PART 3: SCOPE OF WORK

<table>
<thead>
<tr>
<th>Document reference</th>
<th>Title: Medupi Power Station Scaffolding and Insulation services for Outages</th>
</tr>
</thead>
<tbody>
<tr>
<td>C3.1</td>
<td>Employer's Service Information</td>
</tr>
</tbody>
</table>

Total number of pages
C3.1: EMPLOYER’S SERVICE INFORMATION

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1 Description of the service

1.1 Executive overview

The service is the provision of Scaffolding and insulation services at Medupi Power Station for both maintenance and Outages.

Refer to the Medupi Document unique identifier 240-143676284, ‘Medupi Power Station Outage Scaffolding and Insulation Contract Scope of Work’, (See attached Annexure A).

1.2 Employer’s requirements for the service

Refer to the Medupi Document unique identifier 240-143676284, ‘Medupi Power Station Outage Scaffolding and Insulation Scope of Work’, (See attached Annexure A).

1.2.1 Materials

a) The Contractor shall be responsible for supply, delivery, erection and dismantling of scaffolding, specialised scaffolding for boiler internals, barricading and insulation materials, tools, machinery and consumable used during the execution of work at Medupi Power Station.

b) The Contractor shall be responsible for inspection and calibration of tools and equipment used for scaffolding and insulation activities.

c) The scaffolding material shall be clearly painted when brought to site to be easily identifiable.

d) The Contractor shall be able to perform the spray insulation when required, ensuring that all the equipment and required consumables are available.

e) Specialized insulation may be required on certain areas, the contractor must ensure that they able to source and utilize it. i.e microthermal

f) The Contractor shall be responsible to provide PPE to the employees. Including lanyard, headlamps, safety boots, dust masks, disposable coverall, hand gloves, hard hats, safety googles and etc.

g) The Employer to provide bins for scrap Lagging and dispose of it in accordance with the local bylaws. The Employer also provides bins for metal, general waste and other hazardous waste on site.

h) Insulation material shall comply with 240-56247004: Thermal Insulation Standard.

1.3 Interpretation and terminology

Refer to the Medupi Document unique identifier 240-143676284, Medupi Power Station Outage Scaffolding and Insulation Scope of Work, (See attached Annexure A).

2 Management strategy and start up.

2.1 5-Year Outage Plan

The 5-year outage plan is documented in the table below. Due to rescheduling performed on a continuous basis, the plan might change from time-to-time. The latest updates can be obtained from the Service Manager when required.
<table>
<thead>
<tr>
<th>Outage ID</th>
<th>Station</th>
<th>Unit</th>
<th>Planned/Actual Start Time</th>
<th>Planned/Revised End Time</th>
<th>Outage Description</th>
<th>Planned Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>24208</td>
<td>Medupi</td>
<td>4</td>
<td>2019/09/06 00:00:00</td>
<td>2019/11/05 23:59:00</td>
<td>Guarantee Inspection Outage</td>
<td>61</td>
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<td>24217</td>
<td>Medupi</td>
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<td>2019/11/12 00:00:00</td>
<td>2020/01/20 23:59:00</td>
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<td>70</td>
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<td>24226</td>
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<td>2020/04/07 23:59:00</td>
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<td>70</td>
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<tr>
<td>24201</td>
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<td>5</td>
<td>2020/05/14 00:00:00</td>
<td>2020/07/22 23:59:00</td>
<td>Interim Repair</td>
<td>70</td>
</tr>
<tr>
<td>31759</td>
<td>Medupi</td>
<td>6</td>
<td>2020/05/15 00:00:00</td>
<td>2020/05/29 23:59:00</td>
<td>Boiler Tube Survey</td>
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<tr>
<td>24235</td>
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<td>2021/04/18 23:59:00</td>
<td>Boiler Tube Survey</td>
<td>14</td>
</tr>
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<td>24228</td>
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<td>24194</td>
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<td>2021/11/29 00:00:00</td>
<td>2022/01/10 23:59:00</td>
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<td>43</td>
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<td>42</td>
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<tr>
<td>24229</td>
<td>Medupi</td>
<td>2</td>
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<td>2023/05/03 23:59:00</td>
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<td>14</td>
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<td>42</td>
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<td>2023/09/13 23:59:00</td>
<td>Boiler Tube Surveys</td>
<td>14</td>
</tr>
</tbody>
</table>

2.2  **Flexibility with the start of outages or Outages**

1. The planned/unplanned Outage start-date is stated on the Task Order.
2. Movement of planned/unplanned Outage dates can take place due to the country’s demand for electricity.
3. Any movement of planned/unplanned Outage dates is to be communicated in writing by the **Service Manager** at least 48 Hours before outage or 24 hours before the planned/unplanned Outage starts. Notification of change to the planned/unplanned Outage date to the **Contractor** before 48 Hours to the outage or 24 hours before the planned/unplanned Outage start date will have no claims for compensation.
4 A new Task Order is to be issued, which specifies the revised planned/unplanned Outage start date as soon as the new start date is available.

5 The Contractor will be entitled to claim actual accommodation, travel and staff expenses incurred, if the Contractor received notification of outage movement within 48 hours of the actual start date of the outage as agreed upon in the latest Task Order revision.

2.3 Travelling Time

1 During Outages, the Contractor will be compensated for travelling hours as per the agreed contract rates.

2.4 Site Establishment

1. The Contractor will be allowed to have a small site establishment before the outages. Containers will be charged per day for the duration of the Outage and the transportation as per the agreed rates on the price list. Containers might be placed in an area where there is no water, power or sewer connection. Extra precautions should be taken to prevent the possibility of theft as the container might be put down in an isolated area and security patrols might not be able to prevent break-ins.

2.5 The Contractor's plan for the service

1. The contractor shall mobilise to site two weeks before the Outage to start with the preparation of the Outage.

2. Before any work starts on site the Contractor is responsible to submit their Safety File to the Employer for review and acceptance.

3. Plant walk down shall be conducted to identify all the external scaffolds that can be erected.

4. External scaffolds shall be completed before the unit is shutdown.

5. Scaffolding material shall be taken to areas which will need internal scaffolds before unit shutdown.

6. The Contractor shall arrange for inspections relating to the scaffolding and insulations per the scope of work and have trained personnel to perform these inspections.

7. The contractor shall have a plan of scaffold requests during the execution of the outage.

8. The Contractor shall make available staff to carry out work on a 24 hour, 7 day a week basis, including public holidays, to achieve completion by the agreed dates as directed by the delegated Services Manager.

9. The Contractor shall make available staff to carry out work on a 24 hour, 7 day a week basis, including public holidays, to achieve completion by the agreed dates as directed by the delegated Services Manager.

10. The contractor shall insure that there is a crew for night shift to carry on with outstanding critical activities Daily feedback on progress required for duration of each task order program

11. The Contractor shall ensure that labelling is secured to all insulated equipment and on plant requiring insulation where necessary and that broken labels are replaced immediately.

12. The Contractor draws up a Quality Control Plan prior to commencement of the Insulation work, for approval by the Employer. The Employer and the Contractor agrees on hold and witness points.
2.6 Management meetings

1. Regular meetings of a general nature may be convened and chaired by the Service Manager as follows:

<table>
<thead>
<tr>
<th>Title and purpose</th>
<th>Approximate time &amp; interval</th>
<th>Location</th>
<th>Attendance by:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Contractual meeting</td>
<td>Monthly after the start of the contract</td>
<td>Medupi Power Station, Specific conference room TBA</td>
<td>Contract manager, Site manager, Contract supervisor, outage coordinator</td>
</tr>
<tr>
<td>Outage Kick-off meeting</td>
<td>18 months before the Outage and two week before start-date of an outage</td>
<td>Medupi Power Station, Specific conference room TBA</td>
<td>Site Manager, Outage Co-ordinator</td>
</tr>
<tr>
<td>Overall Outage contract progress and feedback</td>
<td>Daily at 08:30</td>
<td>Medupi Power Station, Specific conference room TBA</td>
<td>Employer, Contractor and Supervisors</td>
</tr>
<tr>
<td>Daily outage meeting</td>
<td>Daily at 09:30 or 10:00</td>
<td>Medupi Power Station, Production boardroom (U4 16m level)</td>
<td>Site Manager, Supervisor, Outage coordinator</td>
</tr>
<tr>
<td>Safety meeting</td>
<td>Weekly on Wednesday at 14h00</td>
<td>Medupi Power Station, Production boardroom (U4 16m level)</td>
<td>Safety Officer</td>
</tr>
<tr>
<td>Assessment meetings</td>
<td>After completion of each task order</td>
<td>Medupi Power Station, Specific conference room TBA</td>
<td>Site Manager, Outage coordinator</td>
</tr>
<tr>
<td>Post mortem meeting</td>
<td>After outage completion</td>
<td>Medupi Power Station, Specific conference room TBA</td>
<td>Site Manager, Supervisor, Outage coordinator</td>
</tr>
</tbody>
</table>

2. Meetings of a specialist nature may be convened at times and locations to suit the Parties.

3. Records of these meetings shall be submitted to the Service Manager by the person convening the meeting within five days of the meeting.

4. All meetings shall be recorded using minutes or a register prepared and circulated by the person who convened the meeting.

5. Such minutes or register shall not be used for 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. Contractor’s management, supervision and

2.7 Contractor’s management, supervision and key people

1. The Contractor shall appoint a trained Site Supervisor who shall manage all contract and technical related issues. Proof of experience and qualifications of the Contractor site Supervisor must be submitted within one week of the contract start date. Change to this key person shall be communicated in writing within one Month of such change to the Service Supervisor.

2. The Contractor site Supervisor to be available after hours telephonically. Where the Contractor site Supervisor is not available due to excessive hours worked, leave or Illness a suitably qualified alternate must be made available.
3. The Contractor site Supervisor must be able to communicate satisfactorily in English and have formal education as per Eskom Job description requirements. If at any time, it is found that the Contractor site Supervisor ability to either supervise the workers, practice good communication skills (verbal or written) or exercise competency is lacking, the Service Supervisor may give instruction for the removal of such person from site.

4. The Contractor shall ensure that all personnel are authorized as Authorised Supervisor/s (AS), in terms of the Eskom Plant Safety Regulations (PSR) within 2 months of the contract start date. This authorisation is obtained by attending a course which includes written evaluations (allow 10 days duration) and undergoing a verbal evaluation (1 to 2 hours) within one month after course results indicate that the candidate has passed. As authorisations are valid for two years only, the Contractor must ensure that their personnel are re-authorised before the authorisation lapses. The necessary training and evaluations will be provided by Medupi free of charge and the Contractor employees must be available to attend, when the course is scheduled.

5. All key people undertaking work shall be appropriately trained, Qualified, Skilled and competent to perform such work and proof thereof must be submitted. Incidence of poor quality work and non-adherence to site regulations and procedures will prompt the Employer to request the immediate and permanent removal of such person from all site activities.

6. Qualification and Qualified Personnel, are to be interpreted according to the minimum requirement as per the Occupational Health and Safety Act firstly and then Eskom’s “job profile” for positions within the Contractor’s organizational structure and be supported by Eskom’s “Recruitment and selection procedure” Unique Identifier: 32-1023.

The Contractor must submit an organogram one month after the Contract Start Date, to the Service Manager, based on the Contractor’s plan and their lines of authority / communication.

2.8 Police clearance

1. All Contractor personnel to undertake Police clearance
2. Certificates to be provided to the Service Manager at least 2 weeks before commencement of work
3. The Service Manager reserves the right to refuse entry to all persons whose criminal records indicate that their presence on site might create an unsafe and insecure environment to Medupi Power Station.
4. The following website can be used to guide the process.

2.9 Documentation control

1. Safety files to be submitted and approved before outage work commence as per client requirements, at least one month in advance for outages.
2. The Contractors Outage safety file will be handed over to the Service Manager after each outage
3. The Contractor's Safety File will be kept up to date and audited on a monthly basis to cater for Outages.
   It is the Contractor's responsibility to arrange the appointments with the Medupi Safety officers.
4. All NEC standard forms should be used eg. Task orders, Early Warnings, Defect certificates and Assessments.
5. The Contractor is responsible to plan the supply of the documentation during the various project stages and to provide the documentation in accordance with the Contractor Document Submission Schedule (CDSS). A document is thus any written or pictorial information describing, defining, specifying or certifying activities, requirements, procedures or results.
6. The Contractor submits all documentation on a formal transmittal form to the Service Manager.
7. All manuals, documents, drawings and engineering documentation shall be presented in British English in both software and hardware.
8. All Communications will be filed and kept on site as it is crucial to have the correct communication structures. These communication documents are to adhere to the NEC 3 Term Service Contract communication requirements.

9. Budget quotation, Schedules with manpower plan and Quality Control Plans for outage work to be submitted one week after SOW submission/SOW clarification

10. Compensation for Occupational Injuries and Diseases (COID) Certificate and letter of good standing must be valid at all times and submitted to the Service Manager at each anniversary of the contract. These documents are to be submitted to the Eskom vendor database by the Contractor, before they expire.

11. Two hard copies of the completed data packs submitted to the Service Manager. An Electronic copy of all reports to be provided on CD/ DVD

2.10 Invoicing and payment

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

The Contractor shall address the tax invoice to:

ESKOM HOLDINGS SOC LIMITED
MEDUPI POWER STATION
PRIVATE BAG X9003
LEPHALALE
0555

and include on each invoice the following information:

Name and address of the Contractor and the Service Manager;
The Contract number and title;
All Electronic invoices must be sent in PDF format only;
Each PDF file should contain on invoice, or one debit note; or one credit note only as Eskom’s SAP system does not support more than one PDF being linked into workflow at a time;
The Contractor’s / Supplier’s / Consultant’s e-mail may contain more than one PDF file (e.g. 2 invoices on 2 separate PDF files in one e-mail);
The Task Order number starting with 45* series.
Contractor’s / Supplier’s / Consultant’s VAT registration number;
The Employer’s VAT registration number 4740101508;
Description of service provided for each item invoiced based on the Price List;
Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT;
E-mail address for invoice submission:
- Local Eskom invoices: invoiceseskomlocal@eskom.co.za
- Foreign Eskom invoices: invoiceseskomforeign@eskom.co.za

NOTES:
It is of the utmost importance and it is expected from the Contractor(s) to send all original invoices directly to the above email addresses and not directly to any user. The Power Station will not be responsible for any invoice(s) delivered to users and not submitted for payment.

If your Invoice is not submitted immediately after you have delivered goods or rendered a service, it might happen that you will only get paid within 90 days after receipt of your Invoice without Eskom paying any interest on late payment.

For Foreign invoices, Contractor will still be required to physically deliver hard copies of original documents to the respective documentation management centres even though the Contractor have e-mailed those invoices (Eskom is still seeking clarity from the South African Reserve Bank regarding e-invoicing for Foreign Invoices or invoices in foreign currency. Current requirements are that these manual invoices should still be submitted. You can send the invoice copy to the email addresses indicated below).

Tax Requirement
A PDF file that was created directly from a system meets the definition of original document and is allowed (including saving documents from excel to PDF, word to PDF etc.)

An Invoice that was printed and then scanned to PDF by the Contractor is not acceptable as this is not an original tax invoice by SARS definition but a copy.

The following wording needs to appear on the invoice: “Your invoice is encrypted in order to comply with SARS requirements that invoices and statements sent electronically are tamperproof.”

If there is Cost Price Adjustment (CPA) on the Contractor’s invoice the Employer recommend that the Contractor issue a separate invoice for CPA so that if there are any issues on the CPA the rest of the invoice can be paid while resolving the CPA issues.

Introduction of electronic invoicing does not guarantee payment but will ensure visibility of all invoices and ensure that no invoices get lost. If the Goods Receipt / Service Entry is not done the invoice will be parked and the system will automatically send an e-mail to the end user / contract manager to do the goods receipt/service entry. This is also tracked by Eskom through the park invoice report.

The Contractor can request a park invoice report from the Finance Shared Services (FSS) contact centre which can then be followed up and corrected. The Contractor are welcome to forward the details of invoices corrected to the FSS contact centre.

Contractor do not require a Goods Receipt (GR) or Service Entry (SE) number to submit your invoices. When the GR / SE number is received the Contractor can then send the GR / SE number to the FSS contact centre.

All queries and follow up on invoice payments should be made by contacting the FSS Contact Centre:
Tel: 011 800 5060
E-mail: fss@eskom.co.za

### 2.11 Contract change management

1. The Service Manager issues a Task order to the Contractor to authorise the execution of work.
2. In the event where it is identified that there is additional work to be done outside the scope of work on the Task Order, the Contractor will give the Service Manager an early warning with a written quotation.
3. If agreed, the Service Manager issues a revised Task Order or additional Task Order.
4. The Contractor starts the work on the starting date of the task order.
5. The Task Order is signed by both the Service Manager and the Contractor before work commences.

Refer to the NEC3 Term Services Contract Core Clause 6, in the event any changes to the contract must be managed.

### 2.12 Low Service Damages

1. The low service damages will be applicable if the performance of the plant, where repair work was inadequately done, causes partial or full load losses. The following process and damages will apply:
   a. The defect(s) will be reported to the Contractor as soon as the Employer becomes aware of the defect(s).
   b. An opportunity will be arranged by the Employer for the repair and the Contractor will be notified at least 24 hours in advance of the opportunity to repair the defect(s).
   c. The Contractor is to be notified immediately of the Unit trip. An opportunity will be arranged by the Employer for the repair and the Contractor will be notified at least 12 hours in advance of the opportunity to repair the defect(s).
   d. If the inspection confirms that, the defect(s) is/are because of poor quality from the Contractor’s work performed during an outage, a 0.5% damage of the total value of task orders raised for that outage per day will apply, until the defect(s) is/are resolved. The damages are capped at a maximum of 10% of the total of the task orders raised for that outage.
e. If the inspection confirms that, the defect(s) is/are because of poor quality from the Contractor’s work performed during an Outages opportunity, a 2% damage of the total value of task orders raised for that opportunity in which the defect occurred, per day will apply, until the defect(s) is/are resolved. The damages are capped at a maximum of 15% of the total of the task orders raised for that opportunity.

2. It is the Contractor’s responsibility to keep a separate Safety file up-to-date (audited on a monthly basis for the duration of the contract) to cater for short notice call-outs for defects and Outages.

3. Refer to the Low Service damages table below

Low Service Damages Table

<table>
<thead>
<tr>
<th>Low Service Damage Description</th>
<th>Value of Low Service Damages</th>
<th>Limit of Low Service Damage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Service delaying the Outage/opportunity Outages Critical Path agreed schedule or Delaying other Contractor(s) from starting/completing their work or delaying the RTS of the unit</td>
<td>2% per total value of the Task orders for the Outage per day</td>
<td>Limited to 15% of the total value of the Task Order(s) for the outage</td>
</tr>
<tr>
<td>2. Service delays not finishing as per agreed upon project plan submitted and approved by the Service Manager</td>
<td>0.5% per total value of the Task Order(s) for the Outage per day</td>
<td>Limited to 10% of the total value of the Task Order(s) for the outage</td>
</tr>
<tr>
<td>3. Failure to submit documents as per agreed upon Contract Document Submittal Schedule in this service agreement</td>
<td>0.5% per total value of the Task Order(s) for the Outage per day</td>
<td>Limited to 10% of the total value of the Task Order(s) for the Outage</td>
</tr>
<tr>
<td>4. Failure to comply to hold and witness points on QCP’s</td>
<td>0.5% per total value of the Task Order(s) for the Outage per day</td>
<td>Limited to 10% of the total value of the Task Order(s) for the Outage</td>
</tr>
<tr>
<td>5. Failure to update Daily Progress Report/program</td>
<td>0.5% per total value of the Task Order(s) for the Outage per day</td>
<td>Limited to 10% of Task Order Value</td>
</tr>
<tr>
<td>6. Failure to respond to an NCR within 3 days</td>
<td>0.5% per total value of the Task Order(s) for the Outage per day</td>
<td>Limited to 10% of the total value of the Task Order(s) for the Outage</td>
</tr>
<tr>
<td>7. Failure to resolve an NCR within 30 days</td>
<td>0.5% per total value of the Task Order(s) for the Outage per day</td>
<td>Limited to 10% of the total value of the Task Order(s) for the Outage</td>
</tr>
<tr>
<td>8. Failure to Handover completed data books per outage within 14 days from outage completion.</td>
<td>0.5% per total value of the Task Order(s) for the outage per day</td>
<td>Limited to 10% of the total value of the Task Order(s) for the outage</td>
</tr>
<tr>
<td>9. Using Personnel which are not Qualified as per this service agreement</td>
<td>0.5% per total value of the Task Order(s) for the Outage per day</td>
<td>Limited to 10% of the total value of the Task Order(s) for the outage</td>
</tr>
<tr>
<td>10. Defect(s) is/are because of poor quality from the Contractor’s work performed as per paragraph 2.9 during outages</td>
<td>0.5% per total value of the Task Order(s) for the Outage per day</td>
<td>Limited to 10% of the total value of the Task Order(s) for the outage</td>
</tr>
<tr>
<td>Low Service Damage Description</td>
<td>Value of Low Service Damages</td>
<td>Limit of Low Service Damage</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-----------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>11. Defect(s) is/are because of poor quality from the Contractor's work performed as per paragraph 2.9 during the Outages opportunity</td>
<td>2% per total value of the Task Order(s) for the Outage per day</td>
<td>Limited to 15% of the total value of the Task Order(s) for the outage</td>
</tr>
<tr>
<td>12. Contractor Weld Repair Rate for a project (Outage/opportunity Outages) of &gt; 3%</td>
<td>1% per total value of the Task Order(s) for the Outage</td>
<td>1% per total value of the Task Order(s) for the Outage</td>
</tr>
<tr>
<td>13. Contractor sustains a First Aid or Medical Incident</td>
<td>0.5% per total value of the Task Order(s) for the Outage per incident</td>
<td>0.5% per total value of the Task Order(s) for the Outage per incident</td>
</tr>
<tr>
<td>14. Contractor sustains a Lost Time Incident</td>
<td>1% per total value of the Task Order(s) for the Outage per incident</td>
<td>1% per total value of the Task Order(s) for the Outage per incident</td>
</tr>
<tr>
<td>15. Contractor not reporting safety incidents within the same shift to the Eskom Coordinator and Contract Service Manager</td>
<td>0.5% per total value of the Task Order(s) for the Outage per incident</td>
<td>0.5% per total value of the Task Order(s) for the Outage per incident</td>
</tr>
<tr>
<td>16. Failure to keep the Safety File up to date and audited on a monthly basis to cater for Outages</td>
<td>R10 000 once-off deductible from the task order and then a further R10 000 per day until the file is audited and approved</td>
<td>R50 000</td>
</tr>
</tbody>
</table>

### 2.13 Records of Defined Cost to be kept by the Contractor

The Contractor is required to keep record and submit proof of all actuals, in order to be verified at the completion of the Payment Certificate and invoice assessment, should the Service Manager requests to do so.

### 2.14 Insurance provided by the Employer

Below is information with regards to the Eskom Insurance Management Service, for in case the Contractor has any questions with regards to insurances:

<table>
<thead>
<tr>
<th>Eskom Insurance Management Services (EIMS) Contact Details:</th>
<th>Contact Number</th>
<th>E-mail address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Wiseman Khoza</td>
<td>+27(0) 11 800 6286</td>
<td><a href="mailto:wiseman.khoza@eskom.co.za">wiseman.khoza@eskom.co.za</a></td>
</tr>
<tr>
<td>Ms Thembi Mabanga</td>
<td>+27(0) 11 800 6509</td>
<td><a href="mailto:thembi.mabanga@eskom.co.za">thembi.mabanga@eskom.co.za</a></td>
</tr>
<tr>
<td>Ms Mamosidi Katane-Mathibela</td>
<td>+27(0) 11 800 6380</td>
<td><a href="mailto:KataneE@eskom.co.za">KataneE@eskom.co.za</a></td>
</tr>
<tr>
<td>Ms Beverley Jemaine-Cain</td>
<td>+27(0) 11 800 3331</td>
<td><a href="mailto:Beverley.jemaine-cain@eskom.co.za">Beverley.jemaine-cain@eskom.co.za</a></td>
</tr>
<tr>
<td>Mr Krishan Chaithoo</td>
<td>+27(0) 11 800 4455</td>
<td><a href="mailto:Krishan.chaithoo@eskom.co.za">Krishan.chaithoo@eskom.co.za</a></td>
</tr>
<tr>
<td>Mr Velaphi Mabaso</td>
<td>+27 (0) 11 800 3836</td>
<td><a href="mailto:velaphi.mabaso@eskom.co.za">velaphi.mabaso@eskom.co.za</a></td>
</tr>
</tbody>
</table>

### 2.15 Training

The Employer will provide the following training as stated in the Medupi Document Identifier:

1. Plant Safety Regulations (PSR)
2. Operating Regulations for High Voltage (ORHVS)
3. Fossil Fuel Firing Regulations (FFFR)

Refer to Medupi Document Identifier: 240-143676284 Medupi Power Station Scaffolding and Insulation Scope of Work for additional training required for this contract.

2.16 Equipment and Materials

Equipment supplied must be in safe working order at all times, irrespective whether the equipment is supplied by the Employer or Contractor. Regular maintenance must be done on all equipment used to execute the service required

a) The Contractor shall be responsible for supply, delivery, erection and dismantling of scaffolding, specialised scaffolding for boiler internals, barricading and insulation materials, tools, machinery and consumable used during the execution of work at Medupi Power Station.

b) The Contractor shall be responsible for inspection and calibration of tools and equipment used for scaffolding and insulation activities

c) The scaffolding material shall be clearly painted when brought to site to be easily identifiable.

b) The Contractor shall be responsible to provide PPE to the employees. Including lanyard, headlamps, safety boots, dust masks, disposable coverall, hand gloves, hard hats, safety googles and etc.

e) The Employer to provide bins for scrap Lagging and dispose of it in accordance with the local bylaws. The Employer also provides bins for metal, general waste and other hazardous waste on site.

f) Insulation material shall comply with 240-56247004: Thermal Insulation Standard.

2.17 Storage and Delivery of Equipment

a) The storage space shall be provided by the Employer on site.

b) The Contractor shall be restricted to the tonnages as specified by the Employer (shall not store excess tonnages greater than that specified by the Employer).

c) The Contractor shall be responsible for transporting and delivery of scaffolding and related equipment.

2.18 Measurement of Scaffolding Volumes

a) To determine the height factor rate of a particular scaffold, the height from the ground level to the top of the handrail shall be measured. However, this rate shall only apply to the actual volume of the scaffold structure (i.e. as calculated measuring height from base plate to handrail).

b) Independent scaffolds surrounding vessels shall be measured on the outside face of the scaffold to determine the length.

c) All scaffolds are to be erected with a Medium Safe Load of 160 kilograms per metres squared or as per Employer’s request.

d) The scaffolding of 150 tons shall be available onsite for maintenance and must be depleted before additional scaffolding can be supplied.

2.19 Hire Period

The scaffolding material shall be charged per tonnage per day that the material is at the premises of Medupi Power Station.

2.20 Things provided at the end of the service period for the Employer’s use

2.20.1 Information and other things

In the event that information and other things are required, it will be discussed by the two Parties, and provision of Information and other things will be mutually agreed upon.

3 Health and safety, the environment and quality assurance

3.1 Health and safety risk management
In addition to the requirements of the laws governing health and safety, Eskom have some additional requirements particular to the service and the Affected Property for this contract.

Particular consideration must be given to the following Eskom Life Saving Rules:

1. Isolate, test before touch
2. Hook up on height
3. Buckle up
4. Be sober
5. Permit to work

The Contractor shall comply with the health and safety requirements contained in Annexure(s) B to this Service Information

3.2 Environmental constraints and management

The Contractor shall comply with the environmental criteria and constraints stated in Annexure(s) C to this Service Information.

3.3 Quality assurance requirements

The Contractor shall

- Be accredited as ISO compliant for both quality and environmental management and shall maintain this accreditation throughout the service period. The Contractor shall report immediately any change in this status to the Service Manager, such report containing details of steps to be taken and by when they will be taken to restore the accreditation status.
- Provide the service in accordance with the latest revision of the Employer's document, “QM 58 Quality Requirements for the Procurement of Assets Goods and Services”.
- Implement a skills quality management system designed to ensure the provision of adequately skilled, experienced and qualified persons, whether employed on a permanent or temporary basis, to carry out work in this contract.

The skills quality management system shall be designed to provide at any time at least the following particulars:

- Detailed skills, experience and qualification documentation for each staff member employed or to be employed for work in this contract.
- Details about on-going training attended and accreditation procedures complied with for existing as well as new employees.
- Listings of specialist staff by category of skill, for example turbine artisans with specific skills, experience and qualification requirements.

The Contractor allows the Service Manager to inspect at any time within working hours the details and records within the skills quality management system.

4 Procurement

4.1 People

4.1.1 BBEE and preferencing scheme

B-BBEE- The Contractor will be required to submit a valid B-BBEE status level of contribution certificate from a SANAS accredited verification agency.

4.1.2 Accelerated Shared Growth Initiative – South Africa (ASGI-SA)
The Contractor complies with and fulfils the Contractor’s obligations in respect of the Accelerated and Shared Growth Initiative - South Africa in accordance with and as provided for in the Contractor’s ASGI-SA Compliance Schedule stated below:

The Contractor complies with and fulfils the Contractor’s obligations in respect of the Accelerated and Shared Growth Initiative - South Africa in accordance with and as provided for in the Contractor’s ASGI-SA Compliance Schedule stated below:

Skills development will no longer be a criterion that is weighted however tenderers are encouraged to propose Skills Development initiatives in terms of the Skills required for this project as indicated below. This will form part of the contractual obligation with the successful contractor after negotiations.

Eskom is seeking to ensure that the local communities’ benefits from its procurement spend, through wealth generation and capacity development, and that this benefit is spread as widely as possible throughout the community.

The contractor will be required to train Eskom employees; however SD & L will also negotiate external skills development. The contractor will be given an opportunity to give skills development proposal

<table>
<thead>
<tr>
<th>Skill Type</th>
<th>Eskom Target</th>
<th>Entry Level</th>
<th>Output</th>
<th>Tenderers proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scaffold Erectors</td>
<td>3</td>
<td>N3 /Grade or Equivalent</td>
<td>Certificate</td>
<td></td>
</tr>
<tr>
<td>Sheet metal</td>
<td>3</td>
<td>N3 /Grade or Equivalent</td>
<td>Certificate</td>
<td></td>
</tr>
<tr>
<td>Insulator</td>
<td>3</td>
<td>N3 /Grade or Equivalent</td>
<td>Certificate</td>
<td></td>
</tr>
<tr>
<td>Scaffold Supervisor</td>
<td>1</td>
<td>N3 /Grade or Equivalent</td>
<td>Certificate</td>
<td></td>
</tr>
</tbody>
</table>

The Contractor shall keep accurate records and provide the Service Manager with reports on the Contractor’s actual delivery against the above stated ASGI-SA criteria. [Elaborate on access to and format of records and frequency of submission etc.

The Contractor's failure to comply with his ASGI-SA obligations constitutes substantial failure on the part of the Contractor to comply with his obligations under this contract.

4.14. Local Content

<table>
<thead>
<tr>
<th>Local</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abroad</td>
<td>%</td>
</tr>
</tbody>
</table>

4.2 Subcontracting

4.2.1 Preferred subcontractors

The Contractor is limited to sub contract a minimum of 20%. It is the Contractor’s duty to ascertain that the sub-Contractor is a suitably qualified and competent in the service being provided.

Any sub-Contractor appointed, must be agreed to by the Parties, prior to the sub-Contractor delivering a service to the Contractor.

NOTE: Subcontracting of 30% to designated groups from the townships and/or rural areas

4.2.2 Subcontract documentation, and assessment of subcontract tenders

Where the Employer deems it necessary to review subcontract documentation and assessment of subcontract tenders, the Employer will request such information from the Contractor, which will be provided in a timeous manner.
4.2.3 Limitations on subcontracting

The Employer may require that the Contractor must subcontract certain specialised work, or that the Contractor shall not subcontract more than a specified proportion of the whole of the contract. Refer to paragraph 4.2.1

4.2.4 Attendance on subcontractors

The same attendance procedure will be applicable to any sub-Contractors, as it is acceptable to the Contractor and Employer.

4.3 Plant and Materials

4.3.1 Specifications

Refer to the Medupi Document unique identifier 240-143676284, ‘Medupi Power Station Outage Scaffolding and Insulation Contract Scope of Work’, (See attached Annexure A).

4.3.2 Correction of defects

Refer to the Medupi Document unique identifier 240-143676284, ‘Medupi Power Station Outage Scaffolding and Insulation Contract Scope of Work’, (See attached Annexure A).

4.3.3 Contractor’s procurement of Plant and Materials

Refer to the Medupi Document unique identifier 240-143676284, ‘Medupi Power Station Outage Scaffolding and Insulation Contract Scope of Work’, (See attached Annexure A).

4.3.4 Tests and inspections before delivery

Core Clause 41.1 makes reference to the Service Information stating which Plant and Materials are to be inspected and tested before delivery. Specify any requirements particularly if such tests and inspections are to be carried out by agents of the Employer overseas.

4.3.5 Plant & Materials provided “free issue” by the Employer

Refer to the Medupi Document unique identifier 240-143676284, ‘Medupi Power Station Outage Scaffolding and Insulation Contract Scope of Work’, (See attached Annexure A).

5 Working on the Affected Property

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

- The Medupi Project Access Control Process will be strictly followed.
- Medupi Power Station is declared a National Key Point (NKP), and all regulations, Laws and procedures relating to NKP, strict adherence will be implemented.
- Each of the Contractor’s employees, will be required to undergo compulsory safety induction, medical screening and all other necessary assessments before access will be granted.
- After successful completion of safety induction, each member of the Contractor team will be issued with a personal Identification Access Card. Lost or damaged cards will be for the cost of the contractor. Hard hat, safety boots, reflector vest and safety glasses are mandatory safety equipment at Medupi Power Station.
- On a daily routine all personnel will access and leave the site via the security controlled access point, where all are subjected to security screening procedures which includes 100% alcohol testing.
- The Contractor must comply with the speed limit on site.
- The Contractor must be mindful that Medupi Power Station is still under construction and that caution must be exercised at all times when working or driving on the Affected Property. Hence there will be movement of Plant, Materials, Equipment and People, that can impact on the Contractor’s daily outputs. Site instruction will be issued from time to time, to which the Contractor must adhere to.
- The Contractor must note that areas that are PPE free zones are demarcated and indicated, but PPE must always be worn when required to do so.
- The contractor is responsible to supply all his staff with this safety gear prior to the start of the work. Personal protective equipment must comply with SABS standards.

5.2 People restrictions, hours of work, conduct and records

Restrictions and hours of work may apply on some sites. It is very important that the Contractor keeps records of his people working on the Affected Property, including those of his Subcontractors. State that the Service Manager shall have access to them at any time. These records may be needed when assessing compensation events.

People Restrictions

- People are restricted to the Affected Property only.

Hours of Work

- Normal working hours will be determined by the Parties
- A standby roster will be determined by the Parties
- The Contractor will align his Operating Shifts to that of the Employer’s Five Shift Cycle

Conduct

- The Contractor and his employees are required to maintain professional and ethical conduct at all times, that up holds the Eskom Values to the highest standard.
- Should the Contractor's employees be found to contravene the Eskom Values, Life Saving Rules and/or any of the aforementioned regulations, the Contractor must institute disciplinary action, which may include removal from site, until the disciplinary process is concluded.

Records

The Contractor is expected to keep appropriate and sufficient records (including but not limited to) of his employees, including sub-Contractors:
- Attendance registers,
- Employee performance,
- Contractor’s Performance,
- Production,
- Safety and environmental statistics; and
- Any other required records as communicated by the Employer.

5.3 Health and safety facilities on the Affected Property

- The Contractor must familiarise his employees, including his sub-Contractors, with the location of the Medical - and Emergency Services Facilities on the Affected Property.
- The Service Manager will inform the Contractor of the emergency preparedness (EP) procedure, and the Contractor must ensure that the EP procedure is shared with his employees and sub-Contractors.
- All other requirements and/or facilities will be communicated by the Employer to the Contractor.
5.4 Environmental controls, fauna & flora

The Contractor shall comply with the environmental criteria and constraints stated in the Medupi Document 237-555-ENV-SP, ‘Medupi Power Station Environmental Management Requirements for Suppliers and Contractors’, as well as, all applicable policies relating to the conservation of the Medupi fauna and flora.

5.5 Cooperating with and obtaining acceptance of others

- Medupi Power Station is a construction site and therefore the Affected Property is shared and accessible by others i.e. OEM’s, Medupi Project employees etc.
- Should the Contractor request any interfaces with Others it will be co-ordinated by the Employer, should the need arise

5.6 Records of Contractor’s Equipment

- The Contractor shall keep a proper detailed list of all Equipment brought to site.
- A copy of the list will be submitted to the Employer.
- Revised and updated lists must be provided.

5.7 Equipment provided by the Employer

Refer to the Medupi Document unique identifier 240-143676284, ‘Medupi Power Station Outage Scaffolding and Insulation Contract Scope of Work’, (See attached Annexure A).

5.8 Site services and facilities

5.8.1 Provided by the Employer

Refer to the Medupi Document unique identifier 240-143676284, ‘Medupi Power Station Outage Scaffolding and Insulation Contract Scope of Work’, (See attached Annexure A).

5.8.2 Provided by the Contractor

Refer to the Medupi Document unique identifier 240-143676284, ‘Medupi Power Station Outage Scaffolding and Insulation Contract Scope of Work’, (See attached Annexure A).

5.9 Control of noise, dust, water and waste

- The Contractor will be required to use the appropriate PPE at all times to mitigate and minimise exposure to noise and dust.
- The Contractor must treat the water as a scarce resource and recycle where possible.
- The Employer advocates the appropriate disposal of waste to enhance recycling.

5.10 Hook ups to existing works

Hooking up on heights is a non-negotiable lifesaving rule of Eskom. Medupi Power Station applies Zero Tolerance to non-compliance of this rule or any other lifesaving rule. The same disciplinary process and procedure will be followed when any of the lifesaving rules have been breached.

6 List of drawings

6.1 Drawings issued by the Employer

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

<table>
<thead>
<tr>
<th>Drawing number</th>
<th>Revision</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>--------------------------</td>
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