting of labour, equipment, fuel, technology, licences and other cost components, frequency of adjustment, treatment of decreases and effective date shall be those stated in the Contract Data or applicable Z clause. Any request shall be fully substantiated and verified before implementation.

No duplication: No cost may be recovered more than once through indexation, statutory adjustment, Price List revision, compensation event, Task Order rate or another contractual mechanism. Lifecycle replacement, licence renewal, maintenance, standby and other obligations already included in the Prices remain included notwithstanding a general cost increase.

Contract administration: A price adjustment takes effect only through the mechanism stated in the contract and does not require an informal annual renegotiation. Any instruction changing the Service Information is administered separately under the NEC3 TSC compensation-event procedure or, where Option X19 applies, through an issued Task Order.

4.10. Monthly Payment and Invoice Administration

This section supplements, and does not replace or amend, section 2.16 and NEC3 TSC clauses 50 to 52. The assessment date, certification period, final date for payment and interest entitlement are those stated in the Contract Data and applicable Z clauses. An Eskom administrative process, submission channel or supporting-document requirement does not postpone or alter those contractual dates unless the contract expressly provides otherwise.

Application for payment: The Contractor shall submit its application for payment on or before each assessment date stated in the Contract Data. Where Eskom uses a 15th-to-14th operational reporting period, that period is used only for supporting measurement and reconciliation unless it is expressly stated as the contractual assessment cycle in the Contract Data. The application shall contain the breakdown and supporting evidence required by sections 2.16.1 and 2.16.2.

Assessment and certification: The Service Manager shall assess and certify the amount due at each assessment date in accordance with section 2.16, even where the Contractor’s application or records are incomplete. Missing or unverifiable information may affect the amount assessed, and the Service Manager may correct a previous assessment in a later certificate as permitted by the NEC3 TSC.

Tax invoice: Following receipt of the payment certificate, the Contractor shall submit a valid tax invoice only for the certified amount through Eskom's approved electronic or other notified invoicing channel. The invoice shall include the contract number, purchase order number, assessment period, payment-certificate reference, applicable tax information and any other administrative information stated in the Contract Data or Eskom's notified invoice requirements. An electronic tax invoice is acceptable where it complies with applicable law and Eskom requirements; an original paper invoice is required only where the Contract Data expressly states this.

Incomplete or incorrect invoice: Eskom shall notify the Contractor promptly of an incomplete, inaccurate, duplicated or incorrectly submitted invoice, and the Contractor shall correct it without delay. An invoice defect does not remove the Service Manager's obligation to assess and certify within the contractual timetable and does not extinguish interest payable under the NEC3 TSC where the contractual requirements for interest are met.

Payment, deductions and set-off: Eskom shall pay the amount due within the period stated in the Contract Data. A service credit, low service damages, deduction, recovery of overpayment or set-off may be applied only where expressly permitted by the NEC3 TSC, completed Contract Data, applicable Z clause or law and shall be shown transparently in the Service Manager's assessment and payment certificate.

Banking details and fraud controls: The Contractor shall maintain correct banking and tax information through Eskom's prescribed verification process. A change to banking details shall not be actioned solely on the basis of an invoice, email or informal communication and shall not alter the contractual assessment or payment timetable.

Eskom's property in possession of the service provider

Eskom's property supplied to the Service Provider for the execution of their duties remains the property of Eskom and will at any time be available for inspection by an Eskom Representative. Any such property in the possession of the SP on completion of the agreement will be returned to Eskom in the same working condition as handed to the Service Provider.

The Service Provider will always be responsible for any loss of or damage to Eskom property in his possession, and if required Eskom will deduct the loss of such equipment if the service provider fails to compensate Eskom once a final investigation report from Eskom has been submitted.

Task order instruction

A Task Order will be issued by the Eskom Security Contract Manager/Supervisor or persons appointed in consultation with the Eskom Security Contract Manager.

Any specific requirements related to the quality standards for the services required will be included in the Task Order. Any constraints relevant to the services shall be timeously communicated with the Service Manager and mitigations thereof approved by the Service Manager .

Contractor must prepare three quotes after they received the task instruction (with full details of the scope of work) as per agreed price structure.

Once quote is approved by the Eskom Contract Manager/Supervisor, the Task Order instruction will be issued to the Contractor for commencement and will include the following: A detailed scope/description of the guarding services required – to be performed by the Contractor (deliverables), manpower required, grades, operational equipment, start and end date; and PO Number.

The Contractor is only allowed to proceed with the task instruction once it complies with all the requirements as described above i.e. PO number, start and end dates.

Both parties to reply / respond within 12 hours for acceptance of quote and task instructions.

The requested services can only commence after official approval by the Eskom Representative (Eskom Security Contracts /Site Owner/Requestor) has been granted; this approval will be in the form of a signed-off task instruction by the Eskom Contract Manager/Supervisor.

The Contractor is expected to return a copy of signed task instruction for record that both parties have accepted this request.

Contractor to inform the Eskom Security Contract Manager/Supervisor by immediately submitting an early warning notification of any material deviation from the originally approved task instruction should there be changes to the initial approved task order value and/or time as indicated in the originally approved task order.

Acceptance and approval of such and Early Warning must first be obtained from Eskom Security Manager/Contracts Manager for any changes on the Task Order before the work can continue.

Task Order template will be provided to the Contractor after the signing and acceptance of this contact.

1. Management strategy and start up.

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

Within the period specified in the contract data or applicable Task Order, the Contractor shall submit a detailed implementation plan to the Eskom Service Manager for written approval. No installation work may commence until Eskom has approved the relevant technical design, implementation plan and Task Order and has confirmed site access.

The plan shall specify the implementation sequence for each site, prioritised according to the approved site risk tier, threat assessment and operational requirements, and shall include milestones, responsibilities, resource requirements, dependencies, installation dates, integration, testing, commissioning, training and handover activities. Any proposed deviation from the approved plan shall be supported by an early-warning notification and shall require the Service Manager's prior written approval.

2.2 Management meetings

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

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

2.3 Provision of bonds and guarantees

The form in which a bond or guarantee required by the *conditions of contract* (if any) is to be provided by the *Contractor* is given in Part 1 Agreements and Contract Data, document C1.3, Sureties.

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

2.4 Invoicing and payment

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

The *Contractor* shall address the tax invoice to invoiceseskomlocal@eskom.co.za and include on each invoice the following information:

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

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

2.5 Contract change management

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

2.6 Records of Defined Cost to be kept by the *Contractor*

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

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

2.7 Insurance provided by the *Employer*

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

2.8 Training workshops and technology transfer

As provided in the scope of work.

2.9 Design and supply of Equipment

As provided in the scope of work.

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

2.10.1 Equipment

As provided in the scope of work.

2.10.2 Information and other things

As provided in the scope of work.

2.11 Management of work done by Task Order

As provided in the scope of work

3. Health and safety, the environment and quality assurance

3.1 Health and safety risk management

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

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

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

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

· Distribution: Alex Stramrood

The *Contractor* shall comply with the Health and Safety requirements contained in Section 5 of to this Service Information.

3.2 Environmental constraints and management

The *Contractor* shall comply with the Environmental requirements and constraints stated in Section 6 to this Service Information

3.3 Quality assurance requirements

Contract / Order Number		**Subcontractor Order Number**		**QCP Number**		**Page 1 of ___**	
Scope of Work		**Item/ Plant/ Material Description**		**Rev Number -**		**Date**	

Quality Control Plan Approvals	**Name**	**Signature**
Contractor /Supplier		
Subcontractor (where applicable)		
Eskom		
Approved Inspection Authority (AIA) (Where applicable)		

Intervention Point Legend (KEY)			
Hold Point	**AP - Document Requires Approval**	**T1 – 100% Testing T2- Sample Testing**	**A1 – 100% Inspection A2- Sample Inspection**
Witness Point	**W1 – 100% witness**	**W2 - Sample witness**	
Document Review	**IN - Document Requires for information only**	**R1- 100% Document Review**	**R2- Sample Document Review**
Surveillance (S)			
Verification (V)			

Activities			**Intervention Point**		**Category**	**Inspection and Test Method**			**Supplier Inspection**		**Eskom Inspection**		**Records**
No	**Description / Requirement**	**Date**	**Supplier**	**Eskom**	**S=Statutory / N= Non-statutory**	**Method**	**Controlling document**	**Acceptance Criteria**	**AIA/NOBO**	**Internal/TPI**	**AIA/NOBO**	**Internal/TPI**	

The *Contractor* shall comply with the Quality requirements and constraints stated in Section 4 to this Service Information.

4. Procurement

4.1 People

4.1.1 Minimum requirements of people employed

Local Procurement Content

"Local Procurement Content" refers to value added in South Africa by South African resources. Where a single contract involves a combination of local and imported goods and/or services, the tender response must be separated into its components as per the Price Schedule included with the tender documents. Local procurement content is total spending minus the imported component.

Tenderers are required to submit their proposals in the table below.

Local Procurement Content	Eskom target	Tenderer Proposal
	100%	

Procurement spend on entities with a minimum 51% black ownership

The winning tenderer is encouraged to procure/spend on designated groups on the following paid invoices for both:

- the indirect expenses (e.g. overheads) on goods and services supplied to the contractor/supplier by designated groups; and

- direct spend on goods and services supplied by the subcontractors for the execution of the scope of work.

Activities, as a proportion of the local procurement content, which may be subcontracted to designated black owned enterprises must be submitted in a table below.

Procurement from Designated Group	Eskom Target	Tenderer Proposal
Black Owned	4.0%	
Black Women Owned	3.0%	
Black Youth Owned	2.0%	
Black Persons with Disability	1.0%	

Jobs.

Tenderers are required to submit proposals for the type and number of jobs that will be created and retained in South Africa as a direct result of being awarded a contract.

Jobs to be created	Jobs to be retained

Skills development

Skills development is intended to address Eskom's core, scarce and critical skills. These skills are also included in a 2020 list of occupations in high demand as stipulated in the Government Gazette 43937. Candidates shall be from the Kwa Zulu Natal **area**, and their composition shall be representative of the population demographics of South Africa.

Skill type / Occupation
Drone Training
Armed Response Training
Technical Training for Operating Security Systems
Physical Guarding Grade C
Physical Guarding Grade B
Physical Guarding Grade A

4.2 Subcontracting

4.2.1 Preferred subcontractors

If feasible subcontracting on contracts above R30 million will apply as a condition for contract award. Tenderers shall subcontract up to 30% of the contract value to the following designated groups:

- an EME or QSE which is at least 51% owned by black people;
- an EME or QSE which is at least 51% owned by black people who are youth;
- an EME or QSE which is at least 51% owned by black people who are women;
- an EME or QSE which is at least 51% owned by black people with disabilities;
- an EME or QSE which is 51% owned by black people living in rural or underdeveloped area or townships;
- a cooperative which is at least 51% owned by black people;
- a EME or QSE which is at least 51% owned by black people who are military veterans.

4.2.2 Subcontract documentation, and assessment of subcontract tenders

Tenderers shall submit the following returnables for Subcontracting

- Subcontracting agreement signed by both parties **or**
- Copies of signed letters from the tenderer to the sub-contractors stating the intent to sub-contract
- Subcontractors' Company registration documents
- Subcontractor's valid BBBEE certificate issued by a SANAS accredited verification agency or valid sworn affidavit or valid BBBEE Certificate issued by CIPC for EME companies

4.2.3 Limitations on subcontracting

A supplier awarded a contract may not subcontract more than 25% of the value of the contract to any other entity that does not have an equal or higher B-BBEE status level of a contributor than the supplier concerned unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

Potential scope to be subcontracted and/or outsourced:

- **Armed Response**
- **Supplier of Drones**
- **Specialised Personnel – Drone Operators**
- **Specialised technology installation and maintenance**
- **Dog and Dog Handlers**

4.3 Plant and Materials

4.3.1 Specifications

As provided in the Scope of work.

4.3.2 Correction of defects

As provided in the scope of work.

4.3.3 Contractor's procurement of Plant and Materials

As provided in the scope of work.

4.3.4 Tests and inspections before delivery

As provided in the scope of work.

4.3.5 Plant & Materials provided "free issue" by the *Employer*

As provided in the scope of work.

Working on the Affected Property

As provided in the scope of work.

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

As provided in the scope of work.

5.2 People restrictions, hours of work, conduct and records

As provided in the scope of work.

5.3 Health and safety facilities on the Affected Property

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

5.4 Environmental controls, fauna & flora

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

5.5 Cooperating with and obtaining acceptance of Others

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

5.6 Records of Contractor's Equipment

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

5.7 Equipment provided by the Employer

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

5.8 Site services and facilities

5.8.1 Provided by the Employer

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

5.8.2 Provided by the Contractor

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

5.9 Control of noise, dust, water and waste

This will be done in accordance with the OHS requirements

5.10 Hook ups to existing works

This will be done in accordance with the OHS requirements

5.11 Tests and inspections

5.11.1 Description of tests and inspections

As provided in the scope of work.

6. List of drawings

6.1 Drawings issued by the Employer

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

Drawing number	Revision	Title
		Floor Plan