

Province of the
EASTERN CAPE
COMMUNITY SAFETY

Corner Independence Avenue and Circular Drive, Bisho, 5601, Eastern Cape
Private Bag X0057, Bisho, 5606 REPUBLIC OF SOUTH AFRICA Website: www.ecprov.gov.za

SPECIFICATION

**PROVISION OF MAINTENANCE SERVICES FOR CCTV SURVEILLANCE
CAMERAS FOR THE DEPARTMENT OF COMMUNITY SAFETY OVER A
PERIOD OF THIRTY SIX (36) MONTHS**

QUOTATION NUMBER

DSL.QN-22/23-012

NAME OF BIDDER: _____

CLOSING DATE: 28/10/2022

CLOSING TIME: 11:00

Issued by:
Supply Chain Management Unit
Department of Community Safety
Corner Independence Avenue and Circular Drive
Bisho
5605

INVITATION FOR QUOTATION

PROJECT NAME: PROVISION OF MAINTENANCE SERVICES FOR CCTV SURVEILLANCE CAMERAS FOR THE DEPARTMENT OF COMMUNITY SAFETY OVER A PERIOD OF THIRTY SIX (36) MONTHS

1. Background

The purpose of this request for quotation is to appoint a suitably qualified and experienced service provider for the Provision of Maintenance Services for CCTV Surveillance Cameras for the Department of Community Safety over a period of Thirty Six (36) Months. The CCTV surveillance system consists of twenty two (22) dome, nine (9) bullet cameras and is installed at Erf 5000 office building in Bisho.

This will include emergency ad-hoc call outs, repairs, supply and installation of new equipment or parts thereof.

In terms on Regulation 4 of Preferential Procurement Regulations of 2017, this bid is only inviting responses from Exempted Micro Enterprises (EME's) and Qualifying Small Enterprises (QSE's) as defined in the said regulation within the required service.

2. Scope of work

- The successful bidder will be required to provide the following services:

NO	ITEM	DESCRIPTION
1.	Network Recording (NUUO channel recording software)	1.1. Check if date and time are correct in menu setup and correct for any faults. 1.2. View quality of playback/retrieved images to ensure that recording has taken place. 1.3. Check functionality and clean exterior of Network Video Network (NVR). 1.4. Verify the recording time and date of NVR. 1.5. Check functionality and clean exterior of remote viewer. 1.6. Clean and adjust cameras. 1.7. Defrag drives. 1.8. Ensure database is maintained and monitored. 1.9. Ensure footage is available for a minimum of 6 weeks. 1.10. Inspect the software loaded on the server. 1.11. Check that the license is still valid and upgrade software which

		are offered free of charge or inform the Department of financial implications for approval. 1.12 Inspect and replace all video
2.	CCTV cameras and housing	2.1. Inspecting field of view for desired coverage and provide extension where necessary for better focus, repair or replace as needed. 2.2. Focusing camera correctly on points. 2.3. Adjust and clean cameras. 2.4. Check general condition of wiring (damage, burnt, lose). 2.5. Backup and restore CCTV data. 2.6. All cameras are available on the network
3.	CCTV Monitors	3.1. Check functionality and clean exterior. 3.2. Check and clean passes. 3.3. Check general condition of wiring (damage, burnt, lose).
4.	CCTV PC	4.1. Inspect the software loaded on the server. 4.2. Check that the license is still valid and upgrade software which are offered free of charge or inform the Department of financial implications for approval.

- The bidder will be expected to check all items of equipment and produce test reports at least once in a financial year and when requested to do so (on call) which must be counter signed by a designated person from the Department of Community Safety.
- The bidder shall carry out maintenance services on NVR machines in line with the manufacturer's specification and upgrading of the system when the need arises as the technological requirements and development may demand.
- The bidder shall provide a twenty four (24) hour call out in the event of emergency with competent technicians who are familiar with the site thereby guaranteeing a response time not exceeding five (5) hours during normal working hours and ten (10) hours after working hours.
- The bidder will be responsible for the provision of preventative maintenance service on a yearly basis at the Department of Community Safety offices. The bidder will be required to respond to system faults on unlimited call outs. The bid will be evaluated using yearly fee as per the pricing schedule.
- The bidder will also be responsible for supply and installation of new equipment and parts on an ad hoc basis at the Department of Community Safety office subject to Department of Community Safety approval.

3. Quotation Qualification Criteria

3.1 Compliance Requirements:

The supplier[s] or service provider[s] should comply and take note of the following minimum requirement:

- In terms of Regulation 4 of Preferential Procurement Regulations of 2017, this bid is only inviting responses from Exempted Micro Enterprises and Qualifying Small Enterprises (QSE's) as defined in the said regulation within the required service. Service providers must have existing functional offices within the Eastern Cape Province.
- The required proof for the aforementioned will be:
 - Sworn affidavit – B-BBEE Exempted Micro Enterprise and Qualifying Small Enterprises
 - Municipal account under the name of the company or owner/ lease agreement with full proof of rental payment of not less than three months prior to the closing date of the bid.

The supplier[s] or service provider[s] should comply and take note that:

- **Service provider(s) that not registered on the Central Supplier Database is requested to do so before the award of the tender in order to enable the department to generate the government purchase order.**
- Compliance documents will be verified on the Central Supplier Database:- Tax Clearance Compliance status and business registration (including restriction imposed to do business with the state);
- **Certified copy/ copies must be certified by a Commissioner of Oaths from the South African Police Service(SAPS) or South African Post Office(SAPO) and must be date stamped not longer than six (06) months prior to the closure of this RFQ;**
- **SBD 1 forms MUST be fully completed and submitted with the quotation;**
- The SBD 4 [Declaration of Interest] forms **MUST** be fully completed and submitted with the quotation;
- The SBD 6.1 [Preference Points Claim Form] **MUST** be fully completed and submitted with the quotation; **(bidder(s) who fail to complete this form will not qualify to claim points for B-BBEE and only points for price will be considered.**
- The SBD 7.2 (part 1) [Contract Form] **MUST** be fully completed and submitted with the quotation;
- Bidders must be legal entity or partnership (consortium);
- Bidders must have provided supporting documentation not contained in the CSD summary report as per bid specification/ ToR schedule requirement.
- Bidders who are not registered for VAT are not eligible to include VAT in their pricing;
- Bidders should familiarise themselves with the General Conditions of Contract, as attached;
- Bidders should take note that price is not the only determining factor to award the bid.
- Service provider must award certificate of competency to deserving learners:

- Both the Bid Pricing Form and the Pricing Schedule MUST be fully completed by bidders.
- Failure to meet above compliance requirements with the exception of bullet 6, 7, 11, 12 will render the quotation[s] or bid non responsive and may be disqualified.

4. EVALUATION FOR FUNCTIONALITY, PRICE AND B-BBEE:

4.1.1 Evaluation Criteria on Price and B-BBEE Status Level

In terms of the Preferential Procurement Policy Framework Act (Act 5 of 2000) as amended and 2017 Regulations thereto points for B-BBEE status is subject to application when bids are evaluated on price based on the 80/20 preference point system. Criteria relating to functionality, price and contract participation will be used for the evaluation of proposals.

4.1.2 Evaluation Criteria on Functionality

Supply Chain Management will first perform compliance check to assess completeness of the submitted proposal. Due to the technical nature of this contract, it will be necessary to establish the technical capabilities of bidders hence the functionality/technical assessment. Bidders are therefore advised that the technical assessment will be used as pre-qualifying criteria.

The bid/proposal will be evaluated for functionality and be rated as follows:

ITEM	EVALUATION CRITERIA	DESCRIPTION	DETAILED DESCRIPTION	ALLOCATION OF POINTS	MINIMUM POINTS	MAXIMUM POINTS
1.	Profile of bidder and capacity to deliver	1.1. Provide a profile of the bidder, detailing the number of years of experience in providing similar services (maintenance and installation of CCTV equipment) to corporate and public sector clients.	1.1.1. Less than 3 consolidated years of experience in installation and maintenance of CCTV equipment, including cameras and monitors.	0		
			1.1.2. Three (03) consolidated years of experience in installation and maintenance of CCTV equipment, including cameras and monitors.	14	14	30

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ITEM	EVALUATION CRITERIA	DESCRIPTION	DETAILED DESCRIPTION	ALLOCATION OF POINTS	MINIMUM POINTS	MAXIMUM POINTS
			1.1.3. Four (04) and above consolidated years of experience in installation and maintenance of CCTV equipment, including cameras and monitors.	30		
		1.2. Provide short profile (short curriculum vitae/resume, educational background) of the resource team that will be working on the project (including operations, account managers, support).	1.2.1. No profile of resource submitted.	0	9	15
			1.2.2. Profiles submitted does not include account manager or operation manager or support manager.	9		
			1.2.3. Comprehensive profiles/curriculum vitae/resume, educational background of all proposed resources provided.	15		
2.	Knowledge and expertise of the technician(s)	1.1. Knowledge and expertise on CCTV maintenance and installation. Provide evidentiary proof where applicable, i.e. certification in installation of CCTV equipment and or accreditation certificates.	1.1.1. Did not provide certificates in access control products and system/ Structured Cabling, Design and Installation of CCTV equipment.	0	9	15
			1.1.2. Provided certificate(s) in Access Control Products and system/ Structured Cabling, Design and Installation of CCTV equipment.	9		
			1.1.3. Provided certificate(s) in Access Control Products and system/	15		

ITEM	EVALUATION CRITERIA	DESCRIPTION	DETAILED DESCRIPTION	ALLOCATION OF POINTS	MINIMUM POINTS	MAXIMUM POINTS
			Structured Cabling, Design and Installation of CCTV equipment and any advanced certificate in the relevant field.			
3.	Locality (Bidders must have functional branches/offices within the Eastern Cape Province and municipal account/ lease agreement with the latest rental payment for the past three (3) months prior to closing date of the bid).	1.1 Bidders should provide evidence / proof of rental payment	1.1.1. Municipal account or lease accompanied by a proof of rental payment made in the past 3 months prior the closing date of the RFQ	10	10	
			1.1.2. No municipal account or lease with no proof of rental payment for the past 3 months prior the closing date of the RFQ	0		
TOTAL					42	70

RFQs that do not meet the minimum score of forty two (42) points or 60% including the minimum points on each criterion during the technical assessment will not be included in the final bid evaluation stage and will therefore not be considered for appointment

4.2 Evaluation Criteria on Price and B-BBEE Status Level:

The following criteria shall apply:-

4.2.1 Price:

The 80/20 preference points system

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

P_{min}

Where:-

P_s = points scored for price of the bid/proposal under consideration;

P_t = Price of the bid under consideration

P_{min} = Price of the lowest priced acceptable bidder

- The final score will be obtained by adding points obtained for price to the preference points.

NB: Point score will be rounded to the nearest two (2) decimals

- 80 points will be awarded to the lowest bid and 20 points for Preferential point system (all other bids will receive points proportionately therefrom):

4.2.2 Calculation of points for B-BBEE status level of contribution

- Bidders are required to submit original and valid “B-BBEE Status Level Verification Certificate” or certified copies thereof together with their bids or quotations, to substantiate their B-BBEE rating claims.
- Points will be awarded to a bidder for attaining the B-BBEE status level of contributor in accordance with the table below.

B- BBEE status level of contributor	Number of points (80/20)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non- compliant contributor	0

- **Please Note:** Bidders who do not possess the B-BBEE status verification certificate will not qualify to claim points for B-BBEE status level of contributor as stated above, only points for price will be considered;

5. BRIEFING SESSION

There will be no briefing session and bidders will be required to send electronic mails for any enquiries related to the bid from the advert date up until the day before the closing date

6. VALIDITY

The bid shall hold good for a period of 90 days.

7. Submission Instructions:

Please Note: The RFQ’s “Request for quotation” forms must be sealed in an envelope quoting the relevant SCMU Reference No / Quotation No, Description of the Project and be submitted in a box situated at the below address.


**Department of Community Safety
Corner Independence Avenue and Circular Drive
Bhisho
5605**

Bidders may opt to submit bid documents via E- Mail and E-mailed documents may be received by not later than 28/10/2022 at 11h00. However original bid documents may be requested from the winning bidder where necessary.

Administrative Enquiries: Mr Z Menziwa 071 332 1116
Email: Zosuliwe.Menziwa@safetyec.gov.za

Technical Enquiries: Mr Bafana Ndzwanana on 079 281 7480
Email: bafana.ndzwanana@safetyec.gov.za

Compiled by:


Mr Z Menziwa
SCM: Demand Management

Date: 07/10/2022

Security Management Certifying the Authenticity of Technical Aspects on the document


Mr B. Ndzwanana
Security Management: End User

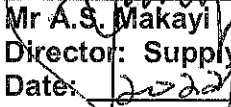
Date: 10/10/2022

Recommended/ ~~Not Recommended~~



Mr K. Nqini
Chairperson: Bid Specification Committee

Date: 10/10/2022

Recommended/ Not Recommended


Mr A.S. Makayi
Director: Supply Chain Management
Date: 2022/10/11

Approved/ Not Approved


Ms N. Libala
Chief Financial Officer
Date: 11/10/2022

PRICING SCHEDULE

TABLE A:

ITEM NO	ITEM DESCRIPTION	Hourly Rates (Vat incl)	
		Normal working hours	After working hours
1.	Maintenance of Network recording (NUUO channel recording software), CCTV camera and housing, CCTV Monitors and CCTV PC		
	SUB TOTAL (combined normal and after hourly rates)		

TABLE B:

ITEM NO	ITEM DESCRIPTION	PRICE (Vat incl)
1.	Replacement of data backup storage	
2.	Cabling per meter	
3.	Replacement of detective component	
	SUB- TOTAL	

SUMMARY TABLE

ITEM NO	ITEM DESCRIPTION	TOTAL
1.	Sub-total from Table A	
2.	Sub-total from Table B	
	GRAND-TOTAL	

Grand total from summary table will be used to evaluate formal quotes only and the contract will be awarded based on rates.

BID PRICING FORM

For ease of reference, Bidders shall enter their Bid Price, copied from the Pricing Schedule, in the space provided below. Should there be any discrepancy, then the sum calculated from the Pricing Schedule, subject to any arithmetic correction, shall hold precedence.

Total Price (amount in words):

.....

.....,
inclusive of VAT

Total Price (amount in figures) R, inclusive of VAT

NAME OF BIDDER:

SIGNED ON BEHALF OF THE BIDDER:

PART A

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)

BID NUMBER:	CLOSING DATE:	CLOSING TIME:	11:00
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DESCRIPTION

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

SUPPLIER INFORMATION

NAME OF BIDDER			
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POSTAL ADDRESS			
----------------	--	--	--

STREET ADDRESS			
----------------	--	--	--

TELEPHONE NUMBER	CODE		NUMBER
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CELLPHONE NUMBER			
------------------	--	--	--

FACSIMILE NUMBER	CODE		NUMBER
------------------	------	--	--------

E-MAIL ADDRESS			
----------------	--	--	--

VAT REGISTRATION NUMBER			
-------------------------	--	--	--

	TCS PIN:		OR CSD No:
--	----------	--	------------

B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No	OR B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> No
--	---	---	---

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?			
--	--	--	--

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX	<input type="checkbox"/> AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) <input type="checkbox"/> A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS) <input type="checkbox"/> A REGISTERED AUDITOR NAME:		
--	--	--	--

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

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<p>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>[IF YES ENCLOSE PROOF]</p>	<p>ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>[IF YES ANSWER PART B:3 BELOW]</p>
<p>SIGNATURE OF BIDDER</p> <p>.....</p>	<p>DATE</p>		
<p>CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)</p>			
<p>TOTAL NUMBER OF ITEMS OFFERED</p>		<p>TOTAL BID PRICE (ALL INCLUSIVE)</p>	
<p>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</p>		<p>TECHNICAL INFORMATION MAY BE DIRECTED TO:</p>	
<p>DEPARTMENT/ PUBLIC ENTITY</p>		<p>CONTACT PERSON</p>	
<p>CONTACT PERSON</p>		<p>TELEPHONE NUMBER</p>	
<p>TELEPHONE NUMBER</p>		<p>FACSIMILE NUMBER</p>	
<p>FACSIMILE NUMBER</p>		<p>E-MAIL ADDRESS</p>	
<p>E-MAIL ADDRESS</p>			

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED--(NOT TO BE RE-TYPED) OR ONLINE
1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA .
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS
3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of institution	State

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:
.....
.....

3 DECLARATION

I, _____ the _____ undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 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 consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 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

² 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.

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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature	Date
.....
Position	Name of bidder

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 BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

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 000 000.00 (all applicable taxes included); and
- 1.2
 - a) The value of this bid is estimated to not exceed R50 000 000.00 (all applicable taxes included) and therefore the80/20..... preference point system shall be applicable;
- 1.3 Points for this bid shall be awarded for:
 - (a) Price; and
 - (b) B-BBEE Status Level of Contributor.
- 1.4 The maximum points for this bid are allocated as follows:

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

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 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

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“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 goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

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

Where

- P_s = Points scored for price of bid under consideration
- P_t = Price of bid under consideration
- P_{min} = Price of lowest acceptable bid

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

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

5. BID DECLARATION

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

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: = (maximum of 20 points)
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES NO

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted..... subcontracted.....%
- ii) The name of the subcontractor.....
- iii) The B-BBEE status level of the subcontractor.....
- iv) Whether the sub-contractor is an ME or QSE

(Tick applicable box)

YES NO

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:

8.2 VAT registration number:

8.3 Company registration number:

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
 - One person business/sole propriety
 - Close corporation
 - Company
 - (Pty) Limited
- [TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

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

8.7 Total number of years the company/firm has been in business:

8.8 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 contributor indicated in paragraphs 1.4 and 6.1 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 paragraphs 1.4 and 6.1, 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 contributor 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) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES

1.

2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....

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 remain 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 2017;
- 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 fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)
CAPACITY
SIGNATURE
NAME OF FIRM
DATE

WITNESSES
1
2
DATE:.....

CONTRACT FORM - 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 authorised to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:.....

GENERAL CONDITIONS OF CONTRACT

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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 "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 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

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.

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.

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

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

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

(b) a cashier's or certified cheque

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

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 subjected to inspection; the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the 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 supplies 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 supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies 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 supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies 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 supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies 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, if any, specified in any subsequent instructions ordered by the purchaser.

10. DELIVERY AND DOCUMENTS

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

10.2 Documents to be submitted by the supplier are specified

11. INSURANCE

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

12. TRANSPORTATION

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

13. INCIDENTAL SERVICES

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

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

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

14. SPARE PARTS

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

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

15. WARRANTY

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

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

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

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

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

16. PAYMENT

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

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

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

16.4 Payment will be made in Rand unless otherwise stipulated.

17. PRICES

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

18. CONTRACT AMENDMENTS

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. ASSIGNMENT

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

20. SUBCONTRACTS

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

21. DELAYS IN THE SUPPLIER'S PERFORMANCE

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

- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 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.
- 21.5 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 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling 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

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

23. TERMINATION FOR DEFAULT

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

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the 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.

24. ANTI-DUMPING AND COUNTERVAILING DUTIES AND RIGHTS

24.1 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 a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the 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 any other contract or any other amount which may be due to him

25. FORCE MAJEURE

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

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

26. TERMINATION FOR INSOLVENCY

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

27. SETTLEMENT OF DISPUTES

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

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

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

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified.

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

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier.

28. LIMITATION OF LIABILITY

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

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. GOVERNING LANGUAGE

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

30. APPLICABLE LAW

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

31. NOTICES

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

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

32. TAXES AND DUTIES

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

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

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a accessing the tax clearance status of the bidder.

33. NATIONAL INDUSTRIAL PARTICIPATION (NIP) PROGRAMME

33.1 The NIP programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34. PROHIBITION OF RESTRICTIVE PRACTICES

34.1 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 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 a collusive bidding (or bid rigging).

34.2 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 the Competition Commission Act no.89 of 1998.

- 34.3 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.

