



## JOHANNESBURG SOCIAL HOUSING COMPANY (SOC) Ltd

**BID No**                    **RFP /**  
**BID NAME**                **INVITATION TO SUBMIT PROPOSAL FOR JOSHCO'S MOBILE APPLICATION.**

**BID DESCRIPTION:**                    **INVITATION TO SUBMIT PROPOSAL FOR JOSHCO'S MOBILE APPLICATION**

**TOTAL PROPOSAL AMOUNT:**                    **R.....**

**CLOSING DATE:**                                    **Tuesday at 11:00am ,23 March 2020**

**NAME OF BIDDER:**                                    .....

**CONTACT PERSON:**                                    .....

**STREET ADDRESS**                                    .....

.....

**POSTAL ADDRESS**                                    .....

**TEL:** .....                                    **CELL:** .....

**FAX:** .....                                    **E-MAIL:** .....

**PREPARED FOR:**  
JOSHCO  
4<sup>th</sup> Floor  
Number 61 Juta Street  
Braamfontein

Switchboard: 011- 406 7300

**CHIEF EXECUTIVE OFFICER**  
**JOHANNESBURG SOCIAL HOUSING COMPANY**

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## 1. INTRODUCTION

Social Housing is a rental or co-operative housing option, which requires institutionalized management provided by accredited Social Housing Institutions (SHIs) or in accredited social housing projects in designated restructuring zones.

JOSHCO was registered by the City of Johannesburg. JOSHCO is a registered Social Housing Institution and accredited by the Social Housing Regulator Authority (SHRS). JOSHCO predominantly serves families whose total housing income is between R3500.00 and 15000.00 per month.

The core business of JOSHCO includes:

- The development of socials rental housing
- The refurbishment, housing management
- Upgrading and management of hostels; and
- The provision of turnaround strategies where necessary.

JOSHCO's mission is to design and build quality, resource efficient, economically suitable and affordable housing products, which are close to transport nodes and address the needs of the community in Johannesburg, with a strong emphasis on effective management and customer-focused service delivery.

The mandate of JOSHCO is to provide and manage affordable rental housing for the lower income market as an integral part of efforts to eradicate the housing backlog of the City.

## 2. BACKGROUND

JOSHCO is an entity that aims to reach and sustain higher levels of quality, customer-focused delivery of social housing by putting customers at the centre of its operations.

As part of the Growth and Development Strategy (GDS) 2040 outcome - high performing government, that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region - JOSHCO through this Mobile Application seeks to meaningfully empower, guarantee customer care, and service to citizens.

In its Customer Service Enhanced Strategy implementation, JOSHCO recognises that the maximum utilization of innovative solutions is a key instrument to ensuring that JOSHCO can empower its tenants with access to information, provide easy and convenient interactions with the organisation's personnel's, as well as enable JOSHCO to meet the needs and expectations of its key stakeholders – the customers.

The Customer Service Enhancement programmes aim to:

- ✓ Provide a uniform approach to all customer interactions;
- ✓ Formalize all customer encounters;
- ✓ Improve all customer experience;
- ✓ Ensure information is communicated to customers is accurate and current;

- ✓ Improve customer/employee relations;
- ✓ Ensure all customers queries are resolved and closed within a specified period.

JOSHCO is seeking the services of a consultancy team with proven website and mobile application development experience to design, develop and implement and provide a long-term maintenance of the mobile application for JOSHCO.

### **3. PURPOSE**

The purpose of this document is to provide a high level technical and functional: specification for an online mobile application Enterprise Integrated Housing System as part of the Customer Service Enhancement Strategy implementation.

The expansion of access to EIHS to non-JOSHCO members & non-customers is excluded. The system, however, is required to be robust and expandable to permit such expansion in future.

### **4. SCOPE OF WORK**

This Functional and Technical Requirement Document outlines the desired functional, performance, security and other system requirements of the proposed solution for JOSHCO to ensure customer-focused delivery of social housing services (*see Annexure A for the Functional Requirement list*).

Establish a cloud-based enterprise-integrated Housing System that will include the following;

- a) Provide a digitalized, formal and uniform approach to all customer interactions;
- b) Host a cloud-based system with defined expectations to mirror the Client Services Management, Stock Development and Maintenance, Financial Management, Internal Management, and Information Management Processes of JOSHCO.
- c) Enable JOSHCO to disseminate information to its stakeholders about latest developments, notices and events and register their feedback and queries.
- d) Support the organizational Personnel Development objectives through an integrated Learning & Development system to be accessed by JOSHCO employees.
- e) Manage the app on a daily basis
- f) Be able to interface with other cloud-based systems.

### **5. DESIGN AND TECHNICAL SPECIFICATIONS**

- The mobile application must have a clean design and presentation, load content fast and allows for an intuitive navigation for all users.
- The mobile application should have the ability to manage large amount of data with no disruption of the application performance.

- The mobile application should provide consistent experience across all mobile platforms. It must be available for download in all types of smartphones through all major operational systems eg iOS, Android etc

## **6. USER INTERFACE REQUIREMENTS**

- a) All icons must be crisp, clean, and distinguishable and should be as per guidelines of mobile application platform.
- b) All buttons and objects must be reactive to touch and work as intended.
- c) All functions must stay within the mobile platform boundaries.
- d) All data must be easily viewable on different Mobile platform matrix given above.
- e) English will be the default language
- f) The design/User Interface of the mobile application should be flexible enough for multiple themes/skins
- g) Free downloads from Google play store & iTunes store.

## **7. DATA PROCESSING AND ANALYSIS**

The mobile application should be able to process results and draw out analysis with corresponding bar charts, graphs, pie charts etc. clearly depicting the number of users (tenants, non-tenants, JOSHCO staff), location and any other reporting information that will be needed by JOSHCO. This information will only be available to only selected users that will be given a role of “report read-only access”. The registration of these users to access the mobile application will be different from that of stakeholders and JOSHCO staff and will be administered by the product owner.

## **8. GENERATE REPORTS**

- a) Data captured can be exported and sent as reports
- b) Reports should include location, tables, graphs etc
- c) Save and report export to pdf functionality whilst retaining all graphic elements and design layouts
- d) All data to be exported to a spreadsheet/database (data must be usable for pivot tables).

## **9. CLOUD STORAGE**

The design of data storage needs to comply with the Protection of Personal Information Act (POPIA) with attention given to how to achieve the functional requirements whilst remaining within the conditions laid out in the POPIA.

## **10. TRAINING**

For the effective uses of the supplied software/application licenses & their functionalities, the selected vendor must develop a user manual for the users that will be administering access to the mobile application and for the users who will be given the ‘report and read only access’ role.

The vendor should provide training sessions with selected JOSHCO personnel as part of the scope of work in the following;

- a) Content Management Training
- b) Deployment & Hosting Training
- c) Application Submission Training
- d) Other relevant training for the functionality & usability of the mobile application

#### **11. DELIVERABLES**

Project plan approach should include budget plan as well as a risk and mitigation plan.

- a) Business and technical architecture documented and depicting;
  - Sequence diagrams for all component interactions
- b) User requirements specifications
- c) Testing and Acceptance procedure to agreed specifications with the client (including stress and penetration testing). The Vendor is to provide mobile devices for testing.
- d) Demonstration of mobile application LIVE
- e) Training Manual
- f) Report on the implementation of the mobile application
  - Monthly maintenance reports
  - Monthly project status meetings and reports will be expected during the development period.
- g) Provide a prototype for JOSHCO to sign-off.

#### **12. TECHNICAL MAINTENANCE SUPPORT**

- a) Minimum support period along with hosting is three years after JOSHCO's acceptance of deliverables.

#### **13. GENERAL CONDITIONS & PRACTICES**

- a) The Vendor will preserve the confidential information obtained and will not use the information for personal and commercial gain nor in a way that would be harmful to JOSHCO.
- b) The Vendor must demonstrate a high degree of flexibility and innovation and must have the ability to tailor content and delivery methods to meet the specific needs of JOSHCO.
- c) The Vendor shall warrant all works free of defects during the 12 months of maintenance period. Any repairs and defeats during this period will be repaired at no expense to JOSHCO.

#### **14. INTELLECTUAL PROPERTY RIGHTS**

- a) All implemented deliverables in the form of design, development, software, source code, documentation and other related with the tool developed for JOSHCO will be the sole Intellectual Proprietary items of JOSHCO.
- b) During the development phase the mobile application needs to be registered in the name of JOSHCO.
- c) The vendor will provide the source code of the application to JOSHCO at the time of sign-off.

## 15. EVALUATION

The appointment of the Vendor will be guided by the supply chain policy applicable to JOSHCO.

JOSHCO needs to be satisfied, in all respects, that the organization/individual selected has the necessary resources, qualifications and abilities for this project and that all submissions are regarded in a fair manner in terms of evaluation criteria and process.

Applicants whose Scheme does not meet these requirements will not be eligible for the award of a Contract and JOSHCO's determination as to whether these conditions are satisfied shall be final and binding.

The assessment and evaluation of submitted proposals will undergo a process of evaluation phases.

### **Evaluation Criteria**

*Stage 1: Attendance of Compulsory Site Briefing – Bidders who attended the compulsory site briefing will be eligible to be evaluated further on the Functionality criteria.*

*Stage 2: Functionality Evaluation Criteria - Bidders who meet the minimum required score of 70 points will be eligible to be evaluated further on the Mandatory Administrative Compliance*

*Stage 3: Mandatory Administrative Compliance - Bidders who complied with all mandatory administrative compliance will be eligible to present their proposed App to JOSHCO.*

*Stage 4: Presentation of the proposed App - Bidders whose presentation meets or exceeds JOSHCO expectation will be eligible to be evaluated further on the Award criteria.*

*Stage 5: Award will be based on companies who meet or exceed Joshco's scope and vision*

**Stage 2: Functionality Evaluation Criteria = 100 points**

<b>No</b>	<b>Description</b>	<b>Score</b>	<b>0 Points</b>	<b>5 points</b>	<b>15 points</b>	<b>20 points</b>
1	Proposal: The mobile application Vendor is proficient and experienced in multi-platform mobile application development and has provided evidence. (Bidders to submit list of multi-platform mobile application and certification of Various Apps that they have previously developed with a minimum 5 years' experience) = <b>20 points</b>		The proposal does not include evidence of capabilities of the Vendor in multi-platform mobile application development.	The proposal includes evidence demonstrating basic capabilities of the Vendor in multi-platform mobile application development and deployment. Inadequate formal certification is presented.	The proposal includes evidence demonstrating that, the Vendor is proficient in multi-platform mobile application development has provided evidence of less than 5 years' experience with formal certification.	The proposal includes evidence demonstrating that, the Vendor is proficient in multi-platform mobile application development and has provided evidence of more than 5 years of experience with formal certification.
<b>No</b>	<b>Description</b>	<b>Score</b>	<b>0 points</b>	<b>10 points</b>	<b>20 points</b>	<b>30 points</b>
2	Experience in publishing and maintaining mobile applications in the various application stores for Android iOS and Microsoft. (Bidders to submit list of mobile application that they have published and maintained in various application stores for Android, IOS and Microsoft for a minimum of 3 years) = <b>30 Points</b>		No information provided / less than 3 years' experience	3 years' experience and provided evidence	4-5 years' experience and provided evidence	>5 years' experience and provided evidence



No	Description	Score	0 points	5 points	7 points	10 points
3	Skills and Capacity: 2 Key Personnel (1) System Analysis/Business Analysis (1) Senior Software Engineer as part of your team with a minimum experience of 5 years. (Bidders to submit CVs and certified 3 year tertiary qualification in BSC / IT or equivalent for the key personnel) = <b>10 points</b>		No information provided	CVs and certified qualifications of Key Personnel with either or both personnel having less than 5 years' experience.	CVs and certified qualifications of Key Personnel with either or both having 5 years' experience	CVs and certified qualifications of Key Personnel with either or both having more than 5 years' experience
No	Description	Score	0 points	8 points	15 points	20 points
4	Client's Testimonial or Reference letter related to the list supplied in Bullet 2 = <b>20 Points</b>		No information provided or the list is not related to bullet 2	2 testimonials/reference letter related to bullet 2 from Clients. Testimonial / Reference must be: <ul style="list-style-type: none"> <li>• On client letterhead</li> <li>• Letter head must have contactable references (telephone, email address and contact person)</li> <li>• Letter to be signed off or stamped</li> </ul>	5 Testimonials/reference letter related to bullet 2 from Clients. Testimonial / Reference must be: <ul style="list-style-type: none"> <li>• On client letterhead</li> <li>• Letter head must have contactable references (telephone, email address and contact person)</li> <li>• Letter to be signed off or stamped</li> </ul>	More than 5 Testimonials/reference letter related to bullet 2 from Clients. Testimonial / Reference must be: <ul style="list-style-type: none"> <li>• On client letterhead</li> <li>• Letter head must have contactable references (telephone, email address and contact person)</li> <li>• Letter to be signed off or stamped</li> </ul>

No	Description	Score	0 points	8 points	15 points	20 points
5	Project Program: the mobile application Vendor shall include a detailed project plan with all tasks including deployment ,testing and maintenance = <b>20 Points</b>		No project plan provided/  Project plan provided does not meet project scope.	The project plan is articulated adequately but lacks either two of the three points (Deployment, testing and maintenance) resources). It includes all activities and phases of the project and is in sync with project scope and deliverables	The project plan is articulated adequately but lacks either one of the three points (Deployment, testing and maintenance) resources). It includes all activities and phases of the project and is in sync with project scope and deliverables	The project plan is clear (displays milestones and project resources) and addresses all project requirements. It includes all activities and phases and is in sync with project scope and deliverables

### Stage 3: Mandatory Administrative Compliance

- Valid TCC / SARS Pin
- CK or CIPC certificate
- Certified ID copies of directors
- CSD
- Bank confirmation letter with available funds of minimum R 150 000.00
- Up to date municipal account or valid lease agreement
- Completion and signing of all MBD Forms
- Proof of compliance with COIDA (certified copy of a valid letter of good standing)
- If the submission is done as a Joint Venture (JV), all requested documents will be required for each individual company forming the JV.

Stage 4: Presentation

Stage 5: Award Criteria

## 16. Annexure A: Functional Requirements

### **FUNCTIONAL REQUIREMENTS**

JOSHCO requires a cloud-based/hybrid technology solution for an integrated, customer-focused, enterprise-wide housing system whose primary functions should include:

- I. User Account Management
- II. Client Services Management
- III. System Security
- IV. Leave Management
- V. Helpdesk
- VI. Reporting Requirements
- VII. Supplier Management
- VIII. Stock Development & Maintenance
- IX. Events & Notice Portal
- X. Learning Development

### **SUMMARY OF FUNCTIONS**

#### **I. User Account Management**

Except for system administrators, all users accounts are tied to a department. All user accounts used to logon to the EIHS shall be protected with strong passwords. Furthermore, passwords must be changed regularly to avoid unauthorized access to the system.

The following must be part of user account management;

- User Registration
- Permissions Management
- Stakeholders Profile Management
- Shared User Accounts
- Password Management
- User Deregistration

#### **II. Client Services Management**

Core to every interaction on the EIHS will be client database, made up of individuals, tenants and business.

The following must be part of Client Service Management;

- Customer Relationship Management (CRM)
- Contract Management
- Property Listing Management
- Tenant Verification
- Excel Integration

### **III. System Security**

- Read-Only Access For Public
- URL Encryption
- User Account Management
- Restrict System Access Based On IP Address

### **IV. Leave Application**

- Employee Pin
- Employee Profile
- Apply For Leave
- Leave Records
- Leave Approvals
- Leave Calendar

### **V. Help Desk**

- Customer Interface
- Automated Ticket Management
- Multi-Channel Support
- Customization
- Customer Groups
- Unified Search

### **VI. Reporting Requirements**

- Dashboard Capability
- Excel, PDF & Doc Export
- Customized Reports
- Automated Report E-Mails

### **VII. Supplier Management**

- Supplier Registration
- Supplier Information Management
- B-BBEE Management
- Bidder Management
- Issue & Dispute Management
- Document Management

### **VIII. Stock Development Management**

- Project Management
- Building Maintenance Management
- Asset Management

- Supplier Management
- Allocation Management

**IX. Event & Notice Portal**

- Event Management
- Notice Management
- Export
- Calendrer
- Social Media Integration
- Search
- Reporting

**X. Learning & Development**

- Learning Calendar
- Training Activity & History
- Learnership Management
- Document Management
- Course Management

17. Annexure 2: MBD Forms

**MBD 1**

**INVITATION TO BID**

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YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE JOHANNESBURG SOCIAL HOUSING COMPANY (SOC) LTD

BID NUMBER: .....CLOSING DATE: ..... CLOSING

TIME: .....

DESCRIPTION.....

---

**The successful bidder will be required to fill in and sign a written Contract Form (MBD 7).**

---

BID DOCUMENTS MAY BE POSTED TO:

.....

Or

DEPOSITED IN THE BID BOX SITUATED AT

*(STREET ADDRESS)*

.....  
.....

**Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.**

The bid box is generally open during working hours i.e. 08:00 – 16:00

Monday to Friday.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

THE FOLLOWING PARTICULARS MUST BE FURNISHED (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

NAME OF BIDDER

.....

POSTAL ADDRESS

.....

STREET ADDRESS

.....

TELEPHONE NUMBER

CODE.....NUMBER.....

CELLPHONE NUMBER.....

FACSIMILE NUMBER

CODE.....NUMBER.....

E-MAIL ADDRESS: .....

VAT REGISTRATION NUMBER

.....

HAS A VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED / SARS Pin? **(MBD 2)**

**YES or NO**

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? **(MBD 6.1)**

YES or NO IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)

**YES or NO**

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS);

OR

**YES or NO**

A REGISTERED AUDITOR

**YES or NO**

**(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)**

ARE YOU THE ACCREDITED REPRESENTATIVE?

IN SOUTH AFRICA FOR THE GOODS | SERVICES | WORKS OFFERED? **YES or NO**

[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER.....

DATE .....

CAPACITY UNDER WHICH THIS BID IS

SIGNED.....

TOTAL BID PRICE.....

TOTAL NUMBER OF ITEMS OFFERED .....



**MBD 2**

**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 valid Tax Clearance Certificate/ SARS Pin must be submitted together with the bid. Failure to submit a valid Tax Clearance Certificate/SARS Pin may 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/ SARS pin.
- 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](http://www.sars.gov.za).
- 6** Applications for the Tax Clearance Certificates may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as filers through the website [www.sars.gov.za](http://www.sars.gov.za).

**SARS Pin .....**

**Consortia/Joint Ventures/sub-contractor**

**Company Name.....**

**Company Name.....**

**SARS Pin Number .....**

**SARS Pin Number.....**

**Company Name .....**

**SARS Pin Number .....**

**MBD 3.3**

**PRICING SCHEDULE**

NAME OF BIDDER: .....
BID NO.: .....
CLOSING TIME .....
CLOSING DATE.....

OFFER TO BE VALID FOR ...**120**...DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
---------	-------------	---

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

.....	R.....	.....days
.....	R.....	.....days
.....	R.....	.....days
.....	R.....	.....days

- 5.1 Travel expenses (specify, for example rate/km and total km, class of air travel, etc.). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....

TOTAL: R.....

\*\* "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....

TOTAL: R.....

6. Period required for commencement with project after acceptance of bid .....

7. Estimated man-days for completion of project.....

8. Are the rates quoted firm for the full period of contract? **\*YES/NO**

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.  
 .....  
 .....

**MBD 4**

**DECLARATION OF INTEREST**

- 1. No bid will be accepted from persons in the service of the state
- 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 and/or take an oath declaring his/her interest.

**3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

3.1 **Full Name:** .....

3.2 **Identity Number:** .....

3.3 **Company Registration Number:** .....

3.4 **Tax Reference Number:** .....

3.5 **VAT Registration Number:** .....

3.6 Are you presently in the service of the state **YES / NO**

3.6.1 If so, furnish particulars.

.....  
.....

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

3.7.1 If so, furnish particulars.

.....  
.....

*\* MSCM 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.*

**3.8.** 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**

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?

**3.8.1** If so, furnish particulars.  
 .....  
 .....

**3.9** Are you, aware of any relationship (family, friend, other) between a 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**

Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or Adjudication of this bid?

**3.9.1** If so, furnish particulars  
 .....  
 .....

**3.10** Are any of the company’s directors, managers, principal shareholders or stakeholders in service of the state? **YES / NO**

If so, furnish particulars.  
 .....  
 .....

**3.11** Are any spouses, child or parent of the company’s directors, managers, principal shareholders or stakeholders in service of the state? **YES / NO**

**3.11.1** If so, furnish particulars.  
 .....  
 .....

**CERTIFICATION**

I, THE UNDERSIGNED (NAME) .....

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

**Signature:**

**Date:**

.....

.....

**Position:**

**Name of Bidder:**

.....

.....

**MBD 6.1**

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017**

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, 2017.**

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**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 R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to not exceed R50 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:

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

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 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.

## 1. POINTS AWARDED FOR PRICE

### 4.1 THE 90/10 PREFERENCE POINT SYSTEMS

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

#### 90/10 Preference System:

$$Ps = 90 \left( 1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

**2. Points awarded for B-BBEE Status Level of Contribution**

2.1. 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>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

- 2.2. 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.
- 2.3. 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.
- 2.4. 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.
- 2.5. 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.
- 2.6. 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.
- 2.7. 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.

- 2.8.** 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.

### **3. BID DECLARATION**

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

#### **4. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5**

- 4.1.** B-BBEE Status Level of Contribution: ..... = .....(maximum of 10 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).**

### **5. 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 : .....  
**9.3** Company registration number: .....
- 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. ....

DATE:.....

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

**CONTRACT FORM - RENDERING OF SERVICES**

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

**PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)**

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remains binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the 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);
    - Filled in task directive/proposal;
    - 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 services 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 .....

<b>WITNESSES</b>	
1	.....
2	.....
DATE:.....	



**MBD 7.2**

**CONTRACT FORM - RENDERING OF SERVICES**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity  
as..... Accept your bid under reference number  
.....dated.....for the rendering of services indicated hereunder  
and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms  
and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	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 AT** ..... **ON** .....

**NAME (PRINT)** .....

**SIGNATURE** .....

**OFFICIAL STAMP**

**WITNESSES**

1 .....

2 .....

**DATE:** .....

**MBD 8**

**DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions 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 disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. Failed to perform on any previous contract.
- 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	<p>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?</p> <p><b>(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).</b></p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>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)?</p> <p><b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

**I, THE UNDERSIGNED (FULL NAME)**

.....

**CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS 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**

**MBD 9  
CERTIFICATE OF INDEPENDENT BID DETERMINATION**

1. This Standard Bidding Document (MBD) must form part of all bids<sup>1</sup> invite

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).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

2. Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:

- a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
- b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.

3. 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.

4. In order to give effect to the above, the attached Certificate of Bid Determination (**MBD 9**) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> 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.

<sup>3</sup> 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.

#### 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 Institution)

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<sup>3</sup> 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.
  
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

<b>3. List of Administration Documents</b>		<b>Tenderer's tick box ✓ if done</b>
<b>3.1.</b>	Status of Concern Submitting Tender	
<b>3.2.</b>	Declaration of authority	
<b>3.3</b>	Compulsory Enterprise Questionnaire	
<b>3.4.</b>	Schedule of work satisfactorily carried out by the tenderer	
<b>3.5.</b>	Confirmation of Receipt of Addenda to Tender Documents	
<b>3.6.</b>	Proposed Amendments	

**3.1. STATUS OF CONCERN SUBMITTING TENDER**

**1. General**

State whether the tenderer is a company, a closed corporation, a partnership, a sole practitioner or a joint venture:

**(Mark the appropriate option below)**

Public Company	<input type="checkbox"/>
Private Company	<input type="checkbox"/>
Closed Corporation	<input type="checkbox"/>
Partnership	<input type="checkbox"/>
Sole Proprietary	<input type="checkbox"/>
Joint Venture	<input type="checkbox"/>
Co-operative	<input type="checkbox"/>

**2. Information to be Provided**

	<b>If the Tendering Entity is a:</b>	<b>Documentation to be submitted with the tender</b>
<b>1</b>	<u>Closed Corporation</u> , incorporated under the Close Corporation Act, 1984, Act 69 of 1984.	CIPRO CK1 or CK2 (Copies of the founding statement) and list of members.
<b>2</b>	<u>Private Company</u> incorporated with share capital, under the companies Act, 1973, Act 61 of 1973. (Including Companies incorporated under Art 53 (b)).	Copies of: i) CIPRO CM 1 - Certificate of Incorporation ii) CIPRO CM 29 – Contents of Register of Directors, Auditors and Officers iii) Shareholders Certificates of all Members of the Company.
<b>3</b>	<u>Private Company</u> incorporated with share capital, under the companies Act, 1973, Act 61 of 1973 in which any, or all, <u>shares are held by another</u> Closed Corporation or company with, or without, share capital.	Copies of documents referred to in 1 and/or 2 above in respect of all such Closed Corporations and/or Companies.
<b>4</b>	<u>Public Company</u> incorporated with share capital, under the companies Act, 1973, Act 61 of 1973 (Including Companies incorporated under Art 21).	A signed statement of the Company's Secretary confirming that the Company is a public Company. Copy of CM 29.



If the Tendering Entity is a:		Documentation to be submitted with the tender
5	Sole Proprietary or a Partnership.	Copy of the Identity Document of: 1. Such Sole Proprietary, or 2. Each of the Partners in the Partnership Copy of the Partnership agreement.
6	Co-operative.	CIPRO CR2 - Copies of Company registration document. (The percentage of work to be done by each partner must clearly be indicated on Form RDB1 (or RDB2 as applicable) of the tender document: MBD6.1 Preference Points Claim Form in terms of the Preferential Procurement Regulations 2001).
7	Joint Venture.	All the documents (as described above) as applicable to each partner in the JV as well as a copy of the Joint Venture agreement. (The percentage of work to be done by each partner of the joint venture must clearly be indicated in the Joint Venture Agreement).

**Note:**

6. If the shares are held in trust provide a copy of the Deed of Trust (only the front page and pages listing the trustees and beneficiaries are required) as well as the Letter of Authority as issued by the Master of the Supreme Court, wherein trustees have been duly appointed and authorised, must be provided.
7. Include a copy of the Certificate of Change of Name (CM9) if applicable.
8. **Registered For Vat Purposes In Terms Of The Value-Added Tax Act, (Act No. 89 of 1991)**

**(Make an X in the appropriate space below)**

Yes

No

**REGISTRATION NO:**

.....

**3.2. DECLARATION OF AUTHORITY**

Indicate the status of the tenderer by ticking the appropriate box hereunder. The tenderer must complete the certificate set out below for the relevant category.

<b>A Company</b>	<b>B Partnership</b>	<b>C Joint Venture</b>	<b>D Sole Proprietor</b>	<b>E Close Corporation</b>

**1. Certificate for Company**

I,....., chairperson of the board of directors of ..... hereby confirm that by resolution of the board (copy attached) taken on ..... 20....., Mr. /Ms. .... acting in the capacity of .....(Position in the Enterprise), and who will sign as follows: ..... be, and is hereby, authorized to sign the Bid/Tender, and any and all documents and/or correspondence in connection with this tender and any contract resulting from it on behalf of the company.

**As witnesses :**

1 ..... Chairman : .....  
 2 ..... Date : .....

	NAME	CAPACITY	SIGNATURE
1			
2			
3			
4			
5			
6			

**NOTE:**

1. Delete which is not applicable
2. NB: This resolution must be signed by all the Directors/Members/Partners of the Bidding Enterprise
3. Should the number of Directors/Members/Partners exceed the space available above, additional names and signatures must be supplied on a separate page.

**2. Certificate for Partnership**

We, the undersigned, being the key partners in the business trading as .....hereby authorize \*Mr./Ms., ..... acting in the capacity of ..... (Position in the Enterprise), and who will sign as follows: .....be, and is hereby, authorized to sign the Bid/Tender, and any and all documents and/or correspondence in connection with this tender and any contract resulting from it on behalf of the company.

NAME	ADDRESS	SIGNATURE	DATE

NOTE:  
**4.** \*Delete which is not applicable  
**5.** NB: This resolution must be signed by all the Directors/Members/Partners of the Bidding Enterprise  
**6.** Should the number of Directors/Members/Partners exceed the space available above, additional names and signatures must be supplied on a separate page.

**3. Certificate for Joint Venture and Consortia**

We, the undersigned, are submitting this tender offer in a Joint Venture / Consortium and hereby authorize \*Mr. /Ms., .....acting in the capacity of lead partner, and who will sign as follows: .....be, and is hereby, authorized to sign the Bid/Tender, and any and all documents and/or correspondence in connection with this tender and any contract resulting from it on behalf of the company.

This authorization is evidenced by the attached power of attorney signed by legally authorized signatories of all the partners to the Joint Venture / Consortium.

NAME OF FIRM	Lead Partner (X)	ADDRESS	% of Contract Value	AUTHORISING SIGNATURE, NAME & CAPACITY

**4. Certificate for Sole Proprietor**

I, ..... hereby confirm that I am the sole owner of the business trading as .....

**As witnesses :**

1 ..... **Signature: Sole owner** \_\_\_\_\_

2 ..... **Date:** .....

**5. Certificate for Close Corporation**

We, the undersigned, being the key members in the business trading as ..... hereby authorize \*Mr. /Mrs. .... acting in the capacity of ....., (Position in the Enterprise), and who will sign as follows: .....be, and is hereby, authorized to sign the Bid/Tender, and any and all documents and/or correspondence in connection with this tender and any contract resulting from it on behalf of the company.

NAME	ADDRESS	SIGNATURE	DATE


**NOTE:**

**7.** \*Delete which is not applicable

**8.** NB: This resolution must be signed by all the Directors/Members/Partners of the Bidding Enterprise

**9.** Should the number of Directors/Members/Partners exceed the space available above, additional names and signatures must be supplied on a separate page.

### 3.3. COMPULSORY ENTERPRISE QUESTIONNAIRE

The following particulars must be furnished. In the case of a joint venture, **separate** enterprise questionnaires in respect of each partner must be completed and submitted.

**Section 1: Name of enterprise:** .....

**Section 2: VAT registration number, if any:** .....

**Section 3: CIDB registration number, if any:** .....

**Section 4: Particulars of sole proprietors and partners in partnerships**

	Name*	Identity number*	Personal income tax number*

\* Complete only if sole proprietor or partnership and attach separate page if more than 3 partners

**Section 5: Particulars of companies and close corporations**

Company registration number .....

Close corporation number .....

Tax reference number .....

**Section 6: Record of service of the state**

Indicate by marking the relevant boxes with a cross, if any sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

<p><b>1.</b> a member of any municipal council</p> <p><b>2.</b> a member of any provincial legislature</p> <p><b>3.</b> a member of the National Assembly or the National Council of Province</p>	<p><b>4.</b> an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the</p>
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		Public Finance Management Act, 1999 (Act 1 of 1999)
5. a member of the board of directors of any municipal entity		6. a member of an accounting authority of any national or provincial public entity
7. an official of any municipality or municipal entity		8. an employee of Parliament or a provincial legislature

***If any of the above boxes are marked, disclose the following: (insert separate page if necessary)***

Name of sole proprietor, partner, director, manager, principal shareholder or stakeholder	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		current	Within last 12 months

*\* Insert separate page if necessary*

**Section 7: Record of spouses, children and parents in the service of the state**

Indicate by marking the relevant boxes with a cross, if any spouse, child or parent of a sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months been in the service of any of the following:

9. a member of any municipal council 10. a member of any provincial legislature 11. a member of the National Assembly or the National Council of Province	12. an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999)
13. a member of the board of directors of any municipal entity	14. a member of an accounting authority of any national or provincial public entity
15. an official of any municipality or municipal entity	16. an employee of Parliament or a provincial legislature

Name of spouse, child or parent	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		current	Within last 12 months

*\* Insert separate page if necessary*

The undersigned, who warrants that he/she is duly authorised to do so on behalf of the enterprise:

17. authorizes the Employer to obtain a tax clearance certificate from the South African Revenue Services that my / our tax matters are in order;
18. confirms that the neither the name of the enterprise or the name of any partner, manager, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears on the Register of Tender Defaulters established in terms of the Prevention and Combating of Corrupt Activities Act of 2004;

19. confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears, has within the last five years been convicted of fraud or corruption;
20. confirms that I / we are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the tenderers or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest;
21. Confirms that the contents of this questionnaire are within my personal knowledge and are to the best of my belief both true and correct.

*The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise, confirms that the contents of this schedule are within my personal knowledge and are to the best of my belief both true and correct.*

**Signed** ..... **Date** .....

**Name** ..... **Position** .....

**Tenderer** .....



**3.4. SCHEDULE OF WORK SATISFACTORILY CARRIED OUT BY THE TENDERER FOR PRIVATE CLIENTS OR  
ORGANS OF STATE**

*(Organs of State include any Local, Provincial or National Government Authority)*

The following is a statement of similar work successfully executed by myself/ourselves:

	<b>Employer, contact person and telephone number</b>	<b>Description of Contract</b>	<b>Value of Work Inclusive of VAT (Rand)</b>	<b>Date Completed</b>

*The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise, confirms that the contents of this schedule are within my personal knowledge and are to the best of my belief both true and correct.*

**Signed** ..... **Date** .....

**Name** ..... **Position** .....

**Tenderer** .....

**3.5. RECORD OF ADDENDA TO TENDER DOCUMENTS**

We confirm that the following communications were received from the Employer before the submission of this tender offer, amending or amplifying the tender documents, have been taken into account in this tender offer :

No.	Date	Title or Details
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10		

Attach additional pages if more space is required.

*The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise, confirms that the contents of this schedule are within my personal knowledge and are to the best of my belief both true and correct.*

Signed ..... Date .....

Name ..... Position .....

Tenderer .....

**3.6. PROPOSED AMENDMENTS**

The Tenderer should record any deviations or qualifications he may wish to make to the tender documents in this Returnable Schedule. Alternatively, a tenderer may state such deviations and qualifications in **a covering letter to his tender and reference such letter in this schedule.**

The Tenderer’s attention is drawn to clause 3.8 of the Standard Conditions of Tender referenced in the Tender Data regarding the Employer’s handling of material deviations and qualifications.

PAGE	CLAUSE OR ITEM	PROPOSAL

*The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise, confirms that the contents of this schedule are within my personal knowledge and are to the best of my belief both true and correct.*

**Signed** ..... **Date** .....

**Name** ..... **Position** .....

**Tenderer** .....

**4. GENERAL CONDITION OF CONTRACT – GOVERNMENT REQUIREMENT**

## **1. Definitions**

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 anything 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 supplies are so delivered and a valid receipt is obtained.
- 1.11. "Dumping" occurs when a private enterprise abroad market 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 supplies 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 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 handwritten 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, 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 supplies, 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 non-refundable 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 as 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:
  - 7.3.1. 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
  - 7.3.2. 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 in SCC.

## **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 supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspections tests and analysis, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by representative of the purchaser or an organization acting on behalf of the purchasing department.
- 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. Supplies 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 23 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 and 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, and in any subsequent instructions ordered by the purchaser.

**10. Delivery**

Delivery of the goods shall be made by the supplier in accordance with the documents and terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

**11. Insurance**

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 in the SCC.

**12. Transportation**

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

**13. Incidental**

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

13.1.1. performance or supervision of on-site assembly and/or commissioning of the supplied goods;

13.1.2. furnishing of tools required for assembly and/or maintenance of the supplied goods;

13.1.3. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

13.1.4. 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

- 13.1.5. 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**

- 14.1.1. As specified in SCC, 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:
- 14.1.2. 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;
- 14.1.3. in the event of termination of production of the spare parts:
  - 14.1.3.1. advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - 14.1.3.2. 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 in SCC.
- 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 in SCC 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 in SCC.

16.2. The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment 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 in SCC.

**17. Prices**

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 in SCC or in the purchaser's request for bid validity extension, as the case may be.

**18. Variation orders**

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**

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**

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.

## **22. 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, wither 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 supplies 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 without the application of penalties.
- 21.5. Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies 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**

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:
- 23.1.1. 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;
  - 23.1.2. if the Supplier fails to perform any other obligation(s) under the contract; or
  - 23.1.3. if the supplier, in the judgment 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.
- 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 purchase 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:
- 23.6.1. the name and address of the supplier and / or person restricted by the purchaser;
  - 23.6.2. the date of commencement of the restriction
  - 23.6.3. the period of restriction; and
  - 23.6.4. 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.

**24. Anti-dumping and countervailing duties and rights**

When, after the date of bid, provisional payments are required, or antidumping 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 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 contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or another 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**

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,
  - 27.4.1. the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
  - 27.4.2. the purchaser shall pay the supplier any monies due 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;
  - 28.1.1. 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
  - 28.1.2. the aggregate liability of the supplier to the purchaser, whether under the contract, in tort 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**

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**

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**

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**

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.

*General Conditions of Contract (revised July 2010)*