

Supplier Declaration Form

The Financial Director or Company Secretary

Transnet Vendor Management has received a request to load your company as a Transnet vendor. We would like to take this opportunity to welcome you as a potential vendor and request that you assist with the following to enable us to process this request:

1. Complete the "Supplier Declaration Form" (SDF) on page 2 of this letter
2. Original of cancelled cheque **OR** letter from the bank verifying banking details (**with bank stamp**)
3. Certified copy of Identity document of Shareholders/Directors/Members (where applicable)
4. Certified copy of certificate of incorporation, CM29/CM9 (name change)
5. Certified copy of share Certificates of Shareholders, CK1/CK2 (if CC)
6. A letter with the company's letterhead confirming physical and postal address
7. Original or certified copy of SARS Tax Clearance certificate and Vat registration certificate
8. A signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership in the company **AND/OR** BBBEE certificate and detailed scorecard from a SANAS Accredited Verification Agency.

NB: **▪ Failure to submit the above documentation will delay the vendor creation process.**
▪ Where applicable, the respective Transnet business unit processing your application may request further information from you. E.g. proof of an existence of a Service/Business contract between your business and the respective Transnet business unit etc.

IMPORTANT NOTES:

- a) **If your annual turnover is less than R5 million**, then in terms of the DTI codes, you are classified as an Exempted Micro Enterprise (EME). If your company is classified as an EME, please include in your submission, a signed letter from your Auditor / Accountant confirming your company's most recent annual turnover is less than R5 million and percentage of black ownership in the company **AND/OR** BBBEE certificate and detailed scorecard from a SANAS Accredited Verification Agency.
- b) **If your annual turnover exceeds R5 million**, and you claim a specific BEE level, please include your BEE certificate in your submission as confirmation of your status.
- c) **To avoid PAYE tax being automatically deducted from any invoices received from you**, you must also contact the Transnet person who lodged this request on your behalf, so as to be correctly classified in terms of Tax legislation.

Unfortunately, **No payments can be made to a vendor** until the vendor has been registered, and no vendor can be registered until the vendor application form, together with its supporting documentation, has been received and processed.

Regards,

Transnet Procurement Management

SUPPLIER DECLARATION FORM

| | | | | | | | |
|---|----|-------------------------|---------------|-------------------------------|---------------|-----------------|--|
| Company Trading Name | | | | | | | |
| Company Registered Name | | | | | | | |
| Company Registration Number Or ID Number If A Sole Proprietor | | | | | | | |
| Form of entity | CC | Trust | Pty Ltd | Limited | Partnership | Sole Proprietor | |
| VAT number (if registered) | | | | | | | |
| Company Telephone Number | | | | | | | |
| Company Fax Number | | | | | | | |
| Company E-Mail Address | | | | | | | |
| Company Website Address | | | | | | | |
| Postal Address | | | | | | | |
| Physical Address | | | | | | | |
| Contact Person | | | | | | | |
| Designation | | | | | | | |
| Telephone | | | | | | | |
| Email | | | | | | | |
| Annual Turnover Range (Last Financial Year) | | < R5 Million | R5-35 million | | > R35 million | | |
| Does Your Company Provide | | Products | Services | | Both | | |
| Area Of Delivery | | National | Provincial | | Local | | |
| Is Your Company A Public Or Private Entity | | Public | | Private | | | |
| Does Your Company Have A Tax Directive Or IRP30 Certificate | | Yes | | No | | | |
| Main Product Or Service Supplied (E.G.: Stationery/Consulting) | | | | | | | |
| BEE Ownership Details | | | | | | | |
| % Black Ownership | | % Black women ownership | | % Disabled person/s ownership | | | |
| Does your company have a BEE certificate | | Yes | | No | | | |
| What is your broad based BEE status (Level 1 to 8 / Unknown) | | | | | | | |
| How many personnel does the firm employ | | Permanent | | Part time | | | |
| Name of person procuring your services/products | | | | | | | |
| Contact number | | | | | | | |
| Transnet operating division | | | | | | | |
| Duly Authorised To Sign For And On Behalf Of Firm / Organisation | | | | | | | |
| Name | | | | Designation | | | |
| Signature | | | | Date | | | |
| Stamp And Signature Of Commissioner Of Oath | | | | | | | |
| Name | | | | Date | | | |
| Signature | | | | Telephone No. | | | |

NB: Please return the completed form, with all the supporting documentation to the person procuring your services/material/goods

T2.2-36 : RFP DECLARATION FORM

NAME OF COMPANY: _____

We _____ do hereby certify that:

1. Transnet has supplied and we have received appropriate responses to any/all questions (as applicable) which were submitted by ourselves for bid clarification purposes;
2. we have received all information we deemed necessary for the completion of this Request for Proposal (RFP);
3. at no stage have we received additional information relating to the subject matter of this RFP from Transnet sources, other than information formally received from the designated Transnet contact(s) as nominated in the RFP documents;
4. we are satisfied, insofar as our company is concerned, that the processes and procedures adopted by Transnet in issuing this RFP and the requirements requested from bidders in responding to this RFP have been conducted in a fair and transparent manner; and
5. furthermore, we acknowledge that a direct relationship exists between a family member and/or an owner / member / director / partner / shareholder (unlisted companies) of our company and an employee or board member of the Transnet Group as indicated below: *[Respondent to indicate if this section is not applicable]*

FULL NAME OF OWNER/MEMBER/DIRECTOR/
PARTNER/SHAREHOLDER:

ADDRESS:

Indicate nature of relationship with Transnet:

[Failure to furnish complete and accurate information in this regard may lead to the disqualification of your response and may preclude a Respondent from doing future business with Transnet]

We declare, to the extent that we are aware or become aware of any relationship between ourselves and Transnet (other than any existing and appropriate business relationship with Transnet) which could unfairly advantage our company in the forthcoming adjudication process, we shall notify Transnet immediately in writing of such circumstances.

6. We accept that any dispute pertaining to this bid will be resolved through the Ombudsman process and will be subject to the Terms of Reference of the Ombudsman. The Ombudsman process must first be exhausted before judicial review of a decision is sought. (Refer "Important Notice to Respondents" overleaf).
7. We further accept that Transnet reserves the right to reverse a tender award or decision based on the recommendations of the Ombudsman without having to follow a formal court process to have such award or decision set aside.

SIGNED at _____ on this _____ day of _____ 20____

| | |
|--|-------------|
| For and on behalf of duly authorised thereto | AS WITNESS: |
| Name: | Name: |
| Position: | Position: |
| Signature: | Signature: |
| Date: | |
| Place: | |

T2.2-37: Method Statement

Note to tenderers:

Method statement

In addition to general methodology for the project please provide specific information for the following points

- the high level project schedule,
- technical approach and construction sequence,
- Understanding of the project objective and cash flow,
- Safety, health and environmental consideration

Signed

Date

Name

Position

Tenderer

T2.2-38 : DECLARATION OF UNDERSTANDING

| | | | |
|----------------------|--|---------------------|-----------------|
| PROJECT NAME: | THE INSTALLATION OF MT831 THREE PHASE MULTI-FUNCTION 4 QUADRANT METERS, THE COMMUNICATION MODULES AND SUPPLY AND INSTALL REQUIRED CABLING AT TFR SUBSTATIONS ALONG SISHEN-SALDANA IRON ORE EXPORT LINE | DOCUMENT NO: | 001 |
| PROJECT NO: | 2414336 | DATE: | |
| CONTRACTOR: | | CONTRACT NO: | CPT 2414336.001 |

I,

(Name)

(Designation)

(Representing)

Declare that I have read and understood the contents of the Standard Environmental Specification (ENV-STD-002), the Construction Environmental Management Plan (ENV-STD-001) and the Occupational Health & Safety Act and Regulations.

I also declare that I understand my responsibilities in terms of enforcing and implementing the Environmental Specifications for the aforementioned Contract.

| | | |
|------------|-----------|------|
| Signed | Signature | Date |
| Place | | |
| Witness 1: | Signature | Date |
| Witness 2: | | |

T2.2-46 : Technical Back-up and Support

Note to tenderers:
The Tenderer must give a signed undertaking, clearly stating what technical support would be available from him after Completion, irrespective of whether a maintenance contract is entered into with the Tenderer or not.

Undertaking given in regards to after-sales technical back-up and support:

“PREVIEW COPY ONLY”

Signed _____ Date _____
Name _____ Position _____
Tenderer _____

T2.2-50: B-BBEE PREFERENCE POINTS CLAIM FORM (SDB 6.1)

This preference form contains general information and serves as a claim for preference points for Broad-Based Black Economic Empowerment [**B-BBEE**] Status Level of Contribution.

1. INTRODUCTION

- 1.1 A total of 20 preference points shall be awarded for B-BBEE Status Level of Contribution.
- 1.2 Failure on the part of a Bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System [**SANAS**] or a Registered Auditor approved by the Independent Regulatory Board of Auditors [**IRBA**] or an Accounting Officer as contemplated in the Close Corporation Act [**CCA**] together with the bid will be interpreted to mean that preference points for B-BBEE Status Level of Contribution are not claimed.
- 1.3 Transnet reserves the right to require of a Bidder, either before a Bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by Transnet.

2. GENERAL DEFINITIONS

- 2.1 **"all applicable taxes"** include value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3 **"B-BBEE status of contributor"** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 **"Bid"** means a written offer in a prescribed or stipulated form in response to an invitation by Transnet for the provision of goods, works or services;
- 2.5 **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 [Act No. 53 of 2003];
- 2.6 **"comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration;
- 2.7 **"consortium or joint venture"** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract;
- 2.8 **"contract"** means the agreement that results from the acceptance of a bid by Transnet;

- 2.9 **"EME"** means any enterprise with an annual total revenue of R5 [five] million or less;
- 2.10 **"firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs and excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 **"functionality"** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 **"non-firm prices"** means all prices other than "firm" prices;
- 2.13 **"person"** includes reference to a juristic person;
- 2.14 **"rand value"** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 **"subcontract"** means the primary contractor's assigning or leasing or making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 **"total revenue"** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Empowerment Act and promulgated in the Government Gazette on 9 February 2007;
- 2.17 **"trust"** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 **"trustee"** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The Bidder obtaining the highest number of total points for the evaluation criteria as enumerated in Section 2 of the RFP will be awarded the contract, unless objective criteria justifies the award to another bidder.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts.
- 3.3 Points scored will be rounded off to 2 [two] decimal places.
- 3.4 In the event of equal points scored, the Bid will be awarded to the Bidder scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more Bids have scored equal points including equal preference points for B-BBEE, the successful Bid will be the one scoring the highest score for functionality.
- 3.6 Should two or more Bids be equal in all respect, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

- 4.1 In terms of Regulation 5(2) and 6(2) of the Preferential Procurement Regulations, 2011, preference points shall be awarded to a Bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

| B-BBEE Status Level of Contributor | Number of Points [Maximum 20] |
|------------------------------------|----------------------------------|
| 1 | 20 |
| 2 | 18 |
| 3 | 16 |
| 4 | 12 |
| 5 | 8 |
| 6 | 6 |
| 7 | 4 |
| 8 | 2 |
| Non-compliant contributor | 0 |

Note: Refer to Section 1 of the RFP document for further information in terms of B-BBEE ratings.

- 4.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EME's with B-BBEE Status Level Certificates.
- 4.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 4.4 A trust, consortium or joint venture will qualify for points for its B-BBEE status level as a legal entity, provided that the entity submits its B-BBEE status level certificate.
- 4.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 4.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialised scorecard contained in the B-BBEE Codes of Good Practice.
- 4.7 A person will not be awarded points for B-BBEE status level if it is indicated in the Bid documents that such a Bidder intends subcontracting more than 25% [twenty-five per cent] of the value of the contract to any other enterprise that does not qualify for at least the same number of points that such a Bidder qualifies for, unless the intended subcontractor is an EME that has the capability and ability to execute the subcontract.
- 4.8 A person awarded a contract may not subcontract more than 25% [twenty-five per cent] of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status

level than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

5. B-BBEE STATUS AND SUBCONTRACTING

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

B-BBEE Status Level of Contributor _____ = _____ [maximum of 20 points]

Note: Points claimed in respect of this paragraph 5.1 must be in accordance with the table reflected in paragraph 4.1 above and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the Close Corporation Act.

5.2 Subcontracting:

Will any portion of the contract be subcontracted? YES/NO [delete which is not applicable]

If YES, indicate:

- (i) What percentage of the contract will be subcontracted?%
- (ii) The name of the subcontractor
- (iii) The B-BBEE status level of the subcontractor
- (iv) Is the subcontractor an EME? YES/NO

5.3 Declaration with regard to Company/Firm

- (i) Name of Company/Firm.....
- (ii) VAT registration number.....
- (iii) Company registration number.....
- (iv) Type of Company / Firm
 - ☐ Partnership/Joint Venture/Consortium
 - ☐ One person business/sole propriety
 - ☐ Close Corporations
 - ☐ Company (Pty) Ltd[TICK APPLICABLE BOX]

(v) Describe Principal Business Activities

.....

.....

.....

.....

(vi) Company Classification

☐ Manufacturer

☐ Supplier

☐ Professional Service Provider

☐ Other Service Providers, e.g Transporter, etc

[TICK APPLICABLE BOX]

(vii) Total number of years the company/firm has been in business.....

“PREVIEW COPY ONLY”

BID DECLARATION

I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the company/firm, certify that points claimed, based on the B-BBEE status level of contribution indicated in paragraph 4 above, qualifies the company/firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct.
- (ii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 6 above, the contractor may be required to furnish documentary proof to the satisfaction of Transnet that the claims are correct.
- (iii) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, Transnet may, in addition to any other remedy it may have:
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) restrict the Bidder or contractor, its shareholders and directors, and/or associated entities, or only the shareholders and directors who acted in a fraudulent manner, from obtaining business from Transnet for a period not exceeding 10 years, after the *audi alteram partem* [hear the other side] rule has been applied; and/or
 - (e) forward the matter for criminal prosecution.

WITNESSES:

1.

2.

SIGNATURE OF BIDDER

DATE:

COMPANY NAME:

ADDRESS:

C1.1 Form of Offer & Acceptance

Offer

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

THE INSTALLATION OF MT831 THREE PHASE MULTI-FUNCTION 4 QUADRANT METERS, THE COMMUNICATION MODULES AND SUPPLY AND INSTALL REQUIRED CABLING AT TFR SUBSTATIONS ALONG SISHEN-SALDANA IRON ORE EXPORT LINE

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

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

| | |
|---|---|
| The offered total of the Prices exclusive of VAT is | R |
| Value Added Tax @ 14% is | R |
| The offered total of the Prices inclusive of VAT is | R |
| (in words) | |

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

Signature(s)

Name(s)

Capacity

**For the
tenderer:**

Name &
signature of
witness

Date

Tenderer's CIDB registration number:

Acceptance

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

The terms of the contract, are contained in:

| | |
|---------|--|
| Part C1 | Agreements and Contract Data, (which includes this Form of Offer and Acceptance) |
| Part C2 | Pricing Data |
| Part C3 | Scope of Work: Works Information |
| Part C4 | Site Information |

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

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

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

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

Unless the tenderer (now Contractor) within five working days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the Parties.

Signature(s)

Name(s)

Capacity

**for the
Employer**

Transnet SOC Ltd
Bellville Square, off Modderdam
Behind Transnet Park, Bellville South

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

Note:

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

| No. | Subject | Details |
|-----|---------|---------|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |
| 7 | | |

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

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

For the tenderer:

For the Employer

Signature

Name

Capacity

On behalf
of

(Insert name and address of organisation)

Transnet SOC Ltd
Bellville Square, off Modderdam
Behind Transnet Park, Bellville South

Name &
signature
of witness

Date

C1.2 Contract Data

Part one - Data provided by the *Employer*

| Clause | Statement | Data |
|--------|--|---|
| 1 | General | |
| | The <i>conditions of contract</i> are the core clauses and the clauses for main Option | |
| | dispute resolution Option | B: Priced contract with bill of quantities |
| | and secondary Options | W1: Dispute resolution procedure |
| | | X7: Delay damages |
| | | X16: Retention |
| | of the NEC3 Engineering and Construction Contract June 2005 (with amendments June 2006) ¹ | |
| 10.1 | The <i>Employer</i> is: | Transnet SOC Ltd (Registration No. 1990/000900/30) |
| | Address | Registered address: Carlton Centre 150 Commissioner Street Johannesburg 2001 |
| | Having elected its Contractual Address for the purposes of this contract as: | Transnet Freight Rail RME Bellville Square Off Modderdam Road, Behind Transnet Park Bellville South 7533 |
| | | Postal Address: |
| | | P O Box 338 Kasselsvlei South Africa 7535 |
| | Tel No. | (021) 940 1800 |
| | Fax No. | (021) 940 1940 |

¹ Available from Engineering Contract Strategies Tel 011 803 3008, Fax 011 803 3009

| | | |
|----------|--|---|
| 10.1 | The <i>Project Manager</i> is: (Name) | Mitty Chelen |
| | Address | No. 237 Mahatma Ghandhi Road, Queens Warehouse, Durban, 4001 |
| | Tel | (031) 361 4117 |
| | Fax | 086 646 4092 |
| | e-mail | mittychelen@transnet.net |
| 10.1 | The <i>Supervisor</i> is: (Name) | Sithembiso Khanyile |
| | Address | No. 237 Mahatma Ghandhi Road, Queens Warehouse, Durban, 4001 |
| | Tel No. | (031) 361 1165 |
| | Fax No. | 086 646 4092 |
| | e-mail | Sithembiso.khanyile@transnet.net |
| 11.2(13) | The <i>works</i> are | The installation of MT831 Three Phase Multi-function 4 quadrant meters, the communication modules and supply and install required cabling |
| 11.2(14) | The following matters will be included in the Risk Register | |
| 11.2(15) | The <i>boundaries of the site</i> are | TFR Substations along Sishen-Saldanha Iron Ore Export Line |
| 11.2(16) | The Site Information is in | Part C4 |
| 11.2(19) | The Works Information is in | Part C3 |
| 12.2 | The <i>law of the contract</i> is the law of | the Republic of South Africa subject to the jurisdiction of the Courts of South Africa. |
| 13.1 | The <i>language of this contract</i> is | English |
| 13.3 | The <i>period for reply</i> is | 1 (one) week |
| 2 | The Contractor's main responsibilities | No additional data is required for this section of the <i>conditions of contract</i> . |
| 3 | Time | |
| 11.2(3) | The <i>completion date</i> for the whole of the <i>works</i> is | 5 (five) months from award |
| 31.2 | The <i>starting date</i> is. | Contract Date |
| 32.2 | The <i>Contractor</i> submits revised programmes at intervals no longer than | 2 (two) weeks. |

35.1 The *Employer* is not willing to take over the works before the Completion Date.

4 Testing and Defects

42.2 The *defects date* is 52 (fifty two) weeks after Completion of the whole of the *works*.

43.2 The *defect correction period* is 2 (two) weeks

5 Payment

50.1 The *assessment interval* is monthly on the 25th (twenty fifth) day of each successive month.

51.1 The *currency of this contract* is the South African Rand.

51.2 The period within which payments are made is Payment will be effected on or before the last day of the month following the month during which a valid Tax Invoice and Statement were received.

51.4 The *interest rate* is the prime lending rate of the Standard Bank of South Africa.

6 Compensation events

60.1(13) The *weather measurements* to be recorded for each calendar month are,
the cumulative rainfall (mm)
the number of days with rainfall more than 10 mm
the number of days with minimum air temperature less than 0 degrees Celsius
the number of days with snow lying at 08:00 hours South African Time
and these measurements: supplied by the South African Weather Services

The place where weather is to be recorded (on the Site) is:

The nearest weather recording to Salkor Yard

The *weather data* are the records of past *weather measurements* for each calendar month which were recorded at:

at the nearest weather recording to the Site and which are available from the South African Weather Services

and which are available from:

South African Weather Service 012 367 6023 or info3@weathersa.co.za.

7 Title

No additional data is required for this section of the *conditions of contract*.

8 Risks and insurance

84.2 The minimum limit of indemnity for insurance in respect of loss of or damage to property (except the *works*, Plant, Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the *Contractor*) caused by activity in connection with this contract for any one event is

Whatever the *Contractor* requires in addition to the amount of insurance taken out by the *Employer* for the same risk.

84.2 The insurance against loss of or damage to the *works*, Plant and Materials as stated in the insurance policy for contract works and public liability selected from:
Blanket Principal Controlled Insurance (BPCI),
Principal Controlled Insurance (PCI),
Principal Controlled Contractors Liability Insurance,
Principal Controlled Insurance One-off; and
Project Specific Insurance

R

| Select one | |
|---------------|-------------------------------------|
| BPCI | <input checked="" type="checkbox"/> |
| PCI | <input type="checkbox"/> |
| PCI Liab only | <input type="checkbox"/> |
| PCI One Off | <input type="checkbox"/> |
| PSI | <input type="checkbox"/> |

84.1 The *Employer* provides these insurances from the Insurance Table

1 Insurance against:

Loss of or damage to the *works*, Plant and Materials is as stated in the Blanket Principal Controlled Insurance policy for Contract Works/ Public Liability.

Cover / indemnity:

to the extent as stated in the Blanket Principal Controlled insurance policy for Contract Works / Public Liability

The deductibles are:

as stated in the Blanket Principal Controlled insurance policy for Contract Works / Public Liability

2 Insurance against:

Loss of or damage to property (except the *works*, plant, materials & equipment) and liability for bodily injury to or death of a person (not an employee of the *Contractor*) arising out of or in connection with the performance of the Contract as stated in the Blanket Principal Controlled insurance policy for Contract Works / Public Liability

Cover / indemnity

Is to the extent as stated in the Blanket Principal Controlled insurance policy for Contract Works / Public Liability

The deductibles are

as stated in the Blanket Principal Controlled insurance policy for Contract Works / Public Liability

| | | | |
|------|---|---|--|
| 84.1 | 3 | Insurance against: | Loss of or damage to Equipment (Temporary Works only) as stated in the Blanket Principal Controlled insurance policy for contract Works and Public Liability |
| | | Cover / indemnity | Is to the extent as stated in the Blanket Principal Controlled insurance policy for Contract Works / Public Liability |
| | | The deductibles are: | As stated in the Blanket Principal Controlled insurance policy for Contract Works / Public Liability |
| | 4 | Insurance against: | Contract Works SASRIA insurance subject to the terms, exceptions and conditions of the SASRIA coupon |
| | | Cover / indemnity | Cover / indemnity is to the extent provided by the SASRIA coupon |
| | | The deductibles are | The deductibles are in respect of each and every theft claim 0,1% of the contract value subject to a minimum of R2 500 and a maximum of R25 000. |
| 84.1 | The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract for any one event is | | |
| | The <i>Contractor</i> provides these additional Insurances | | |
| | 1 | Where the contract requires that the design of any part of the <i>works</i> shall be provided by the <i>Contractor</i> he shall satisfy the Employer that professional indemnity insurance cover in connection therewith has been affected | |
| | 2 | Where the contract involves manufacture, and/or fabrication of Plant & Materials, components or other goods to be incorporated into the <i>works</i> at premises other than the site, the <i>Contractor</i> shall satisfy the <i>Employer</i> that such plant & materials, components or other goods for incorporation in the <i>works</i> are adequately insured during manufacture and/or fabrication and transportation to the site. | |
| | 3 | Should the <i>Employer</i> have an insurable interest in such items during manufacture, and/or fabrication, such interest shall be noted by endorsement to the <i>Contractor's</i> policies of insurance as well as those of any subcontractor | |

4 Motor Vehicle Liability Insurance comprising (as a minimum) "Balance of Third Party" Risks including Passenger and Unauthorised Passenger Liability indemnity with a minimum indemnity limit of R5,000,000.

5 The insurance coverage referred to in 1, 2, 3, 4 and 5 above shall be obtained from an insurer(s) in terms of an insurance policy approved by the *Employer*. The *Contractor* shall arrange with the insurer to submit to the *Project Manager* the original and the duplicate original of the policy or policies of insurance and the receipts for payment of current premiums, together with a certificate from the insurer or insurance broker concerned, confirming that the policy or policies provide the full coverage as required. The original policy will be returned to the *Contractor*

| | | |
|---------|---|--|
| 9 | Termination | There is no additional Contract Data required for this section of the <i>conditions of contract</i> . |
| 10 | Data for main Option clause | |
| B | Priced contract with bill of quantities | |
| 60.6 | The <i>method of measurement</i> is | As indicated in the measurement clauses of SANS 1200 and amended as stated in the preambles to the bill of quantities |
| 11 | Data for Option W1 | |
| W1.1 | The <i>Adjudicator</i> is | Both parties will agree as and when a dispute arises. If the parties cannot reach an agreement on the <i>Adjudicator</i> , the chairman of the Association of Arbitrators will appoint an <i>Adjudicator</i> . |
| W1.2(3) | The <i>Adjudicator nominating body</i> is: If no <i>Adjudicator nominating body</i> is entered, it is: | The Chairman of the Association of Arbitrators (Southern Africa) the Association of Arbitrators (Southern Africa) |
| W1.4(2) | The <i>tribunal</i> is: | Arbitration |
| W1.4(5) | The <i>arbitration procedure</i> is | The Rules for the Conduct of Arbitrations of the Association of Arbitrators (Southern Africa) |
| | The place where arbitration is to be held is | Durban |

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 of the Association of Arbitrators (Southern Africa)

| | |
|-----------|--|
| 12 | Data for secondary Option clauses |
|-----------|--|

| | |
|-----------|--|
| X7 | Delay damages (but not if Option X5 is also used) |
|-----------|--|

| | | |
|------|---|------------------|
| X7.1 | Delay damages for Completion of the whole of the <i>works</i> are | R 300.00 per day |
|------|---|------------------|

| | |
|------------|------------------|
| X16 | Retention |
|------------|------------------|

| | | |
|-------|-------------------------------------|--------------------------------|
| X16.1 | The <i>retention free amount</i> is | R 0.00. |
| | The <i>retention percentage</i> is | 10% on all payments certified. |

C1.2 Contract Data

Part two - Data provided by the *Contractor*

The tendering contractor is advised to read both the NEC3 Engineering and Construction Contract - June 2005 (with amendments June 2006) and the relevant parts of its Guidance Notes (ECC3-GN)² in order to understand the implications of this Data which the tenderer is required to complete. An example of the completed Data is provided on pages 152 to 154 of the ECC3 Guidance Notes.

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

| Clause | Statement | Data |
|----------|--|---|
| 10.1 | The <i>Contractor</i> is (Name): Address Tel No. Fax No. | |
| 11.2(8) | The <i>direct fee percentage</i> is _____ % The <i>subcontracted fee percentage</i> is _____ % | |
| 11.2(18) | The <i>working areas</i> are the Site and | Salkor Yard |
| 24.1 | The <i>Contractor's</i> key persons are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job: Responsibilities: Qualifications: Experience: | CV's (and further key persons data including CVs) are appended to Tender Schedule entitled T2.2-7. |
| 11.2(3) | The <i>completion date</i> for the whole of the works is | 5 (five) months from award of contract |

² Available from Engineering Contract Strategies Tel 011 803 3008, Fax 011 803 3009

Part C1

Part C1: Contract Data

PART 2: PRICING DATA

| Document reference | Title | No of pages |
|--------------------|--------------------------------|-------------|
| C2.1 | Pricing instructions: Option B | 3 |
| C2.2 | The <i>bill of quantities</i> | 6 |

C2.1 Pricing instructions: Option B

1. The conditions of contract

1.1. How the contract prices work and assesses it for progress payments

Clause 11 in NEC3 Engineering and Construction Contract, June 2005 (ECC) Option B states:

| | | |
|-------------------------------------|------------|--|
| Identified and defined terms | 11 11.2 | (21) The Bill of Quantities is the <i>bill of quantities</i> as changed in accordance with this contract to accommodate implemented compensation events and for accepted quotations for acceleration. (22) Defined Cost is the cost of the components in the Shorter Schedule of Cost Components whether work is subcontracted or not excluding the cost of preparing quotations for compensation events. (28) The Price for Work Done to Date is the total of <ul style="list-style-type: none"> the quantity of the work which the <i>Contractor</i> has completed for each item in the Bill of Quantities multiplied by the rate and a proportion of each lump sum which is the proportion of the work covered by the item which the <i>Contractor</i> has completed. |
|-------------------------------------|------------|--|

Completed work is work without Defects which would either delay or be covered by immediately following work.

(31) The Prices are the lump sums and the amounts obtained by multiplying the rates by the quantities for the items in the Bill of Quantities.

This confirms that Option B is a re-measurement contract and the bill comprises only items measured using quantities and rates or stated as lump sums. Value related items are not used. Time related items are items measured using rates where the rate is a unit of time.

1.2. Function of the Bill of Quantities

Clause 55.1 in Option B states, "Information in the Bill of Quantities is not Works Information or Site Information". This confirms that instructions to do work or how it is to be done are not included in the Bill, but in the Works Information. This is further confirmed by Clause 20.1 which states, "The *Contractor* Provides the Works in accordance with the Works Information". Hence the *Contractor* does **not** Provide the Works in accordance with the Bill of Quantities. The Bill of Quantities is only a pricing document.

1.3. Guidance before pricing and measuring

Employers preparing tenders or contract documents, and tendering contractors are advised to consult the sections dealing with the bill of quantities in the NEC3 Engineering and Construction Contract (June 2005) Guidance Notes before preparing the *bill of quantities* or before entering rates and lump sums into the *bill*.

Historically bill of quantities based contracts in South Africa have been influenced by the different approaches of the civil engineering and building sectors of the industry through their respective discipline based standard forms of contract and methods of measurement. This is particularly apparent in the approach to the Preliminary and General bill. On the other hand, because ECC caters for a number of disciplines in the same contract, including electrical works, a different approach not currently found in local

methods of measurement to the Preliminary & General bill items may have been used.

The NEC approach to the P & G bill assumes use will be made of method related charges for Equipment applied to Providing the Works based on durations shown in the Accepted Programme, fixed charges for the use of Equipment that is required throughout the construction phase, time related charges for people working in a supervisory capacity for the period required, and lump sum charges for other facilities or services not directly related to performing work items typically included in other parts of the bill.

2. Measurement and payment

2.1. Symbols

The units of measurement described in the Bill of Quantities are metric units abbreviated as follows:

| Abbreviation | Unit |
|-----------------------|-----------------------|
| % | percent |
| h | hour |
| ha | hectare |
| kg | kilogram |
| kl | kilolitre |
| km | kilometre |
| km-pass | kilometre-pass |
| kPa | kilopascal |
| kW | kilowatt |
| l | litre |
| m | metre |
| mm | millimetre |
| m ² | square metre |
| m ² -pass | square metre pass |
| m ³ | cubic metre |
| m ³ -km | cubic metre-kilometre |
| MN | meganewton |
| MN.m | meganewton-metre |
| MPa | megapascal |
| No. | number |
| Prov sum ¹ | provisional sum |
| PC-sum | prime cost sum |
| R/only | Rate only |
| sum | Lump sum |
| t | ton (1000kg) |
| W/day | Work day |

¹ Provisional Sums should not be used unless absolutely unavoidable. Rather include specifications and associated bill items for the most likely scope of work, and then change later using the compensation event procedure if necessary. This is because tenderers cannot programme effectively for unknown scopes of work

2.2. General assumptions

- 2.2.1. Unless otherwise stated, items are measured net in accordance with the drawings, and no allowance has been made in the quantities for waste.
- 2.2.2. The Prices and rates stated for each item in the Bill of Quantities shall be treated as being fully inclusive of all work, risks, liabilities, obligations, overheads, profit and everything necessary as incurred or required by the *Contractor* in carrying out or providing that item.
- 2.2.3. Clause 63.13 in Option B provides that these rates and Prices may be used as a basis for assessment of compensation events instead of Defined Cost.
- 2.2.4. Where this contract requires detailed drawings, designs or other information to be provided, and no rates or prices are included in the *bill* specifically for such matters, then the *Contractor* is deemed to have allowed for all costs associated with such requirements within the tendered rates and Prices in the Bill of Quantities.
- 2.2.5. An item against which no Price is entered will be treated as covered by other Prices or rates in the *bill of quantities*. If a number of items are grouped together for pricing purposes, this will be treated as a single lump sum.
- 2.2.6. The quantities contained in the Bill of Quantities may not be final and do not necessarily represent the actual amount of work to be done. The quantities of work assessed and certified for payment by the *Project Manager* at each assessment date will be used for determining payments due and not the quantities given in the Bill of Quantities.
- 2.2.7. The short descriptions of the items of payment given in the *bill of quantities* are only for the purposes of identifying the items. More detail regarding the extent of the work entailed under each item is provided in the Works Information.

C2.2 the *bill of quantities*

“PREVIEW COPY ONLY”

A Sishen Yard (Erts) 50 kV AC Traction substation: Supply Voltage = 50 KV

| No. | ACTIVITY DESCRIPTION | QTY | UNIT | RATE | Price |
|------------|--|-----|------|------|-------|
| 1 | Install 4-Quadrant power meter (free issue) | 2 | each | | |
| 2 | Supply and Install all required cabling | 2 | sum | | |
| 3 | P's and G's (Labour, site establishment, transport, civil works, etc.) | 1 | sum | | |
| 4 | Catalogues, manuals and drawings | 3 | sum | | |
| 5 | Testing and Commissioning | 2 | sum | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| AMOUNT DUE | | | | | R |

B Lewensaar (Loop 18) 50 kV AC Traction substation: Supply Voltage = 50 kV

| No. | ACTIVITY DESCRIPTION | QTY | UNIT | RATE | Price |
|-----|--|-----|------|-------------------|----------|
| 1 | Install 4-Quadrant power meter (free issue) | 2 | each | | |
| 2 | Supply and Install all required cabling | 2 | sum | | |
| 3 | P's and G's (Labour, site establishment, transport, civil works, etc.) | 1 | sum | | |
| 4 | Catalogues, manuals and drawings | 3 | sum | | |
| 5 | Testing and Commissioning | 2 | sum | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| | | | | AMOUNT DUE | R |

C Gariep (Loop 16) 50 kV AC Traction substation: Supply Voltage = 50 kV

| No. | ACTIVITY DESCRIPTION | QTY | UNIT | RATE | Price |
|-----|--|-----|------|-------------------|----------|
| 1 | Install 4-Quadrant power meter (free issue) | 2 | each | | |
| 2 | Supply and Install all required cabling | 2 | sum | | |
| 3 | P's and G's (Labour, site establishment, transport, civil works, etc.) | 1 | sum | | |
| 4 | Catalogues, manuals and drawings | 3 | sum | | |
| 5 | Testing and Commissioning | 2 | sum | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| | | | | AMOUNT DUE | R |

D Aries (Loop 12) 50 kV AC Traction substation: Supply Voltage = 50 kV

| No. | ACTIVITY DESCRIPTION | QTY | UNIT | RATE | Price |
|------------|--|-----|------|------|-------|
| 1 | Install 4-Quadrant power meter (free issue) | 2 | each | | |
| 2 | Supply and Install all required cabling | 2 | sum | | |
| 3 | P's and G's (Labour, site establishment, transport, civil works, etc.) | 1 | sum | | |
| 4 | Catalogues, manuals and drawings | 3 | sum | | |
| 5 | Testing and Commissioning | 2 | sum | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| AMOUNT DUE | | | | | R |

FINAL SUMMARY

| Item | | Page No. | Price |
|------------|--|----------|-------|
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| B | Lewensaar (Loop 18) 50 kV AC Traction substation: Supply Voltage = 50 kV | 3 | |
| C | Gariiep (Loop 16) 50 kV AC Traction substation: Supply Voltage = 50 kV | 4 | |
| D | Aries (Loop 12) 50 kV AC Traction substation: Supply Voltage = 50 kV | 5 | |
| | | | |
| AMOUNT DUE | | | R |

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| Annexure 2 | ENV-STD-001 Standard Environmental Specification | 14 |
| Annexure 3 | ENV-STD-002 Construction Environmental Management Plan | 33 |
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| Total number of pages | | 176 |

C3.1 EMPLOYER'S WORKS INFORMATION

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SECTION 1

1. Description Of The works

1.1 Executive overview

Transnet Freight Rail, a division of Transnet Limited has embarked on a rail network turn-around strategy that aims Install MT831 Three Phase multi-function 4 quadrant meters and the communication modules (MK-F38-3 GSM/GPRS module with RS485 interface and secondary RS485 interface and MK-3-3 RS485 interface module) and the supply and install of all required cabling at Substation along the Sishen-Saldana Iron Ore export line. The details of scope of work, per substation, are specified in the attached schedule of quantities and prices.

1.2 Employer's objectives

The Employer objective is to install check meters at selected traction substations countrywide where Transnet is receiving power for the purpose of improving energy efficiency of operation whilst still maintaining the highest quality and safety standards.

1.3 Interpretation and terminology

The following abbreviations are used in this Works Information:

| Abbreviation | Meaning given to the abbreviation |
|--------------|---|
| BBBEE | Broad Based Black Economic Empowerment |
| CEMP | Construction Environmental Management Plan |
| CM | Construction Manager |
| DWG | Drawings |
| EO | Environmental Officer |
| HSSP | Health and Safety Surveillance Plan |
| QA | Quality Assurance |
| SANS | South African National Standards |
| SHE | Safety, Health and Environment |
| SHEC | Safety, Health and Environment Co-ordinator |
| SIP | Site Induction Programme |
| SMP | Safety Management Plan |

2. Construction

2.1 Temporary works, Site services & construction constraints

2.1.1 Employer's Site entry and security control, permits, and Site regulations:

The location of the sites, are as follows: Sishen Yard, Lewensaan, Gariep, Aries, Helios, Juno and Aurora 20kV AC substation along the Sishen-Saldana Iron Ore Export Line in the Northern Cape. The *Contractor* shall organise the work to cause the least possible inconvenience to any operations at the various sites. Access to adjacent areas shall be maintained at all times.

The confines of the site shall be barricaded and access to be controlled by the *Contractor*.

2.1.2 The *Contractor* complies with the following requirements of the *Employer*:

The *Contractor* shall arrange for all staff under his control to be inducted by the Employer's personnel – inclusive of all sub-contractors.

The contractor shall provide medical entry and exit certification of all staff under his control for the duration of the contract.

2.1.3 Restrictions to access on Site, roads, walkways and barricades:

The working hours shall be in accordance with the requirements of the Department of Labour or with the agreement of the relevant trade unions. This information relating to working hours shall be supplied to the *Project Manager* prior to commencement of the proposed working hours.

The *Contractor* complies with the following hours of work for his people (including Subcontractors) employed on the Site.

The *Contractor* keeps daily records of his people engaged on the Site and Working Areas (including Subcontractors) with access to such daily records available for inspection by the *Project Manager* at all reasonable times.

2.1.4 The *Contractor* complies with the following requirements of the *Employer*:

The contractor and all staff under his control shall comply with all local safety regulations and instructions from the Employer's Safety Officer.

2.1.5 Health and safety facilities on Site:

The provision of security for the *Contractor's* site establishment shall be his own responsibility. Both the "Factories, Machinery and Building work Act (Act 22 of 1941) and the "Machinery and Occupational Safety Act (Act 6 of 1983)" shall, wherever they appear in the SANS 1200 standardized specifications, be substituted by the "Occupational Health and Safety Act (Act 85 of 1993)".

2.1.6 Cooperating with and obtaining acceptance of others

The *Contractor* shall not commit or permit any act that may interfere with the performance of the other parties operating in the area and shall carry out work in close liaison with the *Project Manager*.

2.1.7 The *Contractor* performs the works and co-operates with:

The personnel who will be occupying the site for other duties

2.1.8 Publicity and progress photographs:

The *Contractor* may only take progress photographs with the permission of the *Supervisor* or *Project Manager*. The *Contractor* provides progress photographs at monthly intervals in digital format at the various work areas under his control

The *Contractor* does not advertise the contract or the project to any third party, nor communicate directly with the media (in any jurisdiction) whatsoever without the express written notification and consent of the *Project Manager*.

The *Contractor* provides a notice board indicating all relevant safety requirements, Contractor's contact details and telephone numbers.

2.1.9 *Contractor's* Equipment

The *Contractor* keeps daily records of his Equipment used on Site and the Working Areas (distinguishing between owned and hired Equipment) with access to such daily records available for inspection by the *Project Manager* at all reasonable times.

The *Contractor* shall supply at his own cost all the necessary labour, tools, plant, consumables and transport required for the proper completion of the *Works*.

2.1.10 Equipment provided by the *Employer*

No equipment will be provided by the *Employer*.

2.1.11 Site services and facilities:

The *Contractor* shall provide his own mess, ablution and changing facilities. An area will be given to the *Contractor* to establish such a site camp. Water and sewer connections will be provided free of charge to the *Contractor*.

2.1.12 The *Employer* provides the following facilities for the *Contractor*

Water and sewer connections will be provided free of charge to the *Contractor*.

Wherever the *Employer* provides facilities (including, *inter alia*, temporary power, water, waste disposal, telecommunications etc.) for the *Contractor's* use within the Working Areas and the *Contractor* adapts such facilities for use, then the *Contractor* makes good and provides full reinstatement to the land (including all apparatus of the *Employer* and Others in, on or under the land) and surrounding areas to its original standard upon dismantling of such facilities and hand-back to the *Employer*.

2.1.13 Facilities provided by the *Contractor*

The *Contractor* shall provide his own Site accommodation which shall include site office, site storage, toilet facilities, changing facilities and mess area for his staff, fenced off site camp.

No liability will be accepted by Transnet for the safekeeping of the *Contractor's* materials.

2.1.14 The *Contractor* provides the following facilities for the *Project Manager* and *Supervisor*

One air conditioned site office, furnished with writing desk and chairs suitable for site meetings for use by the *Employer*.

Wherever the *Contractor* provides facilities (either his own or for the *Project Manager* and/or *Supervisor*) and all items of Equipment, involving, *inter alia*, offices, accommodation, laboratories, Materials storage, compound areas etc., within the Working Areas, then the *Contractor* makes good and provides full reinstatement to the land (including all apparatus of the *Employer* and Others in, on or under the land) and surrounding areas to its original standard, upon dismantling of such facilities and items of Equipment.

Unless expressly stated as a responsibility of the *Employer* as stated under 5.1.11 Site services and facilities, all residual requirements for the provision of facilities and all items of Equipment necessary for the *Contractor* to Provide the Works remains the responsibility of the *Contractor*.

2.1.15 Existing premises, inspection of adjoining properties and checking work of Others

The *Contractor* inspects and surveys the following [buildings / premises / facilities] adjacent to the Site in accordance with and in conjunction with the *Project Manager*.

The *Contractor* shall inspect all buildings, workshops where he is to complete the works, prior to occupying such areas and report any defects to the *Project Manager*.

2.1.16 Underground services, other existing services, cable and pipe trenches and covers

The *Contractor* shall refer to the drawings for underground services and inform the *Project Manager* should those prevent him from executing his work.

Where the *Contractor* encounters existing underground services / existing services cables / pipe trenches the *Contractor* undertakes to inform the *Project Manager*.

Where the *Contractor* damages a service due to negligence, he shall bear full cost of repairs to the service. These repairs will be carried out by the relevant authority, or at their discretion, by the *Contractor* to the satisfaction of the relevant authority.

2.1.17 Control of noise, dust, water and waste:

The *Contractor* shall perform the works and all construction activities within the Site and Working Areas having due regard for the environment and environmental management practices.

Progressive and systematic finishing and tidying-up will form an essential part of this contract. Under no circumstances shall spoil, rubble, materials, equipment or unfinished operations be allowed to accumulate unnecessarily.

No material shall be dumped on the *Employer's* property and no suitable material shall be disposed of if it is required elsewhere for the proper completion of the contract

Cement and concrete are regarded as hazardous to the natural environment on account of the very high pH of the material, and the chemicals contained therein. The contractor shall therefore ensure that concrete is not mixed directly on the ground and that the visibility remains of concrete, either solid, or from washings, are physically removed immediately and disposed of as waste. Washing the visible remains into the ground will not be acceptable.

NOISE POLLUTION:

Equipment used on the site shall be properly muffled and maintained so as to reduce noise generation to the minimum. Working procedures shall be structured so as to avoid the unnecessary generation of noise.

Dust Control

Dust has been identified as having a serious environmental impact. The *Contractor* is required to prevent the creation of dust.

The *Contractor* shall ensure that no dust is generated during the mixing process of construction materials used during any stage of the construction process.

The Contractor shall, at all times, comply with the statutes that prohibit pollution of any kind. These statutes are enacted in the following legislation:

- The National Environmental Management Act, 107/1998
- The Environmental Conservation Act, 73/1989; and
- The National Water Act, 36/1998

The *Contractor* shall appoint a responsible person to ensure that no incident shall occur on site that could cause pollution. Where the *Contractor* was negligent and caused any form of pollution the damage shall be rectified at the *Contractors* cost.

2.1.18 Sequences of construction or installation:

The *Contractor* provides the *Supervisor* or *Project Manager* with a daily task programme which shall include for all activities which the *Contractor* intends to do in order to complete the works.

Hook ups to existing *works*.

2.2 Completion, testing, commissioning and correction of Defects

2.2.1 The *work* to be done by the Completion Date:

On or before the Completion Date the *Contractor* shall have done everything required to provide the *Works*. The *Employer* cannot certify Completion until all the work has been done and is also free of *Defects*, which would have, in his opinion, prevented the *Employer* from using the works and others from doing their work.

The *Contractor* ensures that the *Project Manager* has a full and accurate dossier of As-built documents that represent the status of the completed *works* (to include Plant within the *works*) to present to the *Employer*.

2.2.2 Access given by the *Employer* for correction of Defects:

The *Project Manager* arranges for the *Employer* to allow the *Contractor* access to and use of part of the *works* which he has taken over if they are needed for correcting a Defect. In this case the *defect correction period* begins when the necessary access and use have been provided.

3. Plant and Materials Standards and Workmanship

3.1 Requirement for meters

- 3.1.1 The Contractor shall install 4-quadrant power meters in accordance with SANS 473, (latest edition), IEC 62053 and ISO 9001 for metering and monitoring of the electrical installation.
- 3.1.2 The meter will be installed to monitor each traction unit (transformer) individually. A communication, unit which may be integral to meter, must be supplied for each meter or alternatively a unit that can serve both meters.
- 3.1.3 The energy is measured against a time-of-use tariff.
- 3.1.4 The metering information must be aggregated for a period of 15 minutes in the meter. A communication system which is outside the scope of the contract will interrogate meters countrywide in turn and extract the time-stamped information. The download interval be normally be 15 minutes, but may be longer.
- 3.1.5 The meters shall have the following functionalities:
- Watt-hour: compliance to IEC 62053-22-Class 0.5
 - VAR-hour: compliance to IEC 62053-23-Class 2.0
 - CT inputs which can be user selected: 1(2)A or 5(10)A
 - Comprehensive 4 quadrant meters is required.
 - Large alpha numeric LCD display – programmable text – auto scroll option panel.
 - Fixed display menus and custom menus
 - 3 individually programmable phase voltage monitors – Front panel alert for "lost phase voltage" to be included in the event logging function.
 - Instantaneous parameters: voltage, current, pf, line frequency, lost phase voltage and meter temperature.
 - 3 programmable multifunction solid state relay outputs for steady state or pulse control.
 - 3 programmable multifunction digital input for control, event logging or pulse counting.
 - Block demand periods adjustable from 1 to 60 minutes in integer sub-multiples.
 - Real-time clock that can be operated from either internal crystal frequency, or line frequency.
 - Data Storage in non-volatile (Flash) memory.
 - 32 stacks of historical billing data.
 - 8 channels of profile data can be logged at different time intervals. Data capacity of 90 days at 8 channels and 15 minutes interval
 - Must be able to store profile data on the basis "Snapshot", sum, minimum, maximum or average values, to suit the parameters being logged
 - A comprehensive event logging facility which allows extensive audit and alarming facilities

3.2 Data and communication requirements for meters

3.2.1 The Contractor shall install the specified communication modules to RS232/485 (to 115kb); GSM/RS485; PSTN/RS485; Ethernet/485 for each energy meter. Requirements communication modules are as follows:

3.2.1.1 Optical port for downloading firmware enhancement to the following requirements:

3.2.1.2 Serial – IEC 62056 – 21, 1x Bidirectional, half duplex.

3.2.1.3 Transmit/receive: Baud rate maximum 115k and protocol to IEC 62056 – 21 Mode C Expansion facilities for:

- Two expansion slots
- I/O expansion module: 4 input/output; 8 inputs; 8 outputs
- Capable of collecting energy pulse from the source

3.2.1.4 Communication modules: RS 232/485 (TO 115KB); GSM/RS485; PSTN/RS485; Ethernet/485; Energy Management Module.

3.2.2 On completion of the entire project the contractor shall provide training to the Transnet staff that will use the system to the point that:

- The staff is competent to use the system
- The staff understands significance and importance of all parameters displayed on the meter.

3.2.3 The Contractor shall provide the technical support whenever needed for a period of 12 months, starting from the day of commissioning of the last substation.

3.3 Requirements for control cabling

3.3.1 Supply and Install all cabling required (for all indications, power supply, control function, etc.)

3.3.2 Cable and earthing conductors connected to the equipment installed on steel support structures shall be supported vertically and horizontally by means of a cable tray. This cable tray shall be of the O-line GS50 Grid span Wire Mesh type or similar with the wire mesh having a diameter of 4 mm and a hot dip galvanised finish.

3.3.3 The cable shall be fixed to the cable trays using UV stabilized cable ties. Cabling and wiring shall be in accordance with the CEE.0023.90 and SANS 10142-1

3.3.4 When doing any cabling, the ballast stone shall be removed, trenching and laying of cable done, and the soil shall be compacted and ballast cleaned and placed back neatly.

- 3.3.5 No joining of cables or busbars will be accepted. The Contractor shall provide cable or busbars that are long enough for the application (earthing, control etc.). No junction boxes, underground, shall be used.
- 3.3.6 CT connections for the KW-h meters shall be connected onto CT-test terminal block (draw-out, make before break type), which shall be installed by the contractor.
- 3.3.7 VT connected shall be installed on terminal block which shall be installed by contractor.

3.4 Installation of meters using existing CT's and VT's

- 3.4.1 The contractor shall install control wiring which uses existing CT and VT circuits.
- 3.4.2 For VT wiring, the input wiring to the kWh-meters shall be terminated at a terminal box where the meters will be installed.
- 3.4.3 For CT wiring, the input wiring to the kW-h shall be derived as follows:
 - 3.4.3.1 Where a spare CT winding is available, this shall be wired to the CT-test terminal block mentioned in 3.3.6 above, where the meters will be installed.
 - 3.4.3.2 Where a spare CT winding is not available, the CT circuit shall be wired from the unit protection panel to the CT-test terminal block mentioned in 3.3.6 above.

3.5 Design of Installation

- 3.5.1 The Contractor shall design the installation after proper survey and consideration of the present yard lay-out and the dimension of the equipment to be installed. The Contractor shall assume that the available space for the addition equipment shall be physically limited.
- 3.5.2 The clearance between the phases must comply with the relevant SANS standard requirements and addition structures may be required.
- 3.5.3 All fasteners on steelwork, components and electrical connections (nuts and bolts) shall be secured using flat as well as washers.
- 3.5.4 VT shall generally be connected on the load side of the main disconnects.
- 3.5.5 VT shall generally be installed between the circuit breaker and the transformer.

3.6 Installation work

- 3.6.1 The substation shall be on load during survey activities, installation of foundation and cables. The installation of all the equipment which requires working clearance of the "live" equipment will require a work permit (a safety lock-out procedure). The contractor shall erect suitable barriers where clearance cannot be observed.
- 3.6.2 No outages longer than one hour will be possible; the contractor must organise his activities accordingly.
- 3.6.3 Transnet will provide supervision with respect to working in the outdoor yard. Strict observance to safety rules is required. The Transnet licenced official will determine which works can be performed with the equipment "live" overhead.
- 3.6.4 No connections to existing equipment in the outdoor yard may be tampered with.
- 3.6.5 The equipment shall be pre-commissioned as described below prior to the connected of jumpers onto the existing overhead busbars.
- 3.6.6 The installation of jumpers onto the existing busbars shall be the last activity before commission.

3.7 Drawings, instruction manual and spare part catalogues

- 3.7.1 All-as-built drawings shall be supplied in electronic format (Micro-station / Acad).
- 3.7.2 The successful Contractor shall be required to submit all drawing (paper prints), within four weeks of award of tender, to the Project Manager or Supervisor for approval. No construction or manufacturing activity will be allowed prior to the associated drawing having been approved.
- 3.7.3 During the duration of the contractor period, the successful Contractor will be required to inform the Project Manager or Supervisor of any changes to these drawings and will have to resubmit the affected drawings for approval prior to it being used in this contract.
- 3.7.4 All drawing, catalogue, instruction books and spares list shall be in accordance with Transnet Freight Rail's specification CEE.0224.2002.
- 3.7.5 All final as built drawings shall be provided to Transnet Freight rail within four weeks after commissioning.
- 3.7.6 Supply three sets of A3 schematic wiring diagrams in hard copy format and electronic format for approval.

3.8 Site testing and commissioning

- 3.8.1 The contractor shall be responsible for carrying out on-site and commissioning of all equipment supplied and installed in terms of the contract.
- 3.8.2 On site tests
 - 3.8.2.1 Functional on-site tests shall be conducted on all items of equipment and circuitry to approve the proper function and installation thereof.
 - 3.8.2.2 The Contractor shall submit detailed lists of on-site test for the approval of the Employer's representative at least 6 weeks before the test are due to commence at the substation.
 - 3.8.2.3 The Contractor shall arrange for the Employer's Representative to be present to witness the on-site tests at substation.
 - 3.8.2.4 The on-site test and subsequent commissioning will not commence until all construction work has been completed. Construction staff, material and equipment shall be removed from the site prior to commencement of testing. Testing and commissioning of the substation equipment will not be allowed to take place in a construction environment.
- 3.8.3 On-site shall include the following:
 - 3.8.3.1 Polarity tests on VT's and CT's.
 - 3.8.3.2 Ratio test on VT's and CT's.
 - 3.8.3.3 Magnetising current of all CT's.
 - 3.8.3.4 The functionality of all electrical circuitry must be approved.
 - 3.8.3.5 A power frequency voltage test on all high voltage equipment.
 - 3.8.3.6 A power frequency voltage test on all small wiring at 2kV for one minute.
 - 3.8.3.7 Test on all equipment in accordance with the manufacturer's instructions.
- 3.8.4 On completion of test, the Employer's Representative shall either sign the test sheet provided by the Contractor as having witnessed the satisfactory completion thereof, or hand to the contractor a list of defects requiring rectification.
- 3.8.5 Upon rectification of defects the Contract shall arrange for the Employer's Representation or his assigned deputy to certify satisfactory completion of site tests for that specification substation.

- 3.8.6 Acceptance by the Employer's Representative of satisfactory completion of site test in no way relieves the Contractor of his obligation to rectify defects that may have been overlooked or become evident at a later stage.

3.9 Commissioning of equipment

- 3.9.1 Commissioning will include the energising of equipment installed. The contractor must prove the satisfactory operation of all the equipment under "live" conditions.
- 3.9.2 On completion of commissioning, the Contractor will hand the substation over to the Employer's Representative in terms of the relevant instruction.
- 3.9.3 Contractor shall allow a period of at least three days per substation between satisfactory completion of pre-commissioning tests and commission of equipment.
- 3.9.4 During this period the Transnet Test staff will test the operation of all circuits.
- 3.9.4 The Contractors staff shall be present during the testing to rectify any faults found. Pre-commissioning testing of the last substation must therefore commence ahead of the contract completion date by a period not shorter than three days per substation.
- 3.9.5 The commissioning of the equipment by Transnet will in no way absolve the Contractor from any of his responsibilities during the guarantee period. It is the Contractors responsibility to satisfy himself that the commissioning of the equipment has been carried out in a satisfactory manner and in no way compromises the proper operation of the equipment in terms of the contract.

3.10 Quality and Inspection

- 3.10.1 Transnet Freight Rail shall inspect the equipment under contract on the premises of the Manufacturer's or successful Contractor
- 3.10.2 The Contractor shall notify Transnet Freight Rail 7 days in advance of such an inspection date.
- 3.10.3 The Contractor shall apply 14 days in advance for the date of energising and ensure that all work is completed before any commissioning can take place.
- 3.10.4 The Contractor shall be responsible to issue the compliance certificate in terms of SANS 0142 for each site before energizing of the equipment shall take place.
- 3.10.5 Contractor shall supply his/her own security for the duration of the contract.

3.11 Quality and Inspection

3.11.1 Programme of the work: To be submitted by successful Contractor (Gantt chart).

3.11.2 Format: Gantt chart

3.12 Information: How work will be executed and commissioned

3.12.1 Submission: 14 days after the award of contract

3.12.2 Site diary: Successful Contractor to supply in triplicates carbon copies

3.12.3 Site instruction book: Successful Contractor to supply in triplicates carbon copies

3.13 Services provided by Transnet Freight Rail

3.13.1 Transnet Freight Rail shall have an electrician available for isolation and the erection of barriers to live electrical equipment and issuing of work permits.

3.14 Guarantee and Defects

3.14.1 The Contractor shall guarantee the satisfactory operation of the complete electrical installation supplied and erected by him and accept liability for maker's defects that may appear in design, materials and workmanship.

3.14.2 The Contractor shall be issued with a completion certificate with the list of all defects to be repaired within 14 working days after commissioning.

3.14.3 The guarantee period for the installed equipment shall expire after: a period of 12 months commencing on the date on which the equipment is tested and commissioned; and the site is handed over to Transnet Freight Rail.

3.14.4 Any defects that may become apparent during the guarantee period shall be rectified to the satisfaction of Transnet Freight Rail, and to the account of the Contractor.

3.14.5 The Contractor shall undertake work on the rectification of any defects that may arise during the guarantee period within 7-days of him being notified by Transnet Freight Rail of such defects.

3.14.6 Should the Contractor fail to comply with the requirements stipulated above, Transnet Freight Rail shall be entitled to undertake the necessary repair work or effect replacement of defective apparatus or materials, and the Contractor shall reimburse Transnet Freight Rail the total cost of such repair or replacements, including the labour costs incurred in replacing defective material.

- 3.14.7 Any specific type of fault occurring three times within the guarantee period and which cannot be proven to be due to other faulty equipment not forming part of this contract e.g., faulty locomotive or overhead track equipment, etc., shall automatically be deemed an inherent defect. Such inherent defect shall be fully rectified to the satisfaction of the Project Manager or Supervisor and at the cost of the Contractor.
- 3.14.8 If urgent repairs have to be carried out by Transnet Freight Rail staff to maintain supply during the guarantee period, the Contractor shall inspect such repairs to ensure that the guarantee period is not affected and should they be covered by the guarantee, reimburse Transnet Freight Rail the cost of material and labour.

3.15 Contractors Staff

- 3.15.1 The Contractor will be responsible for staff related issues including training, certification, rostering, PPE, accommodation, food, water and all other associated staff related issues shall be allowed for in the schedule of quantities.
- 3.15.2 The Contractor shall ensure that proper supervision and safety of his staff on site are provided. All relevant TFR safety instructions and specifications shall be adhered to at all times.
- 3.15.3 The Contractor's staff shall from time to time be requested to perform alcohol breathalyser tests by a qualified person in accordance with Transnet Health and Safety requirements.
- 3.15.4 The Contractor to conduct daily DSTIs (Daily Safety Task Instruction) and shall keep records thereof. In addition to that, the Contractor's manager shall conduct VFLs (visible felt leadership) and have monthly safety meetings on site with his personnel. The minutes of the meeting shall be forwarded to the Production Manager and Project Manager. The Contractors supervisor shall attend ALL monthly safety meetings chaired by the Transnet Freight Rail safety representative.
- 3.15.5 No Poaching of staff will be allowed. Transnet and contractor management to ensure maximum restrictions as regards as poaching is concerned. Compliance to this agreement will enhance and strengthen the employer's primary objective of sustaining the maintenance team and thus maintaining the spirit of mutual trust and co-operation.

3.16 Electrical & mechanical engineering works

- 3.16.1 Where SANS 10142 and/or SANS 10198 specifications are used within the Works Information, then where the term "Equipment" (or the like) is used with the meaning of installation and items left behind in the *works*, then please read this term as "Plant" for ECC defined term compliance.

4. List Of Drawings

4.1 Drawings issued by the *Employer*

| Drawing number | Revision | Title |
|----------------|----------|---------------------------------|
| 001 | 1 | Iron Ore Line Substation Layout |
| | | |

“PREVIEW COPY ONLY”

SECTION 2

5. Management and start up

5.1 Management meetings

5.1.1 The *Contractor* shall attend management meetings at the *Project Manager's* request. It is envisaged that at least one monthly contract management meeting. The *Contractor* will also be required to attend a safety meeting once a month. The *Contractor* will also attend a kick off meeting and a close off meeting. The *Contractor* will be required to present all relevant information including early warnings of compensation events, quality plans, schedules, (including progress) subcontractor management, and health, environmental and safety issues at such meetings.

5.1.2 The Contractor meetings of a general nature may be convened and chaired by the *Project Manager* as follows:

| Title and purpose | Approximate time & interval | Location | Attendance by: |
|--|--|--|---|
| Clarification Meeting | Once off (TBA) | On Site | NEC PM and Contractor |
| Risk register and compensation events (Risk Reduction Meeting) | Monthly on week to advised | [state details] | Project Manager Supervisor , Contractor and appropriate key persons |
| Overall contract progress and feedback | Monthly on last working day of the month | TFR Boardroom at Queen Ware House Building, Point. | Employer, Contractor, Supervisor, and Project Manager (and appropriate delegates) |

5.2 Safety risk management

5.2.1 The *Contractor* shall be solely responsible for carrying out the work under the Contract having the highest regard for the health and safety of its employees, the Principal's employees and persons at or in the vicinity of the site, the works, temporary work, materials, the property of third parties and any purpose relating to the *Contractor* carrying out its obligations under this Contract. The *Contractor* will be required to sign the Section 37(2) Agreement, in terms of the Occupational Health and Safety Act, to commit them to this requirement. (Refer to section 37.2 of the Act).

The *Contractor* shall initiate and maintain health and safety precautions and programs to conform to all applicable Health and Safety laws or other requirements, including requirements of any applicable government instrumentality. The *Contractor* shall, at its own cost, implement and maintain safeguards for the protection of workers and the public and shall manage all reasonably foreseeable hazards created by performance of the work. Furthermore, the *Contractor* shall:

- Provide all facilities and take all measures necessary for maintaining proper personal hygiene, ensuring health and safety of persons and property
- Avoid unnecessary interference with the passage of people, vehicles and property at or near the Site
- Prevent nuisance and excessive noises and unreasonable disturbances in performing the Services
- Be responsible for the adequacy, stability and safety of all of its site operations, of all its methods of design, construction work and be responsible for all of the work, irrespective of any acceptance, recommendation or consent by the Agent, its Contractors, employees, or any Government Body
- Traffic management will be needed to and be communicated to the users of the entrance before work commences. The traffic management will form part of the Safety Plan.
- Cost for the above shall be borne by the Contractor.
- The Contractor shall comply and shall be responsible for ensuring that all of its subcontractors comply with the relevant statutory regulations for safety and the Agent/Principal Contractor's Health and Safety requirements as defined in document HAS-STD-0001.

5.2.2 The *Contractor* complies with the following:

- The *Contractor* shall provide an overview of its safety manuals, policies and procedures to the Agent/Principal and shall ensure that its personnel, at all times, strictly observe and comply with the requirements set out therein as well as safety procedures requested by the *Contractor* from time to time applying to the area of operations. The *Contractor* shall forward to the Agent/Principal *Contractor* any updates or revisions to its safety manuals, policies or procedures as soon as practicable following revision or update.
- The Agent/Principal *Contractor* may require the *Contractor* from time to time to supplement its safety manual, policies and procedures with guidelines and/or operating standards provided to the *Contractor* by the Agent/Principal *Contractor*. The *Contractor* shall comply with such requests where the request is consistent with the requirements of the Contract. The *Contractor* shall give prompt written notice to the Principal of any objection of the *Contractor* to the requested supplement, including the reasons for objection. The Agent/Principal *Contractor's* rights under this Clause are not intended, and shall not be construed, to relieve the *Contractor* from any obligations to ensure compliance with all provisions of this Contract.

5.2.3 The *Contractor* ensures that its subcontractors comply with the requirements of the SMP.

5.2.4 The *Contractor* performs the works having due regard to the HSSP.

5.2.5 The Health and Safety Plan shall include the following as a minimum:

- Managements' commitment to safety and safety leadership
- Identify the participants in the development of the plan
- Clearly defined responsibilities for various actions
- Personal Safety Action Plans for key staff

- Clearly defined start and completion timeframes
 - Scheduled implementation effectiveness reviews
 - Detail training and assessment requirements, competencies relating to hazard identification and management, safety and health competencies and mobile machinery and equipment operational competencies
 - Compliance with the statutory legislation
 - Communication of the Health and Safety management plan and requirements to personnel
 - Assessment of Sub-Contractors Health and Safety Systems including requirements and assurances for safety plans
 - Personal protective equipment control
 - Record keeping including archiving details
 - Incident reporting and investigation
 - Consequence for employees and Management not copying to the requirements.
 - Development of a Health and Safety Policy that aligns and reinforces the Health and Safety targets and objectives of the project. The Health and Safety management plan must address:
 - How the Health and Safety Policy will be communicated to all employees and Sub-Contractors
 - How and where the Health and Safety Policy will be available and displayed on site
 - How management intends to measure performance against the intentions stated in the policy
 - Training and assessments
- 5.2.6 The Contractor complies with the requirements of the SSRC with respect to his own activities and others on the Site and Working Areas.
- 5.2.7 The Contractor makes the SMP available to its employees and subcontractors in the language of his contract and other local languages as required.
- 5.2.8 The Contractor participates in a HAZOP and Constructability Reviews at intervals upon the instruction and direction of the Project Manager.
- 5.2.9 The Contractor completes a Risk Assessment prior to carrying out any operation on the Site and/or working areas to the approval of Project Manager and TRE's Project manager.
- 5.2.10 The lines of communication of the various personnel acting on behalf of the Project Manager who communicate directly with the Contractor and his key persons with respect to the SMP are contained within Annexure HAS-STD-0001.
- 5.2.11 Hazard identification and risk assessment

The *Contractor's* appointed Site Representative and the *Project Manager* shall finalize a site-specific HIRA (Hazard Identification and Risk Assessment) document, on the day of site handover to the *Contractor*. This site-specific HIRA document, based on a continuous HIRA, must cover site-specific hazards and the safe management of these hazards. The HIRA document must be signed by the abovementioned representatives as well as the Depot Safety Manager, and be accepted by the *Project Manager*, before any construction work can commence.

5.2.12 Substance abuse

The OHSA (Act 85 of 1993) clearly states in the Safety Regulations no. 2A **“INTOXICATION” An employer or user, as the case may be, shall not permit any person who appears to be under the influence of intoxicating liquor or drugs, to enter or remain at a workplace”**. Transnet Freight Rail RME enforces this legislation by means of its Substance Abuse Policy, and therefore reserves the right to do substance abuse testing on anyone who enters their premises.

5.2.13 Safety meetings

The *Contractor* shall ensure that a safety representative is appointed and regular safety meetings are held. Written minutes of these safety meetings shall be forwarded to the *Project Manager*. All costs related to the safety aspects required under this contract will be carried by the *Contractor's* and therefore be covered under the rates tendered.

- **NB:** The tendered amount shall include for all costs to confirm to the Health and Safety requirements.

5.3 Environmental constraints and management

5.3.1 All work is to be conducted in accordance with the principles of the National Environmental Management Act, 1998 (Act no. 107 of 1998) and accepted environmental good practices. The following documents, included in the Works Information, provide the minimum acceptable standards that shall be adhered to:

5.3.1.1 Construction Environmental Management Plan ENV-STD-002 (CEMP)

5.3.1.2 Standard Environmental Standard ENV-STD-001 (SES)

5.3.2 The *Contractor* shall perform the works and all construction activities within the Site and Working Areas having due regard for the environment and environmental management practices.

5.3.3 The SES describes the minimal acceptable standard for environmental management for the range of environmental aspects commonly encountered on construction projects and sets environmental objectives and targets, with which the *Contractor* must comply.

5.3.4 Where relevant, the *Contractor* shall provide detailed method statements, as required by the suitably qualified and experienced SES, within the timeframes as stipulated.

5.3.5 The contractor shall maintain records of checks, audits and environmental monitoring, as required by the CEMP, and SES.

5.3.6 The *Contractor* shall, as required by the CEMP, provide activity based environmental method statements for particular planned construction activities at the Site and/or Working Area and/or where requested by the Construction Manager or Environmental Manager.

5.4 Quality Management System

- 5.4.1 The *Contractor* shall, maintain, implement and demonstrate its use to the *Project Manager* (and/or the *Supervisor*) the documented Quality Management System to be used in the performance of the works. The *Contractor's* Quality Management System shall conform to International Standard ISO 9001 (or an equivalent standard acceptable to the *Project Manager*).
- 5.4.2 The *Contractor* shall comply with the requirements as stipulated in QM-STD-001, General Requirements for Suppliers and Contractors (latest revision).
- 5.4.3 The *Contractor* submits his Quality Management System documents to the *Project Manager* as part of his programme under ECC3 Clause 31.2 to include details of:
- 5.4.3.1 Quality Plan for the contract
 - 5.4.3.2 Quality Policy
 - 5.4.3.3 Index of Procedures to be used
 - 5.4.3.4 A schedule of internal and external audits during the contract
- 5.4.4 The *Contractor* develops and maintains a comprehensive register of documents that will be generated throughout the contract including all quality related documents as part of its Quality Plan.
- 5.4.5 The *Project Manager* indicates those documents required to be submitted for either information, review or acceptance and the *Contractor* indicates such requirements within his register of documents. The register shall indicate the dates of issue of the documents with the *Project Manager* responding to documents submitted by the *Contractor* for review or acceptance within the period for reply prior to such documents being used by the *Contractor*.
- 5.4.6 The Quality Plan means the *Contractor's* statement, which outlines strategy, methodology, resources allocation, QA and Quality Control co-ordination activities to ensure that the works meet the standards stated in the Works Information.

5.5 Programming constraints

- 5.5.1 The *Contractor* shows on each programme he submits to the *Project Manager*, the requirements of the CEMP, SES and SMP state others as required as described under paragraph 2.4 of the Works Information, together with the associated environmental method statements.
- 5.5.2 The *Contractor* complies with the *Employer's* programme
- 5.5.3 The *Contractor* shows on each revised programme he submits to the *Project Manager* a resource histogram showing planned progress versus actual, deviations from the Accepted Programme and any remedial actions proposed by the *Contractor*
- 5.5.4 The *Contractor* presents his first programme and all subsequently revised programmes (see ECC Clauses 31.2 and 32.1) in hard copy format

5.6 Insurance provided by the Employer

5.6.1 Insurance provided by the *Employer* is contained in the Contract Data – Part 1.

5.6.2 Procedures for making insurance claims can be obtained from the Project Manager.

5.7 Provision of bonds and guarantees

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

5.7.2 The *Contractor* provides a bond or guarantee as required by the conditions of contract concurrently with the execution by the Parties of the form of agreement for the ECC contract.

5.8 Records of Defined Cost, payments & assessments of compensation events kept by *Contractor*

5.8.1 The *Contractor* keeps the following records available for the *Project Manager* to inspect:

5.8.1.1 Records of design employees location of work (if appropriate);

5.8.2 The *Contractor* keeps the following records available for the *Project Manager* to inspect:

5.8.2.1 Records of Equipment used and people employed outside the Working Areas (if applicable).

5.9 Engineering and the *Contractor's* Design

5.9.1 Employer's Design

5.9.1.1 The *Employer's* design for the works is:

- Works Information
- Technical specifications

5.9.2 Parts of the Works which the *Contractor* is to Design

5.9.2.1 The *Contractor* is to design the following parts of the works:

- All temporary works
- All other items required for the works

5.9.3 Procedure for Submission and Acceptance of *Contractor's* Design

5.9.3.1 The *Contractor* shall address the following procedures:

- The *Contractor* submits details of his temporary works and all other items required for the works to the *Project Manager* for review and acceptance.
- The *Contractor* shall submit to the *Project Manager* samples of all materials to be used in the *Works* and which are to be supplied by the *Contractor* for the approval of the *Project Manager* prior to their incorporation into the work. If accepted, the samples so submitted will be kept by the *Project Manager* as standards for the duration of the Contract. No materials inferior in quality, workmanship or appearance to the accepted samples shall be used.
- All alternative materials not defined herein or SANS proposed by the *Contractor* shall be tested for acceptability by the *Contractor* and the results of the tests made available to the *Project Manager*. All such materials then require the approval of the *Project Manager*. The costs of the tests shall be borne by the *Contractor*.
- The *Project Manager's* approval is required for any manufacture's published instruction prior their use by the *Contractor*.

6. Procurement

6.1 Contractors Invoice

- 6.1.1 When the *Project Manager* certifies payment (see ECC Clause 51.1) following an assessment date, the *Contractor* complies with the *Employer's* procedure for invoice submission.
- 6.1.2 The invoice must correspond to the *Project Manager's* assessment of the amount due to the *Contractor* as stated in the payment certificate.
- 6.1.3 The invoice states the following:
- Invoice addressed to Transnet SOC Ltd;
 - Transnet SOC Limited's VAT No: 4720103177;
 - Invoice number;
 - The *Contractor's* VAT Number; and
 - The Contract number CPT 2414336.001
 - The invoice contains the supporting detail
- 6.1.4 The invoice is presented either by post or by hand delivery.
Invoices submitted by post are addressed to:
Transnet Freight Rail
P.O Box 38163
Point
4069
For the attention of The Contract Administrator, Transnet Freight Rail RME
- 6.1.5 Invoices submitted by hand are presented to:
Transnet Freight Rail RME
237 Mahatma Gandhi
Point
Durban, 4001
For the attention of The Contract Administrator, Transnet Freight Rail
- 6.1.6 The invoice is presented as an original.

6.2 People

6.2.1 BBBEE and preferencing scheme

Points will be awarded to tenderers based on preferencing using the balanced Department of Trade and Industry (DTI) scorecard. The application of the Broad Based Black Economic Empowerment recognition levels and score preferencing points are as follows:

| Contribution Level | Qualification Points on the generic scorecard | Broad-Based BEE Recognition Level | Preferencing Points Scored |
|--------------------|---|-----------------------------------|----------------------------|
| Level 1 | Greater than or equal to 100 points | 135% | 10 |
| Level 2 | Greater than or equal to 85 points but less than 100 points | 125% | 9 |
| Level 3 | Greater than or equal to 75 points but less than 85 points | 110% | 8 |
| Level 4 | Greater than or equal to 65 points but less than 75 points | 100% | 5 |
| Level 5 | Greater than or equal to 55 points but less than 65 points | 80% | 4 |
| Level 6 | Greater than or equal to 45 points but less than 55 points | 60% | 3 |
| Level 7 | Greater than or equal to 40 points but less than 55 points | 50% | 2 |
| Level 8 | Greater than or equal to 30 points but less than 40 points | 10% | 1 |
| Non-compliant | Less than 30 points | 0% | 0 |

6.2.2 On the basis the *Contractor* with a BBBEE recognition level of 135% will achieve 10 points, and the points will be allocated accordingly on a pro-rata basis as per the table above.

6.2.3 In addition to the above, provision is made for the case where a *Contractor* has greater than 50% black ownership. In this instance, provided the requisite documentary evidence is supplied, the *Contractor* will then be awarded preference point's one level above that awarded based on the DTI scorecard. For example, a *Contractor* with > 50% black ownership obtaining a Level 6 contribution equating to 5 points will be awarded 6 preferencing points (Level 5).

6.2.4 Contractors claiming Preference Points must submit together with the tender document their BEE verification certificates issued by Accredited Verification Agencies or Verification Agencies that are in possession of a valid pre-assessment letter from the South African National Accreditation System (SANAS). Despite this provision, all verification certificates issued by non-accredited verification agencies before 31 January 2010 will remain valid for 12 month from the date of issue (Refer Government Gazette Notice No. 810 of 2009 – 31 July 2009).

6.2.5 Should the BBBEE rating not be provided, Transnet reserves the right to award no points and/or declare the tender void. Transnet also reserves the right to carry out an independent audit of the *Contractor's* scorecard components at any stage from the date of close of the tenders until completion of the contract.

6.3 Subcontracting

6.3.1 Project Manager's approval is required prior to the appointment of any Sub-Contractors.

6.3.2 Subcontract documentation, and assessment of subcontract tenders

6.3.3 Where the *Contractor* employs a Subcontractor who constructs or installs part of the *works* or who supplies Plant and Materials for incorporation into the *works* which involves a Subcontractor operating on the Site and/or Working Areas, then the *Contractor* ensures that any such Subcontractor complies with the CEMP and SES (described under paragraph 2.4 of the *Works Information*) as appropriate and that the subcontract documentation places back-to-back obligations on the Subcontractor which reflect the *Contractor's* obligations under the CEMP and SES all within the *Contractor's* Quality Management System as per paragraph 2.5 of the *Works Information*.

6.3.4 Where the *Contractor* employs a Subcontractor who constructs or installs part of the *works* or who supplies Plant and Materials for incorporation into the *works* which involves a Subcontractor operating on the Site and/or Working Areas, then the *Contractor* ensures that any such Subcontractor complies with the PIRPMP (described under paragraph 4.1.1 of the *Works Information*) as appropriate and that the subcontract documentation places back-to-back obligations on the Subcontractor which reflect the *Contractor's* obligations under the PIRPMP, all within the *Contractor's* Quality Management System as per paragraph 2.5 of the *Works Information*.

- 6.3.5 Where under the CEMP as described under paragraph 6.4 of the Works Information, the Contractor is required to remove an animal, reptile or bird from the Site and/or Working Areas, the Contractor engages a Subcontractor who is a specialist and qualified for the removal of such animal, reptile or bird (to include the removal of rare, endemic or endangered species). The Contractor's attention is drawn to ECC Clauses 26.2 & 26.3.

6.4 Plant and Materials

- 6.4.1 The quality of any materials required to complete the works shall be in accordance with the approved QCP
- 6.4.2 The Contractor provides Plant and Materials for inclusion in the works in accordance with SANS 1200A sub-paragraph 2.1, unless otherwise stated elsewhere in the Works Information provided by the Employer. All Plant and Materials are new, unless the use of old or refurbished goods and/or Materials are expressly permitted as stated elsewhere in this Works Information or as may be subsequently instructed by the Project Manager.
- 6.4.3 Where Plant and Materials for inclusion in the works originate from outside the Republic of South Africa, all such Plant and Materials are new and of merchantable quality, to a recognised national standard, with all proprietary products installed to manufacturers' instructions.
- 6.4.4 The Contractor replaces any Plant and Materials subject to breakages (whether in the Working Areas or not) or any Plant and Materials not conforming to standards or specifications stated and notifies the Project Manager and the Supervisor on each occasion where replacement is required.
- 6.4.5 The Plant and Materials provided by the Employer are solely at the risk of the Contractor for inclusion in the works. The Contractor takes responsibility for ensuring the Plant and Materials do not contain a Defect(s) and are in compliance with the standards stated elsewhere in the Works Information.
- 6.4.6 The Contractor provides all other Plant and Materials necessary for the works not specifically stated to be provided "free issue" by the Employer.

PART 4: SITE INFORMATION

1. Description of the Site and its surroundings

1.1. General description

The site is at the following sites: Sishen Yard, Lewensaan, Gariep, Aries, Helios, Juno and Aurora 20kV AC substation along the Sishen-Saldana Iron Ore Export Line in the Northern Cape.

Prospective *contractors* shall attend the site inspection and acquaint themselves with the nature of the *works*, the condition under which the work is to be performed, and the means of access to site, any limitations or other authorities and in general will all matters that may influence or affect the *contractor*

1.2. Existing buildings, structures, and plant & machinery on the Site

Prospective *contractors* shall attend the site inspection and acquaint themselves with the existing structures, nature of the *works*, the condition under which the work is to be performed, and the means of access to site, any limitations or other authorities and in general will all matters that may influence or affect the *contractor*

1.3. Subsoil information

The *Contractor* shall liaise with the *Project Manager* in this regard before commencing with work

1.4. Hidden services

It is the responsibility of the *Contractor* to detect and protect the existing services. The *Contractor* shall liaise with the *Project Manager* in this regard before commencing with work