NEC3 Supply Contract (SC3)

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

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

for **The supply and Installation of Office Chairs at Megawatt Park (MWP), Eskom Academy of Learning (EAL) and Eskom Research and Innovation Centre (ERIC) for a period of three (03) years.**

Contents:		**No of pages**
Part C1	**Agreements & Contract Data**	**[●]**
Part C2	**Pricing Data**	**[●]**
Part C3	**Scope of Work**	**[●]**

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

PART C1: AGREEMENTS & CONTRACT DATA

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

C1.1 Form of Offer & Acceptance

Offer

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

The supply and Installation of Office Chairs at Megawatt Park (MWP), Eskom Academy of Learning (EAL) and Eskom Research and Innovation Centre (ERIC).

The tenderer, identified in the Offer signature block, has

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

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

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

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

Signature(s) .....

Name(s) .....

Capacity .....

For the tenderer: .....

(Insert name and address of organisation)

Name & signature of witness .....

Date .....

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

Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s) .....

Name(s) .....

Capacity .....

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

(Insert name and address of organisation)

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

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

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

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

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

	For the tenderer:	**For the Purchaser**
Signature		
Name		
Capacity		
On behalf of	*(Insert name and address of organisation)*	**Eskom Holdings SOC Ltd, Megawatt Park, Maxwell Drive, Sandton, Johannesburg, 2199**
Name & signature of witness		
Date		

C1.2 SC3 Contract Data

Part one - Data provided by the *Purchaser*

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

Clause	Statement	Data
1	**General**	
	The *conditions of contract* are the core clauses and the clauses for Options	
		A: Priced contract with price list
		W1: Dispute resolution procedure
		X2 Changes in the law
		X4: Parent company guarantee
		X12: Partnering
		X16: Retention
		X17: Low performance damages
		X18: Limitation of liability
		X19: Task Order
		X20: Key Performance Indicators
		Z: *Additional conditions of contract*
	of the NEC3 Supply Contract (April 2013) [2]	(If the December 2009 edition is to be used delete April 2013 and replace by December 2013)
10.1	The *Purchaser* is (name):	**Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa**
	Address	**Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg**
	Tel No.	**[●]**
	Fax No.	**[●]**
10.1	The *Supply Manager* is (name):	**To be confirmed**
	Address	**[●]**
	Tel	**[●]**
	Fax	**[●]**

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

	e-mail	**[●]**
11.2(13)	The *goods* are	**Office Chairs**
11.2(13)	The *services* are	**The supply and Installation of Office Chairs at Megawatt Park (MWP), Eskom Academy of Learning (EAL) and Eskom Research and Innovation Centre (ERIC).**
11.2(14)	The following matters will be included in the Risk Register	• **Weather Conditions** • **Delays and Disruptions** • **Community unrest** • **Labor Unrest** • **Late Delivery** • **Participants' availability** • **Other to be discussed and addressed during execution where applicable.**
11.2(15)	The Goods Information is in	**Part 3: Scope of Work and all documents and drawings to which it makes reference.**
11.2(15)	The Supply Requirements as part of the Goods Information is in	**Annexure 17 to this Contract Data**
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	**Five (5) working days**
2	**The *Supplier's* main responsibilities**	**Data required by this section of the core clauses is provided by the *Supplier* in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data.**
3	**Time**	
30.1	The *starting date* is.	**To be confirmed.**
30.1	The *delivery date* of the *goods* and *service*s is:	***goods and services*** / ***delivery date*** **1** **To be confirmed after contract award** / **To be confirmed after contract award**
30.2	The *Supplier* does not bring the *goods* to the Delivery Place more than one week before the Delivery Date.	**[no data required]**
31.1	The *Supplier* is to submit a first programme for acceptance within	**One (1) week of the Contract Date**

32.2	The *Supplier* submits revised programmes at intervals no longer than	**Two (2) weeks of the Contract Date**
4	**Testing and defects**	
42	The *defects date* is	**Three (3) weeks after Delivery.**
43.2	The *defect correction period* is	**Two (2) weeks**
	except that the *defect correction period* for	**Seven (7) working days**
	and the *defect correction period* for	**Seven (7) working days**
42.2	The *defects access period* is	**Five (5) working days**
	except that the *defect access period* for	
	and the *defect access period* for	
5	**Payment**	
50.1	The *assessment interval* is	**25th of every month.**
51.1	The *currency of this contract* is the	**South African Rand**
51.2	The period within which payments are made is	**4 weeks**
51.4	The *interest rate* is	**the publicly quoted prime rate of interest (calculated on a 365-day year) charged 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**	**There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.**

7	**Title**	**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, liabilities, indemnities and insurance**	
80.1	These are additional *Purchaser's* risks	**1. To be discussed during kick off meeting and execution**
88.1	The *Supplier's* liability to the *Purchaser* for indirect or consequential loss, including loss of profit, revenue and goodwill is limited to	**R0.0 (zero Rand)**
88.2	For any one event, the *Supplier's* liability to the *Purchaser* for loss of or damage to the *Purchaser's* property is limited to	**(1) for the *Purchaser's* existing and surrounding property in the care, custody and control of the *Supplier* the amount of the deductible (first amount payable) relevant to the event** **and** **(2) for all other existing *Purchaser's* property the applicable deductible as at contract date**
88.3	The *Supplier's* liability for Defects due to his design which are not notified before the last *defects date* is limited to:	**The Supplier's total liability to the Purchaser, for all matters arising under or in connection with this contract, other than the excluded matters, is limited to 100% of the total of the Prices excluding VAT.**
88.4	The *Supplier's* total liability to the *Purchaser*, for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	**R[●]** **The Supplier's liability for Defects due to his design which are not notified before the last defects date is limited to the total of the Prices excluding VAT.**
88.5	The *end of liability date* is	**3 years after Delivery of the whole of the *goods* and *service*s.**
9	**Termination and dispute resolution**	**NEC SC3 clauses to be applied during termination.**
94.1	The *Adjudicator* is	**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).**

	Address	**[●]**
	Tel No.	**[●]**
	Fax No.	**[●]**
	e-mail	**[●]**
94.2(3)	The *Adjudicator nominating body* is:	**the Chairman of ICE-SA, a Division of the South African Institution of Civil Engineering, or its successor body (See www.ice-sa.org.za)**
94.4(2)	The *tribunal* is:	**arbitration**
94.4(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.**
94.4(5)	The place where arbitration is to be held is	**[●] South Africa**
	The person or organisation who will choose an arbitrator - if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is	**the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.**
10	**Data for Option clauses**	
X2	**Changes in the law**	
X2.1	A change in the law of	**[●] is a compensation event if it occurs after the Contract Date**
X4	**Parent company guarantee**	**There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.**
X12	**Partnering**	
X12.1(1)	The *Client* is (Name):	**[●]**
	Address	**[●]**
	Contact details	**[●]**
	Telephone:	**[●]**
	Fax	**[●]**
	e-mail	**[●]**
X12.1(4)	The Partnering Information is in	**Part 3 Scope of Work, section C3.[●]**
X12.2(1)	The *Client's objective* is:	**[●]**
X16	**Retention (not used with Option F)**	

		The retention percentage is 10% for every payment certificate. **50% to be paid immediately on completion and balance to be paid 52 weeks after the contract completion.**	
X17	**Low performance damages**	**As stated in Annexure X17: Service Level Table**	
X17.1	The amounts for low performance damages are:	**amount**	**performance level**
		R [●]	**for [●]**
		R [●]	**for [●]**
		R [●]	**for [●]**
		R [●]	**for [●]**
X20	**Key Performance Indicators (not used when Option X12 applies)**		
X20.1	The *incentive schedule* for Key Performance Indicators is in	**Annexure [●] to this Contract Data**	
X20.2	A report of performance against each Key Performance Indicator is provided at intervals of	**[●] months**	
Z	**The *additional conditions of contract* are**	**Z1 to Z15 always apply for Eskom**	

Z1 Cession delegation and assignment

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

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

Z2 Joint ventures

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

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

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

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

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

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

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

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

Z4 Confidentiality

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

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

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

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

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

Z5 Waiver and estoppel: Add to core clause 12.3:

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

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

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

Without limitation the *Supplier*:

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

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

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

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

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

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

Z8 Notifying compensation events

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

Z9 *Purchaser's* limitation of liability

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

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

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

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

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

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

Z12 Ethics

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

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

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

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

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

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

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

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

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

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

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

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

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

Supplier ensures that the Committing Party co-operates fully with an investigation.

Z13 Insurance

Z 13.1 Replace core clause 84 with the following:

Insurance cover **84**

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

84.2 The *Supplier* provides the insurances stated in the Insurance Table A for events which are at the *Supplier*'s risk from the *starting date* until the last *defects date* or a termination certificate has been issued.

INSURANCE TABLE A

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

Z_13.2 Replace core clause 87 with the following:

Insurance by the *Purchaser*

87

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

INSURANCE TABLE B

Insurance against or name of policy	**Minimum amount of cover or minimu 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

Z14 Nuclear Liability

Z14.1 The *Purchaser* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.

Z14.2 The *Purchaser* is solely responsible for and indemnifies the *Supplier* or any other person against any and all liabilities which the *Supplier* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Supplier* or any other person or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.

Z14.3 Subject to clause Z14.4 below, the *Purchaser* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Supplier* or any other person, or the presence of the *Supplier* or that person or any property of the *Supplier* or such person at or in the KNPS or on the KNPS site, without the permission of the *Purchaser* or of a person acting on behalf of the *Purchaser*.

Z14.4 The *Purchaser* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.

Z14.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z15 Asbestos

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

AAIA means approved asbestos inspection authority.

ACM means asbestos containing materials.

AL means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.

Ambient Air means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.

Compliance Monitoring means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.

OEL means occupational exposure limit.

Parallel Measurements means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.

Safe Levels means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.

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

Containing Material, Equipment and Articles.

SANAS means the South African National Accreditation System.

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

Z15.1 The *Purchaser* ensures that the Ambient Air in the area where the *Supplier* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.

Z15.2 Upon written request by the *Supplier*, the *Purchaser* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Supplier* may perform Parallel Measurements and related control measures at the *Supplier*'s expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z15.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.

Z15.3 The *Purchaser* manages asbestos and ACM according to the Standard.

Z15.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.

Z15.5 The *Supplier*'s personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.

Z15.6 The *Supplier* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations.

Z15.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Purchaser* at the *Purchaser*'s expense, and conducted in line with South African legislation.

Annexure A: Supply Requirements

[Notes: The example given in the NEC3 Supply Contract Guidance Notes pages 15 to 20 inclusive is based on Incoterms 2000. However users will probably wish to use Incoterms 2010 which the details below are based on. Users may need to adjust the information to comply with actual requirements. First decide whether Incoterms will be used or not, then delete the arrangement below which does not apply and delete these notes]

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

The *Supplier* supplies the *goods* in accordance with INCOTERMS 2010[3] as follows:

[3] International Chamber of Commerce, Incoterms 2010, Paris, January 2011

[Select the group and then term within the group which applies and state the applicable delivery place. Delete all the other groups and this note]

Group	Category	Term	Delivery Place
D	arrival	DDP	MWP, EAL and ERIC

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

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

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

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

[Should there be a need to amplify any of the published obligations listed above for the chosen INCOTERM, add them here.]

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

The Supply Requirements for this contract are as follows:

[Use these when INCOTERMS do not apply].

1. The requirements for the supply are	[State the constraints on how the *Supplier* manufactures, prototypes, tests and stores the *goods* including order and timing]	
2. The requirements for transport are	[State the extent to which the *Supplier* transports the *goods* and the mode of transport]	
3. The delivery place is	[State the location where the *goods* are to be placed by the *Supplier,* such as whether it is a dispatch department at the *Supplier*'s premises, the *Purchaser* is to collect or other location the *Purchaser* may require. If the delivery place for the *services* is different to the *goods* state it here]	
4. Actions of the Parties during supply	**Action**	**Party which does it**
	Giving notice of Delivery	
	Checking packing and marking before dispatch	
	Contracting for transport	
	Pay costs of transport	
	Arrange access to delivery place	
	Loading the *goods*	
	Unloading the *goods*	
For international procurement	Undertake export requirements	
	Undertake import requirements	
5. Information to be provided by the *Supplier*	**Title of document**	
	Packing lists for cases and their contents	
	Copy of invoice for the *goods*	
	Delivery Note	
	Test results and maintenance manuals	
For international procurement	Licences, authorisations and other formalities associated with export of the *goods*	
	Air Waybill or Bill of Lading with associated landing, delivery and forwarding order	
	The Bill of Entry endorsed by the importation authority	
	Customs work sheets, showing tax, duties and surcharges which the law of the country into which the *goods* are being imported requires the importer to pay	
	Invoice from the importation clearing agent showing airline fees, landing charges, wharfage and dock dues as applicable	
	Specify other import documents required by authorised officials.	

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

C1.2 Contract Data

Part two - Data provided by the *Supplier*

[Instructions to the contract compiler: (delete this note before issue to tenderers with an enquiry)
Whenever a cell is shaded in the left hand column it denotes this data is optional and would be required in relation to the option selected. In the event that the option is not required select and delete the whole row.]

Notes to a tendering supplier:

1. Please read both the NEC3 Supply Contract (SC3)[4] and the relevant parts of its Guidance Notes (SC3-GN)[5] 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 *Supplier* is (Name): Address Tel No. Fax No.			
11.2(8)	The Goods Information for the *Supplier's* design is in:			
11.2(11)	The tendered total of the Prices is	**R ,** **(in words)**		
11.2(12)	The *price schedule* is in:			
11.2(14)	The following matters will be included in the Risk Register			
25.2	The restrictions to access for the *Supply Manager* and Others to work being done for this contract are			
30.1	The *delivery date* of the *goods* and *service*s is:	***goods and services***		***delivery date***
		1	**Submission of furniture samples, product data sheets and technical specifications for approval**	**Within 10 working days of receipt of a Purchase Order or instruction from the Supply**

[4] Either April 2013 or December 2009 Edition as stated by *Purchaser* in Contract Data part 1.
[5] Available from Engineering Contract Strategies Tel 011 803 3008, Fax 086 539 1902, or www.ecs.co.za

				Manager
		2	**2. Supply, delivery and installation of standard office chairs (Operator, Visitor, Boardroom, Café and Executive Chairs)**	**Within 30 calendar days of receipt of a Purchase Order**
		3	**Supply, delivery and installation of specialised ergonomic chairs and collaboration seating**	**Within 45 calendar days of receipt of a Purchase Order**
31.1	The programme identified in the Contract Data is contained in:			
63.2	The *percentage for overheads and profit* added to the Defined Cost is		**%**	

C1.3 Forms of Securities

Pro formas for Bonds & Guarantees

For use with the NEC3 Supply Contract (SC3)

[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 may include the following Options:

Option X4: Parent company guarantee

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

The organisation providing the bond / guarantee does so by copying the pro forma document onto it’s letterhead without any change to the text or format and completing the required details. The completed document is then given to the *Purchaser* 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 Supplier'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, Megawatt Park, Maxwell Drive, Sandton Johannesburg (the *Purchaser*) and

[Insert registered name and address of the *Supplier*] (the *Supplier*), for

[Insert details of the *goods* and *services* from the Contract Data] (the *goods* and *services*).

I/We the undersigned .....

on behalf of the *Supplier's* parent company (name) .....

of physical address .....

and duly authorised thereto do hereby unconditionally guarantee to the *Purchaser* that the *Supplier* shall Provide the Goods and Services in accordance with the above numbered Contract.

1. If for any reason the *Supplier* fails to Provide the Goods and Services, we hereby agree to cause to Provide the Goods and Services at no additional cost to the *Purchaser*.

2. If we fail to comply with the terms of this Deed of Guarantee, the *Purchaser* may itself procure such performance (whether or not the Agreement be formally determined). The *Purchaser* is to notify us and we shall indemnify the *Purchaser* 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 *Supplier* and the *Purchaser* and/or between us and *Supplier*; nor any alteration in the obligations undertaken by the *Supplier* 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 *Supplier*.

4. The *Purchaser* shall not be obliged before taking steps to enforce the terms of this Deed of Guarantee to obtain judgement against the *Supplier* 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 *Supplier*.

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 Bond / Guarantee)

Eskom Holdings SOC Ltd
Megawatt Park
Maxwell Drive
Sandton
Johannesburg

Bank reference No.

Date:

Dear Sirs,

Performance Bond – Demand Guarantee for [insert name of *Supplier*] required in terms of contract [insert *Supplier*'s contract reference number or title]

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

1.1	"Bank" means	[Insert name of Bank], [●] Branch, Registration No. [●]
1.2	"Bank's Address" means	[Insert physical address of Bank]
1.3	"Contract" means	the written agreement relating to providing the *goods* and *service*s, entered into between the *Purchaser* and the *Supplier*, on or about the [●] day of [●] 200[●] (Contract Reference No. [●]) as amended, varied, restated, novated or substituted from time to time;
1.4	"*Supplier*" means	[●] a company registered in accordance with the laws of [●] under Registration No [●].
1.5	"*Purchaser*" means	Eskom Holdings SOC Ltd a company registered in accordance with the laws of the Republic of South Africa under Registration Number [●]
1.6	"Expiry Date" means	the earlier of • the date that the Bank receives a notice from the *Purchaser* stating that all amounts due from the *Supplier* as certified in terms of the contract have been received by the *Purchaser* and that the *Supplier* 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 the *Purchaser*.
1.7	"Guaranteed Sum" means	the sum of R[●], ([●] Rand)
1.8	"*goods* and *service*s" means	[insert details from Contract Data part 1]

2. At the instance of the *Supplier*, we the undersigned _____ and _____, in our respective capacities as _____ and _____ of the Bank, and duly authorized thereto, confirm that we hold the Guaranteed Sum at the disposal of the *Purchaser* as security for the proper performance by the *Supplier* of all of its obligations in terms of and arising from the Contract and hereby undertake to pay to the *Purchaser*, on written demand from the *Purchaser* 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:

   - be signed on behalf of the *Purchaser* by a Group Executive, Divisional Executive, Senior General Manager, General Manager or its delegate;
   - state the amount claimed ("the Demand Amount');

- state that the Demand Amount is payable to the *Purchaser* 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:

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

   - shall be restricted to the payment of money only and shall be limited to the maximum of the Guaranteed Sum; and
   - shall not be discharged and compliance with any demand for payment received by the Bank in terms hereof shall not be delayed, by the fact that a dispute may exist between the *Purchaser* and the *Supplier*.

6. The *Purchaser* shall be entitled to arrange its affairs with the *Supplier* 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 *Supplier* or any variation under or to the Contract.

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

8. This Guarantee:

   - shall expire on the Expiry Date until which time it is irrevocable;
   - is, save as provided for in 7 above, personal to the *Purchaser* and is neither negotiable nor transferable;
   - shall be returned to the Bank upon the earlier of payment of the full Guaranteed Sum or expiry hereof;
   - shall be regarded as a liquid document for the purpose of obtaining a court order; and
   - 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.
   - will be invalid and unenforceable if any claim which arises or demand for payment is received after the Expiry Date.

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

Signed at _____ on this _____ day of _____ 20__

For and on behalf of the Bank

Bank Signatories(s)		
Name(s) (printed)		
Witness(s)		
Bank's seal or stamp		

PART 2: PRICING DATA

NEC3 Supply Contract

Document reference	Title	No of pages
C2.1	Pricing assumptions	2
C2.2	The *price schedule*	**[●]**

C2.1 Pricing assumptions

How *goods* and *service*s are priced and assessed for payment

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

Identified and defined terms	11 11.2	(11) The Prices are the amounts stated in the price column of the Price Schedule. Where a quantity is stated for an item in the Price Schedule, the Price is calculated by multiplying the quantity by the rate. (12) The Price Schedule is the *price schedule* unless later changed in accordance with this contract.
Assessing the amount due	50.2	The amount due is • the Price for each lump sum item in the Price Schedule which the *Supplier* has completed, • where a quantity is stated for an item in the Price Schedule, an amount calculated by multiplying the quantity which the *Supplier* has completed by the rate, • plus other amounts to be paid to the *Supplier*, • less amounts to be paid by or retained from the *Supplier*. Any tax which the law requires the *Purchaser* to pay to the *Supplier* is included in the amount due.

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

Function of the Price Schedule

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

Preparing the *price schedule*

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

It will be assumed that the tendering supplier has

- Read Pages 8, 11, 12 and Appendix 5 of the SC3 Guidance Notes before preparing the *price schedule;*
- Included in his Prices and rates for correction of Defects (core clause 43.1) as there is no compensation event for this unless the Defect is due to a *Supplier’s* risk;
- Spread the cost of doing work he chooses not to list as separate items in the *price schedule*

across other Prices and rates in order to fulfil the obligation to Provide the Goods and Services for the tendered total of the Prices;
- Understood that there is no adjustment to lump sum prices in the *price schedule* if the amount, or quantity, of work within that lump sum item later turns out to be different to that which the *Supplier* estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event per clause 60.1;
- Understood that the *Supplier* does not have to allow in his Prices and rates for matters that may arise as a result of a compensation event.

Format of the *price schedule*

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

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

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

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

C2.2 the *price schedule*

Refer to the Pricing Schedule attached.

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	1
C3.1	*Purchaser*'s Goods Information	
C3.2	*Supplier*'s Goods Information	
	Total number of pages	

C3.1: *PURCHASER'S* GOODS INFORMATION

Contents

Part 3: Scope of Work 32
C3.1: *Purchaser's* Goods Information 33
1. Overview and purpose of the goods and services 35
2. Specification and description of the goods 35
2.1 Purchaser's design 36
2.1.1 Operator chair: 36
2.1.2 Visitor chair: 36
2.1.3 Meeting chairs: 36
2.1.4 Double or single seater couches/ Collaboration spaces: 36
2.1.5 Cafe chairs: 36
2.1.6 Executive Chairs: 36
2.1.7 Special Chairs: 36
2.2 Purchaser's design 36
2.2.1 Handling and Loading 36
2.2.2 Transportation 36
2.3 Procedure for submission and acceptance of Supplier's design 37
2.4 Other requirements of the Supplier's design 37
2.5 Use of Supplier's design 37
2.6 Manufacture & fabrication 37
2.7 Factory acceptance testing (FAT) 37
2.8 Other tests and inspections and commissioning in place of use 38
2.9 Operating manuals and maintenance schedules 38
3.Supply Requirements 38
4.Specification of the *service*s to be provided 38
5.Constraints on how the *Supplier* Provides the Goods 39
5.1 Programming constraints 39
5.2 Work to be done by the Delivery Date 39
5.3 Marking the goods 39
5.4 Constraints at the delivery place and place of use 39
5.5Cooperating with Others 40
5.6 Services & other things to be provided by the Purchaser or Supplier 40
5.7 Management meetings 40
5.8 Documentation control 41
5.9 Health and safety risk management 41
5.10 Environmental constraints and management 42
5.11Quality 43
5.12 Invoicing and payment 44
5.13 Insurance provided by the Purchaser 44
5.14 Contract change management 44
5.15 Provision of Bonds and Guarantees 45
5.16 Provision of bonds and guarantees 45
5.17 Records of Defined Cost, payments & assessments of compensation events to be kept by the Supplier 45
6. Procurement 46
6.1 Subcontracting 46
6.1.1 Preferred subcontractors 46
6.1.2 Limitations on subcontracting 46
6.1.3 Spares and consumables 46
6.1.4 Other requirements related to procurement 47
6.1.5 Cataloguing Requirements by the Supplier 47
7. List of drawings 48
7.1 Drawings issued by the *Purchaser* 48

C3.2 *Supplier*'s Goods Information 49
8. Overview 49
8.1 Goods to be Supplied 49
8.2 Supplier's Method of Providing the Goods 49
8.3 Programme 49
8.4 Quality Management 49
8.5 Delivery and Installation 50
8.6 Warranty and Defects Liability 50
8.7 Health, Safety and Environmental Management 50
8.8 Training and User Support 50
8.9 Operating Manuals and Documentation 50
8.10 Key Personnel 51
8.11 Spare Parts and After-Sales Support 51
9. Annexure X17: Service Level Table 52

1. Overview and purpose of the goods and services

Eskom Real Estate (ERE), an entity of Eskom Holdings SOC Ltd, is responsible for the management, optimisation, and upkeep of Eskom's office buildings and associated facilities. As part of its mandate, ERE ensures that Eskom employees are provided with safe, functional, ergonomic, and fit-for-purpose office environments that support productivity, operational efficiency, and compliance with applicable standards.

In support of this mandate, ERE intends to appoint a suitably qualified and experienced contractor to supply, deliver and install office chairs on an as-and-when-required basis across Eskom office buildings namely: Megawatt Park (MWP), Eskom Academy of Learning (EAL) and Eskom Research and Innovation Centre (ERIC).
The scope of work includes the provision of office chairs for office spaces, boardrooms, meeting rooms, and related work areas, in accordance with approved ergonomic requirements and Eskom standards.

2. Specification and description of the goods

The contractor shall supply, deliver and install office chairs at various ERE sites on an as-and-when-required basis. The service shall include safe packing, loading, transportation, unloading, reassembly, and placement at the destination.

The appointed service provider will deliver a turnkey solution including:

- Supply and delivery of office chairs:
  - ± 600 Operator chairs
  - ± 50 Visitors Chairs
  - ± 80 Boardroom chairs
  - ± 50 Cafe chairs
  - ± 50 Collaboration seating (25 single and 25 three-seater couches)
  - ± 10 Executive and Leather chairs
  - ± 30 Special chairs: doctor-recommended chairs, laboratory chairs, call centre, etc.
- Installation and placement across designated sites
- Compliance with Eskom Corporate Identity Manual
- Provision of samples and approval prior to procurement
- Post-installation quality checks
- Provision of a 3-year warranty

To safeguard the Eskom against loss or damage, the contractor will be required to maintain adequate insurance cover, including goods-in-transit, public liability, and employee compensation insurance. The contractor shall assume full responsibility for any damage or loss resulting from negligence, improper handling, or failure to comply with agreed procedures.

2.1 Purchaser's design

2.1.1 Operator chair:

Synchronous office chairs on 5-star castor base; upholstered in Eskom Inspiration Fabric or similar approved.

2.1.2 Visitor chair:

Single shell, sleigh base armchairs in black; upholstered in Eskom Inspiration Fabric - to be constructed in round steel tubing with minimum of 25.4mm x 2.5mm wall thickness consistent throughout tubing.

2.1.3 Meeting chairs:

Single shell, sleigh base armchairs in black; Upholstered in Eskom Inspiration Fabric - to be constructed in round steel tubing with minimum of 25.4mm x 2.5mm wall thickness consistent throughout tubing.

2.1.4 Double or single seater couches/ Collaboration spaces:

Fully upholstered using contract grade fabric, cold moulded polyurethane foam; Accent Eskom colours can be used for upholstery (i.e. green, terra cotta, ochre, blue and turquoise - refer to Eskom Corporate Identity Manual

2.1.5 Cafe chairs:

Poly propylene moulded chairs (refer to Eskom Corporate Identity Manual for colours)

2.1.6 Executive Chairs:

Black or any Acceptable corporate Identity colour for the executive. Material should be soft Genuine leather or Eskom Inspiration Fabric. 100 000 rubs fabric or leather, Chrome arms bolted with steel on steel, legs- Chrome frame or Wood Frame, maximum carrying capacity: 150kg.

2.1.7 Special Chairs:

Ergonomically assessed and certified, as per doctor/ biokinetics recommendation.

2.2 Purchaser's design

2.2.1 Handling and Loading

- Use trained personnel and proper lifting techniques to prevent injury and damage.
- Employ handling equipment such as trolleys, dollies, straps, and lifting aids.
- Ensure chairs are securely loaded to prevent movement, shifting, or impact during transit.
- Protect floors, walls, lifts, and doors at both origin and destination.

2.2.2 Transportation

- Use roadworthy, enclosed vehicles suitable for chair transport.
- Vehicles must be equipped with:
  - Load restraints and tie-down systems
  - Protective linings or padding
- Transport routes shall be planned to minimise transit time and risk.

2.3 Procedure for submission and acceptance of Supplier’s design

Prior to procurement, manufacture, or delivery, the Supplier shall submit the following for acceptance by the Supply Manager:

Product brochures, technical specifications and data sheets for all chair types.
Detailed drawings and dimensions of chairs, couches, collaboration seating and associated components.
Material specifications, including fabrics, leather, foam, steel frames, castors and finishes.
Colour samples and upholstery finishes in accordance with the Eskom Corporate Identity Manual.
Ergonomic certification and compliance documentation for specialist chairs.

Warranty documentation confirming a minimum warranty period of three (3) years.
Samples of each chair category for inspection and approval by Eskom before bulk procurement.
The Supply Manager shall assess submitted information for compliance with the Purchaser's requirements and notify the Supplier of acceptance or non-acceptance in accordance with the conditions of contract.

No procurement, manufacture or delivery of goods shall commence until acceptance has been obtained from the Supply Manager.

2.4 Other requirements of the Supplier’s design

The Supplier shall ensure that:

All furniture complies with applicable South African ergonomic standards and workplace requirements.
Materials supplied are suitable for commercial office use and high-traffic environments.
Upholstery, finishes and colours comply with the Eskom Corporate Identity Manual.
Components are designed for ease of maintenance and replacement.
Specialist chairs are supplied in accordance with approved medical, occupational therapist, biokineticist or ergonomic assessment recommendations.
The design allows for a minimum service life of five (5) years under normal office operating conditions.

2.5 Use of Supplier’s design

The Purchaser may use, reproduce, modify and maintain any design, drawings, specifications, manuals and technical information prepared by the Supplier for purposes related to:

Operation, maintenance and replacement of the goods.
Future procurement of compatible furniture.
Asset management and record keeping.
Training of Eskom personnel.

No other exceptions to clause 22.1 apply.

2.6 Manufacture & fabrication

The Supplier shall:

Manufacture all furniture using new materials and components.
Ensure products are fit for commercial office use.
Maintain quality control procedures during manufacture.
Ensure upholstery fabrics meet the durability requirements specified in the technical specifications.
Use environmentally responsible manufacturing methods wherever reasonably practicable.
Ensure all products are free from defects, damage and workmanship deficiencies prior to delivery.

2.7 Factory acceptance testing (FAT)

The Supply Manager reserves the right to inspect and witness tests at the Supplier's manufacturing or assembly facilities.

The Supplier shall, where requested, demonstrate:

Structural integrity of chairs and seating.
Functionality of mechanisms, castors and adjustment systems.
Compliance with specified load-bearing requirements.
Compliance of upholstery, finishes and colours with approved samples.

The Supplier shall provide at least ten (10) working days' notice of any FAT activities requiring attendance by the Supply Manager.

2.8 Other tests and inspections and commissioning in place of use

Upon installation at the delivery site, the Supplier shall:

Inspect all chairs and furniture for damage.
Verify correct assembly and functionality.
Conduct quality inspections with Eskom representatives.
Rectify defects identified during inspection at no additional cost.
Provide installation completion reports for each site.

The Supplier shall not regard installation as complete until acceptance by the Supply Manager.

2.9 Operating manuals and maintenance schedules

The Supplier shall provide:

Product care and maintenance manuals.
Warranty information.
Recommended cleaning procedures.
Maintenance schedules for adjustable mechanisms and moving components.
Spare parts information where applicable.

Documentation shall be submitted electronically in PDF format and hard copy prior to final delivery.

3.Supply Requirements

The Supply Requirements for this contract are in an Annexure to the Contract Data provided by the *Purchaser*.

4.Specification of the *service*s to be provided

The Supplier shall provide the following services:

Supply of office chairs and seating solutions.
Delivery to all designated Eskom sites.
Off-loading, handling and transportation within site boundaries.
Assembly and installation of furniture.
Placement in designated offices, boardrooms, collaboration areas and meeting rooms.
Post-installation quality inspections.
Warranty support for a minimum period of three (3) years.
Training and demonstration to Eskom representatives on operation and adjustment of ergonomic chairs when required.

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

5.1 Programming constraints

The Supplier shall submit a programme within two weeks of the Contract Date showing:

Procurement lead times.
Manufacturing periods.
Sample approval milestones.
Delivery dates per site.
Installation dates per site.
Inspection and handover activities.

The Supplier shall coordinate deliveries to minimise disruption to Eskom operations.

5.2 Work to be done by the Delivery Date

Delivery shall be achieved when the Supplier has:

Supplied the furniture.
Delivered the goods to the nominated site.
Off-loaded and installed the furniture.
Completed quality inspections.
Submitted warranties and operating manuals.
Corrected any defects identified during inspection.
Obtained acceptance from the Supply Manager.

5.3 Marking the goods

All goods shall be clearly marked with:

Contract number.
Purchase order number.
Item description.
Delivery site.
Quantity.
Manufacturer's details.

Markings shall be clearly visible on packaging and delivery documentation.

5.4 Constraints at the delivery place and place of use

The Supplier shall:

Comply with Eskom security and access requirements.
Ensure all personnel are registered and authorised before accessing sites.
Work within normal Eskom working hours unless otherwise approved.
Minimise disruption to building occupants.
Protect floors, walls, doors, lifts and existing furniture.
Remove all packaging and waste materials from site upon completion.

5.5Cooperating with Others

The Supplier shall cooperate with:

Eskom Real Estate representatives.
Facilities Management personnel.
Building occupants.
Other contractors operating at the delivery sites.

The Supplier shall coordinate deliveries and installations to avoid conflict with other site activities.

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

Provided by the Purchaser

Access to delivery and installation areas.
Site induction where applicable.
Identification of installation locations.
Access to lifts and loading areas subject to availability.

Provided by the Supplier

Labour, supervision and transport.
Handling equipment, trolleys and lifting aids.
Tools and equipment required for assembly and installation.
Packaging materials and waste removal.
Personal protective equipment for personnel.
Insurance required under the contract.

5.7 Management meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register	Weekly	MWP/EAL/ERIC	*All stakeholders*
Weekly progress report, reporting on actual work completed.	Every Friday of the week, reporting on the previous week's progress	MWP/EAL/ERIC	*All stakeholders*
Compensation events	When required	MWP/EAL/ERIC	*All stakeholders*
Project Progress meetings	Weekly	MWP/EAL/ERIC	*All stakeholders*
Overall contract progress	Weekly	MWP/EAL/ERIC	*All stakeholders*
Look ahead schedule	Bi - Weekly	MWP/EAL/ERIC	*All stakeholders*

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

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

5.8 Documentation control

All Contractual Documents must have relevant Contract Number and Purchase Order Number as reference per the Eskom Holdings SOC Limited Standards. All correspondence shall be dated and sequence numbered and distributed in accordance with a procedure as agreed and accepted by the service manager. The use of SMS, WhatsApp, and Ms Teams do not override the use of applicable and relevant NEC standards templates, forms, and Eskom Holding SOC Limited procedures. All invoices and service delivery notes must be in PDF format.

5.9 Health and safety risk management

The supplier/contractor/tenderer is expected to comply to the following documents when working at/rendering a service to Eskom but not limited to the following:

- Occupational Health and Safety Act 85 of 1993 and its Regulations (OHS Act)
- Disaster Management Act, no 57 of 2002.
- Safety, Health and Environmental requirements contained in the SHE Specification for Contractors.
- Eskom SHEQ Policy, Standards, Procedures, Guidelines, Specifications and Regulations as listed below:
    - Eskom Safety, Health, Environmental and Quality Policy: 32-727
    - Eskom Lifesaving Rules, Directive: 32-421
    - Eskom Procedure on Smoking: 32-36
    - Eskom Incident Management Procedure 32-95 (latest revision)
    - Implementation of Occupational Hygiene management programme, Standard 240-42262670
    - Eskom Life Saving Rules, Directive: 240- 62196227
    - Eskom vehicle and driver safety management 32-93
    - Eskom vehicle specification 32-345
    - Eskom *Contractor* Health and Safety requirements standards 32-136
    - Employees' right of refusal to work in an unsafe situation 240-43848327
    - Eskom Waste Management Standard 32-245
    - Annexure B: Acknowledgement Form for Eskom SHE Rules and other Requirements

Appendix A, The *Contractor* requests all applicable Eskom procedures & requirements. The *Contractor* ensures safety awareness at all times through continuous training. The *Contractor*, at all times is responsible for the supervision of his employees, agents, Subcontractors and takes full responsibility and accountability for ensuring they are competent, compliant and aware of the legal requirements and other requirements and execute the *works* accordingly.

The *Contractor* ensures that all statutory appointments and appointments required by any Eskom Regulations are made in writing and that all appointees fully understand their responsibilities and are trained and competent to execute their duties.

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

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

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

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

The *Contractor* shall comply with the health and safety requirements.

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

The *Supplier* shall comply with the health and safety requirements [stated here or contained in Annexure _____ to this Goods Information].

5.10 Environmental constraints and management

All waste introduced and/or produced on the Employer's premises by the Contractor for this contract is handled in accordance with the minimum requirements for the Handling and Disposal of Hazardous Waste in terms of Government Legislation as proclaimed by the Department of Water Affairs and Forestry and Employer's environmental requirements.

All environmental incidents are reported to the Employer within 24 hours of such occurrence. All environmental incidents occurring on the Project Site (or on any other places, if any, as may be specified under the Contract as forming part of the Site) are recorded, detailing how each incident was dealt with in an Environmental Incident register.

The Contractor shall construct and/or implement all the necessary environmental protection measures in each area before any production work will be allowed to proceed. The Employer may suspend the Works at any time in terms the Conditions of Contract should the Contractor, in the Employer's opinion, fail to implement, operate or maintain any of the environmental protection measures adequately.

The Contractor ensures that all goods, services or works supplied in terms of the Contract comply with all applicable environmental legislations (National Environmental Management Act, 1998 [Act No 107 of 1998]).
The Contractor is responsible for keeping the work area clean of any environmental waste.
The Contractor shall comply with all relevant applicable laws, environmental legislation and regulations, conditions of environmental approvals, environmental management plans, and Employers Policies and Procedures. The Contractor must submit an Environmental Policy demonstrating commitment to protection of the environment. The Environmental Policy shall form part of the SHE file submission. Upon the Employer's approval, the Contractor shall immediately implement the policy and any amendments and keep it in operation for the full duration of the Contract. The policy shall be communicated to all personnel and copies of the policy shall be prominently displayed at all places of work.

The Contractor shall determine and develop the aspects and impacts register related to the scope of work. All aspects of the planning, manufacturing, pre-construction, construction and operational phases shall be considered. During the designing activity, the Contractor must always take into account the product's life cycle perspective in mind.
The Contractor shall comply with the environmental criteria and constraints.

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

The *Supplier* shall comply with the environmental criteria and constraints [stated here or contained in Annexure _____]

5.11Quality

Quality assurance requirements
The Contractor complies to the following documents when working at/rendering a service to Eskom but not limited to the following:

- 240-12248652 - List of Tender Returnable/Quality Requirement Document
- 240-68099512 - FORM A: Tender & Contract Quality Requirements for QM 58 and Quality Requirements for ISO 9001 Standard
- 240-105658000 (QM 58)- Supplier Quality Management: Specification
- 240-109253698- Contract Quality Plan (CQP)
- 240-109253302- Quality Control Plan (QCP)/ Inspection and Test Plan (ITP)

After the acceptance of the construction drawings the contractor submits the associated construction Method Statements and relevant QCP/ITP for acceptance and determination of intervention points prior to construction.
Failure to comply with an accepted Method Statement/QCP or ITP may result the issuing of a NCR, rejection of the works as well as the withholding of payment until the appropriate remedial actions have occurred.

- The Contractor demonstrates, provide, and maintains a Quality Management System that is ISO 9001:2008 certified or compliant thereto. Compliance with the provisions of this clause in no way relieves the Contractor of the final responsibility to furnish an acceptable product and/or services.
- The Contractor agrees to control and professionally preserve and store appropriate documents, records, and recordings for a period of at least 3 years after termination of the agreement to guarantee the traceability of the services rendered and inspection thereof.
- The Contractor agrees to regularly update and implement all the latest technology available as well as the necessary improvements for the installation, production and organisation deemed necessary to meet the requirements of the agreement and in order to enhance all system capabilities and effectiveness to deliver high quality, cost-effective services.
- The delivered product and / or services shall be uniform in Quality and condition, sound and free from defects or external copyright or intellectual property rights, consistent with good industry practices and adhere to requested Eskom requirements, without deviation.
- Eskom shall have the right to conduct surveys and perform surveillance of the Contractor’s and/or Sub-Contractor facilities to evaluate their capability to comply with the requirements necessary to conform to contractual requirements.
- Eskom reserves the right to inspect, at reasonable times, any or all of the work included in the Works Information at the Contractor’s or Sub-Contractor’s premises or elsewhere. Verification by Eskom shall not absolve the Contractor of the responsibility to provide acceptable product and / or services, nor shall it preclude subsequent rejection by Eskom.
- The services must comply with the agreed specifications and the applicable directives and technical standards set out in the contract and annexures. Defects notified by Eskom shall be remedied by the Contractor upon demand by Eskom without undue delay and at no extra cost. The Contractor shall continuously monitor and identify non-conformances, both internal and external, as signals of opportunities for improvement making process and other relevant changes to prevent recurrence.
- The Contractor shall further identify potential problems before they occur by identifying deviations in patterns or trends in product, service or process performance.
- Nothing contained in the contract and/or scope of work and /or Works information shall relieve in any way the Contractor from the obligation of quality control thereof.
- The Contractor guarantees that the quantity, quality and outward appearance of the delivered Product / services comply with the requirements of the contract and/or relevant specifications.
- The Contractor shall, on request, prove its ability to relate to the proposed scope of work which establishes the manner in which the Contractor intends to perform the Contract.
- The Contractor shall, on request, prove its organisational, logistics and support resources to ensure the requirements of the contract can and will be achieved.
- Eskom reserves the right to assess and measure, during the existence of the agreement, the qualifications, capability and competence of the key staff (assigned personnel) in relation to the scope of work and to interview any / all Contractors to confirm the Quality evaluation.

- The professional personnel who will be conducting the service will be available on a continuous basis until the conclusion of the project.
- 1The Contractor shall demonstrate experience in comparable projects or specific aspects of the project and / or performance in similar projects, on request.
- The Quality of the service / product and the contents thereof will always be in accordance with professional standards.
- For the duration of the Contract, the professional staff rendering the service / product, must be and remain a member of his/her Professional Society (where available/applicable)
- The Contractor must, at all relevant times, scrutinise and be aware of Eskom's requirements with specific focus on, inter alia, its philosophy, principles, strategies, practises, mission, vision, models, policies and practises.
- It is the Contractor's obligation to ensure that their operations and the products and services it provides to Eskom comply with any applicable statutes and or regulations. Any non-compliance by the Contractor and the resultant corrective actions shall be the responsibility of the Contractor.
- The Contractor shall ensure that he complies with the Works Information and that appropriate quality requirements (as in the main contract) are included in subcontracts placed by Contractors to ensure subcontractor's compliance with the Works Information.
- The Contractor shall execute the Works in accordance with Eskom's Quality requirements set out in QM 58 document: Supplier Contract Quality Requirements Specification.

5.12 Invoicing and payment

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

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

- Name and address of the *Supplier* and the *Supply Manager;*
- The contract number and title;
- *Supplier*'s VAT registration number;
- The *Purchaser*'s VAT registration number.
- Description of *goods* and *service*s provided for each item invoiced based on the Price Schedule;
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT;
- (add other as required)

5.13 Insurance provided by the Purchaser

The Supplier remains responsible for maintaining all insurances required under the contract, including but not limited to:

Public Liability Insurance.
Goods-in-Transit Insurance.
Workmen's Compensation / COIDA Insurance.
Any other insurance required by law or the Contract Data.

5.14 Contract change management

The management of changes under this contract shall be in accordance with Section 6 of the NEC3 Supply Contract and the following additional requirements:

All proposed changes shall be notified by the Party identifying the change as soon as it becomes aware of the event.
Notifications, quotations, instructions and acceptances relating to compensation events shall be submitted in writing.

The Supplier shall not proceed with any change affecting cost, delivery dates, specifications or scope unless instructed by the Supply Manager in accordance with the conditions of contract.
The Supply Manager may require quotations to be submitted using Eskom-approved Compensation Event Quotation Forms.
Quotations shall clearly indicate:

- Description of the change.
- Reason for the change.
- Impact on Prices.
- Impact on Delivery Dates.
- Impact on programme milestones.
- Impact on risks and warranties.

The Supplier shall maintain a Change Register recording all notified compensation events, quotations, accepted changes and implemented changes.
No verbal instruction, meeting minute, email discussion or informal correspondence shall constitute a contract change unless communicated by the Supply Manager in accordance with the contract.

5.15 Provision of Bonds and Guarantees

Where a bond or guarantee is required by the Contract Data, the Supplier shall submit the required security within the period stated in the Contract Data and in the form included in Part C1.3 (Sureties).
The bond or guarantee shall:

- Be issued by a financial institution acceptable to the Purchaser.
- Remain valid for the period stated in the Contract Data.
- Be submitted to the person nominated by the Supply Manager for acceptance.
- Be maintained in force until the obligations secured by the bond or guarantee have been fulfilled.

Should the bond or guarantee expire before the Supplier's obligations have been completed, the Supplier shall provide a replacement bond or extension at least thirty (30) days before expiry.
The Purchaser may withhold payment until any required bond or guarantee has been received and accepted.
For this contract, if Secondary Option X13 (Performance Bond) is selected, the Supplier shall provide a performance bond in the amount stated in the Contract Data, typically expressed as a percentage of the total Price.
Any costs associated with obtaining, maintaining or extending bonds or guarantees shall be included in the Prices and shall not constitute a compensation event.
Note: If you are using NEC3 SC3 Option X13, I would recommend including: "The performance bond shall be 10% of the total of the Prices excluding VAT." This is the percentage most commonly used by Eskom unless the procurement strategy specifies otherwise.

5.16 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 *Supplier* is given in Part 1 Agreements and Contract Data, document C1.3, Sureties.

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

5.17 Records of Defined Cost, payments & assessments of compensation events to be kept by the Supplier

In accordance with clauses 11.2(4) and 63.2 of the Conditions of Contract, the Supplier shall maintain complete, accurate and auditable records relating to Defined Cost, payments and compensation events.
The Supplier shall retain the following records for the duration of the contract and for a minimum period of five (5) years after Completion:

Purchase orders, supplier quotations and invoices.
Proof of payment to suppliers and subcontractors.
Delivery notes and goods received records.

Timesheets and labour allocation records.
Transport and logistics records.
Installation records and site attendance registers.
Equipment and plant utilisation records where applicable.
Quality inspection reports and defect correction records.
Warranty records.
Compensation event notifications, quotations, assessments and supporting calculations.
Correspondence relating to compensation events, delays and changes to the works.
Programme updates and progress reports.
Any other records reasonably required by the Supply Manager for the assessment of Defined Cost, payment applications or compensation events.

All records shall:

Be maintained in a clear, organised and auditable format.
Be available in electronic format and, where requested, in hard copy.
Clearly identify the contract number, purchase order number and relevant compensation event reference number.
Be supported by sufficient documentary evidence to substantiate any amounts claimed.

The Supply Manager shall have the right to inspect, copy and audit any records relating to the contract upon reasonable notice.
The Supplier shall provide access to such records within five (5) working days of a request by the Supply Manager.
Failure to maintain or produce the required records may result in the Supply Manager rejecting all or part of a claim for payment or compensation event assessment where adequate substantiation cannot be provided.
Given that this is primarily a supply contract for furniture, you may also add the following contract-specific requirement:

The Supplier shall maintain a furniture delivery and installation register indicating the item description, quantity delivered, delivery location, installation date, Eskom representative accepting the goods, serial number (where applicable), and any defects identified during inspection.

6. Procurement

6.1 Subcontracting

6.1.1 Preferred subcontractors

The Contractor notifies the Service manager in the event of using any Sub-contractor and provides the Service manager with a list of all sub-contractors on the project. Subcontractors cannot subcontract work to another subcontractor. The choice of the proposed sub-contractor is subject to the Service manager’s approval before using the services of such subcontractor. The Subcontractor must be familiar with the required work and should submit CV’s of past experience and have the necessary statutory accreditations. The Contractor provides the Service manager with the Health and Safety plans of all the sub-contractors on the project, before commencing the project.

6.1.2 Limitations on subcontracting

The Contractor uses the NEC subcontractor agreements. All subcontractor quotations for which provisional sums or budgets have been allowed, is first approved by the Employer or his representative with documentary proof. This is done well in advance of the planned scheduling of the work.

6.1.3 Spares and consumables

The Supplier shall provide, at the time of delivery, sufficient spare parts and consumables required to support the maintenance and continued operation of the office chairs during the warranty period.
The minimum spares shall include:

Castors/wheels for operator and executive chairs (minimum 2% of supplied quantity).

Gas lift cylinders (minimum 2% of supplied quantity).
Armrest assemblies (minimum 2% of supplied quantity).
Replacement adjustment levers and mechanisms where applicable.
Touch-up materials or replacement upholstery components where applicable.

The Supplier shall provide a recommended spare parts list identifying:

- Part descriptions.
- Manufacturer's part numbers.
- Expected service life.
- Recommended stock holding quantities.
- Lead times for replacement parts.

All spare parts supplied shall be new, compatible with the supplied furniture and covered by the same warranty provisions applicable to the goods.

6.1.4 Other requirements related to procurement

The Supplier shall support Eskom's transformation, supplier development and socio-economic objectives throughout the duration of the contract.
The Supplier shall:

Comply with all applicable legislative and regulatory requirements.
Utilise local suppliers and manufacturers wherever practically possible.
Promote employment opportunities for South African citizens.
Support skills transfer and training of Eskom personnel where required.
Provide periodic reports on local content and transformation commitments where requested by the Supply Manager.
Ensure that all procurement activities are conducted in an ethical, transparent and environmentally responsible manner.

The Supplier shall comply with all commitments made in its tender submission regarding preferential procurement, local content, enterprise and supplier development and transformation objectives.

6.1.5 Cataloguing Requirements by the Supplier

Cataloguing shall be applicable to this contract where required by Eskom's asset management and procurement systems.
The Supplier shall provide cataloguing information for all furniture items supplied under the contract, including:

Manufacturer's name.
Product description.
Model number.
Part number.
Technical specifications.
Material composition.
Warranty information.
Spare parts information.
Country of origin.

Cataloguing information shall be submitted electronically in a format acceptable to Eskom and shall comply with Eskom's cataloguing requirements and Procurement Instruction Number 1 of 2018: Incorporating Cataloguing into the Procurement Environment.
Where cataloguing is not required for a specific order, the Supply Manager shall advise the Supplier accordingly.
For furniture assets requiring registration in Eskom's asset management system, the Supplier shall provide all supporting information necessary to facilitate asset identification, tracking and lifecycle management.

7. List of drawings

7.1 Drawings issued by the *Purchaser*

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

Drawing number	Revision	Title

C3.2 *SUPPLIER*'S GOODS INFORMATION

8. Overview

The Supplier shall provide a turnkey solution for the supply, delivery, installation and placement of office chairs and associated seating solutions at Eskom facilities, including Megawatt Park (MWP), Eskom Academy of Learning (EAL) and Eskom Research and Innovation Centre (ERIC). The Supplier shall provide all labour, equipment, transport, supervision, materials and services necessary to complete the works in accordance with the Purchaser's Goods Information

8.1 Goods to be Supplied

The Supplier shall supply and install the following furniture categories on an as-and-when-required basis:

Operator chairs
Visitor chairs
Boardroom and meeting room chairs
Café chairs
Collaboration seating and couches
Executive chairs
Specialised ergonomic chairs based on approved medical recommendations

All furniture shall comply with the approved specifications, Eskom Corporate Identity requirements and applicable ergonomic standards

8.2 Supplier's Method of Providing the Goods

The Supplier shall:

Procure furniture and materials from approved manufacturers.
Conduct quality inspections prior to dispatch.
Package furniture to prevent damage during transportation.
Transport goods using enclosed, roadworthy vehicles.
Deliver furniture to the designated Eskom facilities.
Offload, assemble and install furniture at locations identified by Eskom representatives.
Remove all packaging material and waste from site.
Conduct post-installation inspections and rectify identified defects.

8.3 Programme

The Supplier shall submit and maintain a programme showing:

Approval of furniture samples.
Procurement activities.
Manufacturing lead times.
Delivery schedules.
Installation schedules.
Inspection and acceptance activities.
Defect correction activities.

The programme shall be updated monthly or as required by the Supply Manager.

8.4 Quality Management

The Supplier shall operate a quality management system to ensure that all furniture supplied:

Complies with the contract specifications.
Is free from defects.

Meets ergonomic requirements.
Meets durability and performance requirements.
Complies with approved material and colour requirements.

The Supplier shall undertake inspections at source and upon installation.

8.5 Delivery and Installation

The Supplier shall:

Coordinate deliveries with the Supply Manager.
Comply with Eskom security and access requirements.
Protect existing furniture, floors, walls, lifts and building finishes.
Ensure installation activities do not unnecessarily disrupt building occupants.
Complete installation within the agreed delivery periods.

8.6 Warranty and Defects Liability

The Supplier shall provide a minimum three (3) year warranty on all chairs and associated furniture supplied under the contract.
The warranty shall cover:

Manufacturing defects.
Structural defects.
Mechanical failures.
Defective upholstery.
Defective castors, gas lifts and adjustment mechanisms.

Defects reported during the warranty period shall be rectified within the response periods agreed with the Supply Manager.

8.7 Health, Safety and Environmental Management

The Supplier shall:

Comply with the Occupational Health and Safety Act and all Eskom site requirements.
Ensure all personnel attend site inductions where required.
Provide appropriate personal protective equipment.
Maintain safe handling and lifting practices.
Dispose of packaging materials and waste responsibly.

8.8 Training and User Support

The Supplier shall provide:

Demonstrations of chair adjustment features.
Ergonomic guidance where required.
User information and operating instructions.
Maintenance recommendations.

Training shall be provided to Eskom representatives upon request.

8.9 Operating Manuals and Documentation

The Supplier shall provide the following documentation:

Product data sheets.
Manufacturer warranties.
Maintenance schedules.

Cleaning instructions.
Spare parts catalogue.
Installation completion reports.
Furniture inventory schedules where required.

Documentation shall be submitted electronically in PDF format and in hard copy where requested.

8.10 Key Personnel

The Supplier shall appoint:

Contract Manager
Site Supervisor
Installation Team Leader
Health and Safety Representative

The Supplier shall provide contact details for all key personnel upon contract award.

8.11 Spare Parts and After-Sales Support

The Supplier shall maintain the availability of spare parts for a minimum period of five (5) years after delivery of the furniture.
The Supplier shall provide support for replacement components including:

Castors
Gas lift cylinders
Armrests
Adjustment mechanisms
Upholstery components

9. Annexure X17: Service Level Table

No.	Service level / performance requirement	Measurement / trigger	Low service damages	Notes / remedy
1	Delivery and installation are completed by the date agreed in the accepted programme, purchase order or instruction for the applicable site/task order.	Each calendar day of delay after the agreed delivery or installation date.	R2 000.00 per day per delayed site/task order.	The Contractor remains liable to complete the delayed service and correct any related defects at no additional cost.
2	Supplied chairs comply with the approved sample, Eskom Corporate Identity requirements, ergonomic requirements and applicable specifications.	Each batch, item or delivery rejected by the Service Manager due to non-compliance.	R2 000.00 per occurrence.	Non-compliant items are replaced or corrected by the Contractor at no additional cost.
3	Chairs are installed, placed and handed over in the approved location and condition.	Each incorrect placement, incomplete installation or failed handover identified by the Service Manager.	R1 000.00 per occurrence.	The Contractor corrects the issue within the period instructed by the Service Manager.
4	Notified defects, snags or warranty issues are corrected within the period instructed by the Service Manager.	Each defect not corrected by the due date stated in the defect notification or instruction.	R1 000.00 per defect per day.	This does not limit the Employer's right to require correction of defects.
5	Contractor submits required delivery notes, quality records, warranty documentation, SHE file updates and close-out documentation when due.	Each late or incomplete submission required for payment, handover or close-out.	R500.00 per missing or late submission per day.	Payment may also be withheld until compliant documentation is submitted.
6	Contractor prevents damage to Employer property during delivery, handling, installation and placement.	Each confirmed incident of damage attributable to the Contractor.	Actual cost of repair/replacement plus R2 000.00 per incident.	The Contractor remains responsible for making good the damage and submitting incident records.