



on the Go for Growth

WATERBERG DISTRICT MUNICIPALITY
SPECIFICATION

BID NUMBER: WDM 2016/17-04

BID: SUPPLY AND DELIVERY OF MAYORAL VEHICLE

ADVERT DATE: 19 AND 22 MARCH 2017

CLOSING DATE: 10 APRIL 2017 @11H00

NAME OF TENDERER: _____

CONTACT PERSON: _____

TENDERED AMOUNT: _____

TENDERED AMOUNTS IN WORDS: _____

CELL NUMBER: _____

FAX NUMBER: _____

TEL NUMBER: _____

EMAIL ADDRESS: _____

POSTAL ADDRESS: _____

PHYSICAL ADDRESS: _____



CALL FOR TENDERS

Waterberg District Municipality (WDM) invites service providers to submit tenders for the following projects:-

BID NUMBER	PROJECT DESCRIPTION	NAME/	COMPULSORY BRIEFING SESSION	BID AMOUNT	EVALUATION CRITERIA	TECHNICAL PERSON	CONTACT
WDM/2016/17-04	SUPPLY AND DELIVERY OF MAYORAL VEHICLE		N/A	R300.00	80/20	Mrs. Maureen Ngoepe Tel: 014 718 3314 Fax: 086 634 6359 Email: mngoepe@waterberg.gov.za	

CLOSING DATE FOR THE ABOVE PROJECTS IS ON THE 10 APRIL 2017 AT 11H00 AM.

Tender documents are available and can be obtained at **non-refundable amount as indicated above** from the Municipality's offices from **07h45 to 15h30 (Monday to Friday) as from the 20 MARCH 2017**. All proposals must be in a sealed envelope and marked "**Project name, Project number and the closing date**" and be deposited in the tender box of WDM Council Building, Harry Gwala Street, Modimolle. Tender Box is accessible 24 hours/7 days per week at WDM Building.

The briefing session will be held on the date, time and venue as indicated above.

Proposals will be evaluated on the basis of the PPPFA 80/20 point system, and WDM Supply Chain Management Policy. No fax or email proposals will be accepted. Interested Service Providers should submit proposals to the following address: **MS Mabotja, Municipal Manager, Waterberg District Municipality, Harry Gwala Street, Modimolle, 0510**. Administrative queries relating to the tender may be addressed to **Ms. Ketlana Makgobela on 014 718 3350 / 014 718 3300** or Email: **kmakgobela@waterberg.gov.za** and technical queries as per contact person above.

**MS MABOTJA
MUNICIPAL MANAGER**

A. INTRODUCTION

1. Invitation to submit proposals:

Waterberg District Municipality (WDM) invites service providers to submit proposals for the **supply and delivery of Mayoral Vehicle** as described in the Specification document. Proposals received will be the basis for the contract negotiations and ultimately appointment of the suitable service provider. It is therefore important that service providers familiarise themselves with the municipality's processes and WDM supply chain management policy and to take them into account in preparing their proposal.

2. Service Providers must note that the costs of preparing the proposal and of negotiating the contract are not reimbursable and Waterberg District Municipality is not bound to accept any of the proposals submitted.
3. At any time before submission of the proposals, Waterberg District Municipality may, for any reason, whether at its own initiative or in response to a clarification requested by an invited firm, modify these Specifications by amendments. The amendment will be sent in writing by facsimile or electronic mail to all registered consultants and will be binding on them. Waterberg District Municipality may at its discretion extend the deadline for the submission of proposals.

B. FINANCIAL PROPOSAL

In preparing the financial proposal, service providers are expected to take into account the requirements and the conditions of these Specifications. The financial proposal should list all costs associated with the project and relevant taxes. The proposal must be fixed cost and remain valid for **90 days** after the closing date of the tender submissions. The rate of exchange of this bid is not subject to any foreign currency and the prize must be firm.

C. NEGOTIATIONS

Negotiations to reach agreement on all points and sign a contract will be held at a time and place to be determined by the Waterberg District Municipality. Negotiations will include a discussion of the technical proposal, the proposed work plan and any suggestions made by the appointed service provider to improve the Terms of Reference. The agreed work plan, service level agreement and final Terms of Reference will then be incorporated into the "Description of Services" and form part of the contract.

D. SUBMISSION, RECEIPTS AND OPENING OF TENDER PROPOSAL

The proposal tender document shall be placed in a sealed envelope clearly marked “project name, project number and the closing date”. The envelop shall be deposited in the tender box at the municipality's offices situated at:

HARRY GWALA STREET, MODIMOLLE

Note that any proposal received after the closing date and time for submission, will not be considered.

Enquiries regarding the bid may be directed to:

Technical enquiries regarding the bid may be directed to:

Ms MM Ngoepe : Senior Admin Officer Waterberg District Municipality

Tel: (014) 718 3300/3314, fax: 086 634 6359, e-mail: mngoepe@waterberg.gov.za

AND

Administrative Enquiries to Supply Chain Management Unit:

Ms K Makgobela: Divisional Manager Supply Chain Management

Tel: (014) 718 3300/3350, fax no, 014 718 3376, email: kmakgobela@waterberg.gov.za

The proposal will be opened immediately after the closing time for submission. No bid outside the box will be accepted. At the proposal opening all service providers proposal will be read aloud and the proposal amount shall be made public and recorded.

WDM will take ownership of the outcomes and deliverables, thereby reserving the right to reproduce information from, copy and / or distribute such outcomes and deliverables without the prior consent of and / or reference to the service provider.

WATERBERG DISTRICT MUNICIPALITY

TERMS OF REFERENCES FOR THE SUPPLY AND DELIVERY OF MAYORAL VEHICLE

It is the intension of the Waterberg District Municipality to enter into a service agreement with a service provider that will carry out the services described hereunder. This Terms of Reference and the service provider's proposal will form the basis of the contract.

- Services for the supply and delivery of Mayoral Vehicle

SECTION 1: DETAILS

Province	Limpopo
Municipality	Waterberg District Municipality
Project Name	Supply and delivery of Mayoral Vehicle
Location:	Waterberg District Municipality

SECTION 2: SUMMARY OF BRIEF

Proposals are requested from service providers for the supply of the Mayoral vehicle and delivery thereof.

SECTION 3: PROJECT DESCRIPTION

INTRODUCTION/BACKGROUND

Corporate and Support Services is responsible for the procurement of the Municipal Fleet as well as the Mayoral Vehicle. As a result the department will be responsible towards ensuring that the Executive Mayor is transported to all events and meetings she is officially invited to as it is allowed in terms of the Government Gazette No 29447. The current Mayoral vehicle needs to be replaced as per SALGA Mayoral Handbook.

PURPOSE/AIM OF THE PROJECT

Waterberg District Municipality requires a service provider or car dealer to render a motor vehicle for the official transportation of the Executive Mayor.

OBJECTIVES OF THE PROJECT

To render transport services to the Executive Mayor.

SECTION 4: PROJECT OUTCOMES/ OUTPUTS/ DELIVERABLES

SCOPE OF WORK

This specification provides for the supply of a motor vehicle and the delivery thereof.

1 x 3.0 litre Diesel SUV (2017 Model) with the following specifications:

Engine	
Engine capacity	2 987cc
Engine size	3.0 litre
Cylinders	6
Charger	Turbocharger
Power maximum	190 kw
Power Peak Revs	3 600r/min
Torque Max	620 Nm
Torque Peak Revs	1 600-2 400r/min
Transmission type	Automatic
Features	
Engine auto Stop/Start	Yes
Gear shift paddles	Yes
ABS	ABS
Electronic brake distribution (EBD)	Yes
Brake Assist BASEBA	Yes
Traction control	Yes
Stability Control	Yes
Hill descent control/downhill brake control	Yes
Alloy wheels rims	Yes
Front tyres	255/50R19
Rear tyres	255/50R19
Tyre pressure sensor	Yes
Air conditioning	Yes
Climate control/automatic air con	Yes
Power steering	Yes
Multifunction steering wheels control	Yes
On board computer multi information display	Yes
Navigation	Yes
Cruise control	Yes

Bluetooth connectivity	Yes
CD player	Yes
Multi disc CD Player shuttle	Yes
Auxillary input	Yes
USB port	Yes
Power socket 12v	Yes
Central locking	Remote
Cup bottle holders	Yes
Leather upholstery	Yes
Electronic windows	Yes
Rain sensor wipers	Yes
Electric adjust mirrors	Yes
Heated exterior mirrors	Yes
Electric fold retractable mirrors	Auto
Panoramic Sunroof	Yes
Daytime driving running lights	LED
Xenon headlights	Yes
Directional turning headlights	Yes
Adaptive headlights	Yes
High beam assist	Yes
High level 3 rd brake light	Yes
Rear fog lamps	Yes
Camera for park distance control	Yes
Specifications	
Doors	5
Body Shape	SUV
Fuel type	Diesel
Start Stop button	Yes
Driven wheels	All
Gear ratios quantity	7
Gearshift	Automatic
Folding rear seat	Yes
Length	4 804 mm
Width	1 925 mm
Height	1 796 mm
Wheel base	2 915 mm
Fuel tank capacity including reserve	93 litres
Colour paint	Metallic
Safety	
Driver airbag	Yes
Front passenger airbag	Yes
Driver knee airbag	Yes
Front side airbags	Yes
Rear side airbags	Yes
Curtain airbags	Yes
Airbag quantity	9
Warranty	

Warranty time years	Minimum of 3years
Maintenance plan distance	100 000km (must be extended to 160 000km)
Maintenance plan time (years)	6 years

EXTRAS

Blue lights – supply and install
Smash and grab on all windows
Standard tracker – supply and install

SECTION 5: PROJECT OUTCOMES/OUTPUTS AND DELIVERABLES

VEHICLE

The supply and delivery of a 3.0 litre Diesel Metallic SUV, with specification as per the scope of work.

EQUIPMENT AND ACCESSORIES:

The successful Tenderer(s) shall offer a complete vehicle including all the equipment and accessories where applicable and shall be responsible to have such items supplied and fitted.

REGISTRATION AND LICENSING OF VEHICLE

The preferred dealer shall be responsible for the registration and licensing of the vehicle. The dealer shall liaise with the proxy of the municipality to collect the necessary registration documents and completion of registration forms thereof

MANUALS:

The successful Tenderer shall supply with the vehicle manuals for the vehicle as well as the accompanying equipment. The following shall be applicable:

- a) One (01) only operator's manual
- b) One (01) individual vehicle service book.
- c) One (01)only maintenance manual
- d) One (01)) only spare parts manual

The successful bidder(s) shall be responsible to have such items supplied and fitted as well as registration and licensing through the Licensing Authority in conjunction with the WDM Proxy.

SECTION 6: PROJECT COSTS / PRICING SCHEDULE AND PAYMENT MILESTONE

Pricing Schedule

Description	Amount
Vehicle (as per specification)	
Bluelights (supply and install)	
Smash and grab	
Standard tracker (Supply and install)	
Total (Inclusive of VAT, if registered for VAT)	

Payment milestone

The payment will be done to the service provider or car dealer by means of once off EFT payment upon delivery of the vehicle. Maintenance and repair of the vehicle will be paid by means of an order and EFT once the service has been rendered as per the quotation submitted, provided the damage is not covered in the motor plan or else, motor plan has expired.

SECTION 7: WARRANTY/MAINTENANCE/TRAINING

WARRANTY

Tenderers shall submit full details of their warranty commitments on the vehicles as well as all new equipment. Tenderers shall also undertake to ensure that satisfactory after sales service and maintenance support is provided. The warranty period shall commence from the official date in service applicable to the vehicle and shall be a minimum period of sixty (60) months.

MAINTENANCE CONTRACT

The successful service provider/ car dealer must also enter into a maintenance contract with Waterberg District Municipality whereby they will be the only service provider that service the car, repair the car, replace any fittings in the car and supply the car with other vehicle parts. Any service that is not included in the 6 year/160 000 km motor plan will be procured by means of a submission of a quotation by the dealer. However, if such service that is required on the car, and if the preferred dealer is unable to provide the municipality with the quotation, then the municipality will procure such service by means of a 3 quotation

system.

It will also be required from the preferred dealer to check the vehicle regularly and advise the municipality on any repairs that need to be made or any parts that need to be replaced.

NB : The vehicle must come with an extended maintenance plan of at least **160 000 kilometers** as per the conditions of the preferred service provider.

DEMONSTRATION

Comprehensive driver operator demonstration is to be provided by the successful Tenderer at the premises of the Tenderer or a suitable venue. The cost of the training must be included in the tender price.

SECTION 8: SKILLS ,EXPERTISE AND QUALIFICATION REQUIREMENTS

Competency/ Expertise requirements

WDM is looking for a Service Provider or car dealer, who is also knowledgeable and experienced in the supply and delivery of vehicles meeting the specification indicated in this tender document.

COMPANY EXPERIENCE (COMPULSORY)

EXPERIENCE OR REFERENCE LIST OF SIMILAR WORK SUCCESSFULLY COMPLETED

INSTITUTION NAME	PROJECT NAME	CONTACT PERSON & NUMBER	VALUE OF PROJECT	PROJECT START & COMPLETION DATE	APPOINTMENT LETTER/PURCHASE ORDER

Note:-Complete the table above on company experience (compulsory table). Attachment will not serve as a substitute for completing the table

NB! It is compulsory that service providers attach proof of similar project executed from institutions e.g **Appointment letter/ Official purchase order / letter from the institution indicating that the work was indeed executed successfully.**

The Municipality has the right to score the service providers zero if the referees indicated above are not traceable and they are unable to submit or recall the project as indicated above. It is still the responsibility of the service provider to ensure that the contact person and number given for the project executed are still available for verification.

COMPULSORY TABLE TO BE COMPLETED BY SERVICE PROVIDERS

Name	Position occupied in Enterprise	ID Number	Date RSA Citizenship obtained	* HDI Status			% of business / enterprise owned
				No franchise prior to elections	Women	Disabled	

SECTION 9: REPORTING

WDM will have meetings from time to time with the appointed Service Provider until the project is complete.

SECTION 10: DELIVERY TIMEFRAME

The project must be completed within one **(01) month** from the date of acceptance of appointment letter to be submitted by the Waterberg District Municipality to the successful bidder.

Project hand-over

The handover of this project must be within 30 days upon acceptance of the appointment by the competent Service Provider.

SECTION 11: PROJECT TEAM

The service provider must appointment a project manager who is experienced in the field of selling new vehicles, who will be working with a project manager and a member of the Supply Chain Unit from Waterberg District Municipality, the three will form a team of the whole project. The project team must be available for the whole implementation of the project up to the end. In case of resignation of the member, the service provider must inform the municipality in writing. The resigned member must be replaced by a team member of the same qualifications and experience.

SECTION 12: EVALUATION CRITERIA

The project will be evaluated on the basis of the PPPFA 80/20 point system.

The 80/20 point system will be as follows:

PRICE ASSESSMENT	80
TOTAL	80

The formulae to be utilized in calculating points scored for price are as follows:

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for comparative price of bid or offer under consideration

P_t = Comparative price of bid or offer under consideration

$P_{\min}$ = Comparative price of lowest acceptable bid or offer.

Points scored must be rounded off to the nearest 2 decimal places.

1.2 Points for B-BBEE status level of contributor

1.2.1 Points must 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 (80/20 system)
1	20
2	18
3	16
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

1.2.2 The B-BBEE Status Level Verification Certificates submitted are issued by the following agencies:

1.2.2.1 Bidders other than EMEs

- (a) Verification agencies accredited by SANAS; or
- (b) Registered auditors approved by IRBA.

1.2.2.2 Bidders who qualify as EMEs

- (a) Accounting officers as contemplated in the CCA; or
- (b) Verification agencies accredited by SANAS; or
- (c) Registered auditors. (Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates).

1.2.3 A bid will not be disqualified from the bidding process if the bidder did not submit a certificate substantiating the B-BBEE status level of contribution or is a non-compliant contributor. Such a bidder will score zero (0) out of a maximum of 20 points for B-BBEE.

N.B A trust, consortium or joint venture must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid.

1.3 Calculation of total points scored for price and B-BBEE status level of contribution

1.3.1 The points scored for price must be added to the points scored for B-BBEE status level of contribution to obtain the bidder's total points scored out of 100.

2 EVALUATION OF BIDS THAT SCORED EQUAL POINTS

2.1 In the event that two or more bids have scored equal total points, the successful bid must be the

one that scored the highest points for B-BBEE.

- 2.2 If two or more bids have equal points, including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 2.3 In the event that two or more bids are equal in all respects, the award must be decided by the drawing of lots.

ACCEPTANCE OF SWORN AFFIDAVITS

Sworn affidavits are accepted and attached hereto as follows:

Annexure A copy of Sworn Affidavit-BBBEE Exempt Micro Enterprise

Annexure B sworn Affidavit –BBBEE Exempt Qualifying small Enterprise

A bid will not be disqualified from the bidding process if the bidder did not submit a certificate substantiating the B-BBEE status level of contribution or is a non-compliant contributor. Such a bidder will score zero (0) out of a maximum of 20 points for B-BBEE.

N.B A trust, consortium or joint venture must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid.

Points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

SELECTION CRITERIA

The following criteria in conjunction with accepted procurement criteria will be applied during the evaluation of the proposals to the Waterberg Municipality:

- A demonstrated understanding of the requirements of the brief;
- The strength of the company's ability to complete the job successfully;
- Relevant and related experience of the team of people who will work on the project;
- The ability to deliver within the time frame set.

SERVICE LEVEL AGREEMENT

Once your Company has been selected, you will need to sign a contract which outlines the agreed duties of each party, as well as the required deliverables, remuneration, mutual delegations and terms and conditions of the appointment. The SLA is to be signed within seven (7) days after receipt of the acceptance letter from the preferred dealer.

The contract will be for a period of 5 years/160000 km. The following considerations should be noted when contractual negotiations begin:-

- Intellectual property
- Privacy of information
- Terms and conditions

REQUIRED BIDDER PROFILE

A company profile should be submitted, while interested parties should also indicate in their proposals their expertise and capacity to undertake the project in question. Previous experience reference list with recent contacts telephone numbers must be attached.

PAYMENT

Payment will be done against a fixed term contract according to Supply Chain Management Policy of Waterberg District Municipality, which must be inclusive of travelling and accommodation.

All payments shall be made on the presentation of quality controlled; accepted, agreed deliverables and as per quotation. No variable cost not quantified will be allowed, all cost must be quantified unless the tender is of nature that cannot be quantified and it is stated as such in the financial proposal.

REFEREES

The proposal should include a client reference list with contact details and a brief description of projects successfully completed with clear indication of project awarded amounts, time frame and description of the relevant project.

Similar references of other district and local municipalities or provincial governments will be an added recommendation and/or advantage.

BID PROPOSAL

The submission of bid proposals will close on as per the advert.

Note that all bid proposals are to be deposited into the bid box at Waterberg District Municipality, Harry Gwala Street, Modimolle, 0510.

No fax or email will be considered for the submission of the proposals.

ENQUIRIES

Enquiries regarding this request for proposals should be directed either by telephone, fax or preferable/ advisable by email to Ketlana Makgobela available in Supply Chain Management Unit, contacts are as follows:

Fax. Number: (014) 717-2398
E-mail addresses: kmakgobela@waterberg.gov.za
Tel. Number: (014) 718-3300/50

N.B. Enquiries must be **forwarded in writing through e-mail address above or fax number**. No enquiries will be entertained 48 hours (2 days) before closing of the tender.

COMPLIANCE STATEMENT

It is compulsory that these Terms of Reference for inviting proposals must be responded to point by point.

THE FOLLOWING CONDITIONS WILL APPLY:

- Price(s) quoted must be valid for at least ninety (90) days from the closing date of the tender;
- Price(s) quoted must be firm and inclusive of VAT (if VAT registered) and detailed price schedule must be attached;
- Company registration certificate showing percentage of shareholders e.g. CK1, CK2 etc.
The following information must be indicated, percentage owned by HDI, Women, Youth and Disabled and the location.
- ID copies of the shareholders must be attached;
- Municipal accounts for the physical address of the business and residential addresses of each of its shareholders. The municipal accounts submitted may not be older than 2 months from the closing date of tender.
 - If the proof submitted is not in the name of the company or shareholder, written explanations and evidence must be attached indicating how the proof submitted relates to the said business or shareholder;
 - In cases where the address of the business or shareholder is not through ownership but through a lease agreement, a copy of municipal account for the owner of the building must be attached as well as a copy of the lease agreement with the said business or shareholder;
 - Evidence of the Physical addresses of business and shareholders must be attached if not evident from the municipal account;
 - This should provide clear evidence that the municipal accounts of the business' address and the residential addresses of every individual shareholder are not in arrears for more than 90 days;
- Copy of Valid Tax Clearance Certificate
- Tender proposal will be evaluated on PPPFA 80/20 points system;
- Exclusion of other items will cause a disqualification, all quotes must be prepared according to the scope of work;
- No pricing options will be allowed, only one price must be submitted by the tendering service provider;
- Contactable Reference list of previous **complete** projects must be attached. Contactable reference list must comprise of the following information: - **project name, scope / description of appointment, company tendered for, tendered amount, appointment date, contactable references with telephone numbers and completion date.**
 - The most relevant and recent projects should be summarized on the tender document template and additional projects and explanations may be included as a separate attachment to the tender document;
 - A letter or other evidence (appointment letter/ purchase order) from the reference institution indicating that the project was successfully completed should be submitted as evidence. If not submitted, WDM reserve the right to not consider the project during evaluation of experience;
 - The scope description should be an exact, but very short description of the specific goods or services provided, not vague or in general. E.g. not just "equipment" / "vehicle" / "study", but what type of "___ equipment" / "___ vehicle" / "___ study".
- Form must be signed in black ink (no pencil is allowed or other colour);
- All MBD Forms must be completed and signed in black ink;

- In case of a Joint Venture, Association or Consortium a formal contract agreement must be signed by both parties and be attached;
- Any alterations on the proposals or the tender document must be initialled.
- Certified Copy of BBEE certificate /sworn affidavit (If applicable)
- CIPC annual registration certificate must be attached
- Copy of registration on Central Supplier Database
- Pricing schedule should be completed in full (Page 8))

Note: Failure to comply with any of the conditions will be an automatic disqualification

The shortlisted companies and the directors or shareholders will be subjected to clearance or verification tests that the institution might deem necessary. Also note that the reference list attached might be contacted for verification process on the municipality's discretion.

RECOMMENDED:-

ALL INTERESTED SERVICE PROVIDERS ARE ADVISED TO **NUMBER** THEIR PROPOSALS NEATLY, ATTACH ALL NECESSARY DOCUMENTS, INCLUDE A **CONTENT PAGE** OF THE PROPOSAL AND **BIND** THE PACKAGE INCLUDING THE MUNICIPALITY'S TENDER DOCUMENT

CHECKLIST ON MINIMUM REQUIREMENTS

No.	MINIMUM REQUIREMENTS	TICK	COMMENT IF NOT ATTACHED
COMPULSORY			
1.	Copy of Valid Tax Clearance Certificate		
2.	Copy of valid Company / entity registration certificates		
3.	Copy of CIPC certificate of annual returns must be attached		
4.	ID copies of the shareholders		
5.	All MBD Forms must be completed and signed		
6.	Municipal account of the company and shareholders which is not in arrears for more than 90 days (see detailed explanation under "Conditions").		
7.	Detailed price schedule as per the full scope of work (compliance to specification)		
8.	Copy of WDM receipt for the tender payment		
9.	Any alterations must be initialed		
10.	Form must be signed in black ink		
11.	Price(s) quoted is valid for at least ninety (90) days from the closing date of tender		
12.	Initial each page of NT Conditions of Contract		
13.	Copy of registration on Central Supplier Database		
14.	Pricing should be detailed as per schedule on page 8		

IF APPLICABLE			
1.	In case of a Joint Venture, Association or Consortium a formal contract agreement must be signed.		
2.	Proof of shareholders' disability		
3.	Registration with recognized council body		
ZERO SCORE IF NOT SUBMITTED			
1.	At least two Curriculum Vitae of the team members with certified copies of qualifications, years of relevant experience on similar projects and projects names.		
2.	Contactable Reference, List of previous completed projects (see detailed explanation under "Conditions").		
3.	Company Profile (Indicating Shareholding, core business, experience etc.)		
4.	Certified Copy of BBBEE certificate /sworn affidavit.		

Service provider / representative

Signature

SWORN AFFIDAVIT – B-BBEE EXEMPTED MICRO ENTERPRISE

I, the undersigned,

Full name & Surname	
Identity number	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a member / director / owner of the following enterprise and am duly authorised to act on its behalf:

Enterprise Name	
Trading Name	
Registration Number	
Enterprise Address	

3. I hereby declare under oath that:
 - The enterprise is _____ % black owned;
 - The enterprise is _____ % black woman owned;
 - Based on the management accounts and other information available on the _____ financial year, the income did not exceed R10,000,000.00 (ten million rands);
 - Please confirm on the table below the B-BBEE level contributor, by ticking the applicable box.

100% black owned	Level One (135% B-BBEE procurement recognition)	
More than 51% black owned	Level Two (125% B-BBEE procurement recognition)	
Less than 51% black owned	Level Four (100% B-BBEE procurement recognition)	

4. The entity is an empowering supplier in terms of the dtl Codes of Good Practice.
5. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
6. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: _____

Date: _____

Commissioner of Oaths
Signature & stamp

SWORN AFFIDAVIT – B-BBEE QUALIFYING SMALL ENTERPRISE

I, the undersigned,

Full name & Surname	
Identity number	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a member / director / owner of the following enterprise and am duly authorised to act on its behalf:

Enterprise Name	
Trading Name	
Registration Number	
Enterprise Address	

3. I hereby declare under oath that:
 - The enterprise is _____ % black owned;
 - The enterprise is _____ % black woman owned;
 - Based on the management accounts and other information available on the _____ financial year, the income did not exceed R50,000,000.00 (fifty million rands);
 - The entity is an Empowering Supplier in terms of Clause 3.3 (a) or (b) or (c) or (d) or as amended 3.3 (e) (select one) _____ of the dti Codes of Good Practice.
 - Please confirm on the table below the B-BBEE level contributor, by ticking the applicable box.

100% black owned	Level One (135% B-BBEE procurement recognition)	
More than 51% black owned	Level Two (125% B-BBEE procurement recognition)	
(a) At least 25% of cost of sales, (excluding labour costs and depreciation) must be procurement from local producers or suppliers in South Africa; for the services industry include labour costs but capped at 15%,	(b) Job Creation – 50% of jobs created are for black people, provided that the number of black employees in the immediate prior verified B-BBEE measurement is maintained	
(c) At least 25% transformation of raw material / beneficiation which include local manufacturing, production and /or assembly, and/ or packaging	(d) At least 12 days per annum of productivity deployed in assisting QSE and EME beneficiaries to increase their operation or financial capacity	
(e) At least 85% of labour costs should be paid to South African employees by service industry entities.		

4. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
5. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: _____

Date: _____

 Commissioner of Oaths
 Signature & stamp

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

MBD 4

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

- 3.1 Full Name of bidder or his or her representative:.....
- 3.2 Identity Number:
- 3.3 Position occupied in the Company (director, trustee, shareholder²):.....
- 3.4 Company Registration Number:
- 3.5 Tax Reference Number:.....
- 3.6 VAT Registration Number:
- 3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.
- 3.8 Are you presently in the service of the state?
YES / NO
- 3.8.1 If yes, furnish particulars.

¹MSCM Regulations: "In the service of the state" means to be –

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

² Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months?YES / NO

3.9.1 If yes, furnish particulars.....
.....
.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? YES / NO

3.10.1 If yes, furnish particulars.
.....
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? YES / NO

3.11.1 If yes, furnish particulars
.....
.....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? YES / NO

3.12.1 If yes, furnish particulars.
.....
.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? YES / NO

3.13.1 If yes, furnish particulars.
.....
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. YES / NO

3.14.1 If yes, furnish particulars:
.....
.....

4. Full details of directors / trustees / members / shareholders.

Full Name	Designation- E.G (Director/ Trustee/ Member/ Shareholder)	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

MBD 6.1 **PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed/not exceed R1 000 000 (all applicable taxes included) and therefore the.....system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contribution.

1.3.1 The maximum points for this bid are allocated as follows:

	POINTS
1.3.1.1 PRICE	
1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION	
Total points for Price and B-BBEE must not exceed	100

1.4 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.

1.5 The purchaser 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 the purchaser.

2. DEFINITIONS

2.1 "all applicable taxes" includes 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 level 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 an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
 - 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 utilized 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, skill 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 an organ of state;
 - 2.9 "EME" means any enterprise with an annual total revenue of R5 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 or 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 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 "sub-contract" means the primary contractor's assigning, leasing, 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 Economic 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 will be awarded the contract.
 - 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 must be rounded off to the nearest 2 decimal places.

- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one 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 must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20

or

90/10

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

- P_s = Points scored for comparative price of bid under consideration
- P_t = Comparative price of bid under consideration
- $P_{\min}$ = Comparative price of lowest acceptable bid

5. Points awarded for B-BBEE Status Level of Contribution

- 5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must 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 (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	8	16
4	6	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- 5.2 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 EMEs with B-BBEE Status Level Certificates.

- 5.3 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.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 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.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 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 sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% 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 sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1
- 7.1 B-BBEE Status Level of Contribution: = (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 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 CCA).

8 SUB-CONTRACTING

- 8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

- (i) what percentage of the contract will be subcontracted?%
- (ii) the name of the sub-contractor?
- (iii) the B-BBEE status level of the sub-contractor?
- (iv) whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

9 DECLARATION WITH REGARD TO COMPANY/FIRM

- 9.1 Name of firm :
- 9.2 VAT registration number :

CONTRACT FORM - PURCHASE OF GOODS/WORKS

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution)..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of Interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1.

2.

DATE:

CONTRACT FORM - PURCHASE OF GOODS/WORKS **PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity as.....
accept your bid under reference numberdated.....for the supply of
goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions
of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (If applicable)

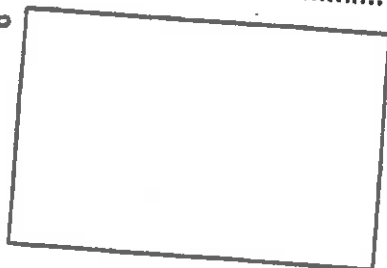
4. I confirm that I am duly authorized to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP



WITNESSES

1.

2.

DATE

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	☐ Yes	☐ No
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	☐ Yes	☐ No
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	☐ Yes	☐ No

4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	☐	☐
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	☐	☐
4.7.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)
 CERTIFY THAT THE INFORMATION FURNISHED ON THIS
 DECLARATION FORM TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT,
 ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION
 PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

J4367bW

CERTIFICATE OF INDEPENDENT BID DETERMINATION

MBD 9

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (III) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

In response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: _____ that:
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium^a will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

^a Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

MBD 9

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js9141w4

THE NATIONAL TREASURY
Republic of South Africa



GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT
July 2010

TABLE OF CLAUSES

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General Conditions of Contract

1. Definitions 1. The following terms shall be interpreted as indicated:

- 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 "Day" means calendar day.
- 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
- 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
- 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.
- 1.11 "Dumping" occurs when a private enterprise abroad markets its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price, which is not included in the Imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the

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supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

1.25 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.

1.26 "Tort" means in breach of contract.

1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.

1.28 "Written" or "In writing" means hand-written in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a nonrefundable fee for documents may be charged.

3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

4. Standards

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and Information Inspection

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall

extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent Rights

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) a cashier's or certified cheque.

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size

weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

11. Insurance

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified.

13. Incidental Services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and;
- (b) in the event of termination of production of the spare parts:
 - (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the Purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated.

17. Prices

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

19. Assignment

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.

21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

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23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.

23.5 . Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 . If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website

9.3 Company registration number

5

9.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium
One person business/sole propriety
Close corporation
Company
(Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

9.6 COMPANY CLASSIFICATION

Manufacturer
Supplier
Professional service provider
Other service providers, e.g. transporter, etc.
[TICK APPLICABLE BOX]

9.7 MUNICIPAL INFORMATION

Municipality where business is situated
Registered Account Number
Stand Number

9.8 TOTAL NUMBER OF YEARS THE COMPANY/FIRM HAS BEEN IN BUSINESS?

9.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) 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, the purchaser 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, or only the

shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and

- (e) forward the matter for criminal prosecution

WITNESSES:

1.

.....

2.

.....

.....
SIGNATURE(S) OF BIDDER(S)

DATE:.....

ADDRESS:.....

.....

.....

.....

24. Antidumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency.

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of Liability

28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified.

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of contracts

33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

34. Amendment of contracts

34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

35. Prohibition of restrictive practices

35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.

35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.

35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.