



## logistics division

Department:  
Defence  
REPUBLIC OF SOUTH AFRICA

**CPSC/403/1/4/B/PC/005/2022**

Telephone: 012 649-6682/91  
Fax: 012 649-6687  
Enquiries: Mrs Selvam Babunandan

Department of Defence  
(Logistic Support Formation)  
Central Procurement Service Centre  
Eco-Origin Office Park, Block E  
349 Witch Hazel Avenue  
Eco Park, Centurion  
0157  
24 May 2021

Sir/Madam

**BID CPSC/B/PC/005/2022: RENDERING OF A FOREIGN EXCHANGE AND SPECIAL PAYMENT SERVICE TO THE DEPARTMENT OF DEFENCE FOR THE PERIOD OF FOUR (04) YEARS**

**REQUIRED BY: FINANCIAL MANAGEMENT DIVISION  
CLOSING TIME FOR BID 11:00 AM ON 23 JUNE 2022**

**NB: BIDDERS ARE ENCOURAGED TO NUMBER THE PAGES OF THE TENDER/BID (EG 1 OF 100) AND TO MAKE COPIES OF THE ENTIRE BID DOCUMENT**

1. You are hereby invited to furnish this Department with a bid for the supply of the above-mentioned items as per attached documents. The documents, you should be in possession of are; This Cover Letter, SBD 1, SBD 3.1 (Pricing Schedule), Group Questionnaire, Specification (if applicable), SBD 4, SBD 6.1, Sub-Contractor Form, Vetting and Screening, SBD 8 and SBD 9.

**2. THE FOLLOWING CONDITIONS MUST BE STRICTLY ADHERED TO; FAILURE TO ADHERE TO ALL THE CONDITIONS LISTED BELOW WILL INVALIDATE YOUR BID:**

- a. Bidders are requested to complete all Standard Bidding Documents (SBD's) in full.
- b. Please note that any scratches or using of tippex is not allowed on the pricing schedule or SBD 3.1.
- c. A Group Questionnaire must be submitted with the bid documents and be fully complete. Failure to fully complete the group questionnaire will invalidate the bid.
- d. A sealed two separate envelope system must be adhered to: one envelope for technical proposal must be dropped in the bid box and one envelope for price proposal (SBD3) must be submitted at Lieutenant D.J. Modise's office in her absence submit at Major S.M. Manoto office. The envelopes must be labelled correctly. Submission of one envelope will invalidate your bid.



**BID CPSC/B/PC/005/2022: RENDERING OF A FOREIGN EXCHANGE AND SPECIAL PAYMENT SERVICE TO THE DEPARTMENT OF DEFENCE FOR THE PERIOD OF FOUR (04)**

3. The conditions contained in General Bid Conditions (GBC), General Conditions of Contract (GCC) and all the attached forms will apply to your Bid.

4. Kindly bid by completing the relevant forms, redirect to the **DEPARTMENT OF DEFENCE, LOGISTIC SUPPORT FORMATION, CENTRAL PROCUREMENT SERVICE CENTRE** to reach the bid receipt office not later than the closing date and time, or deposit in the bid box in the security office at the **Main Entrance Central Procurement Service Centre, Eco-Origin Office Park, Block E, 349 Witch Hazel Avenue, Eco Park, Centurion before the closing date and time.**

5. Please note that the bid box will be closed daily between 11:00am and 12:00am. Bids can be handed in at the CPSC Bid Receipt Section Ground Floor during this period. However, if the bid is late it will as a rule not be accepted for consideration.

6. The following persons can be contacted regarding the following aspects of this Bid only during office hours:

a. **Completion of Bid Document:** **Captain D.M. Moroka (012) 649-6670/6644.**

b. **Technical Information:** **Mr A. Cordier (012) 392-2867/083 226 5341.**

7. Kindly take note that according to Government Gazette No 9544 Vol 552 dated 08 June 2011 No 34350, all bidders must submit their B-BBEE status level certificates together with their bids. Should the certificate not be submitted, a zero (0) point will be allocated.

Yours Sincerely



**(MAJOR N. SOBEKWA)**

**OFFICER COMMANDING CENTRAL PROCUREMENT SERVICE CENTRE: COLONEL**



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**RENDERING OF A FOREIGN EXCHANGE AND  
SPECIAL PAYMENT SERVICE TO THE  
DEPARTMENT OF DEFENCE FOR THE PERIOD  
OF FOUR (04) YEARS**

**CPSC/B/PC/005/2022**

**VALIDITY: 120 Days**

**CLOSING DATE AND TIME: 2022 at 11H00**

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SBD 9

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Distributors/Agents/Sub-contractors

Required Information

Profile Information, Qualification and Experience

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Specifications/Scope of Work

**FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.**

<b>Prepared by:</b> CPSC  <b>Approved by:</b> CPSC	<b>AMENDMENT : 000</b> Original	<b>DATE :</b> 2022	Page 2 of 80
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# **SECTION A:**

## **BID GENERAL INFORMATION**

### **Contact Information**

### **Bid Submissions**

FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.

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## CONTACT INFORMATION

1. Technical Information:

Mr A. Cordier

Office Tel No: (012) 392 2867

Cell Number: (083) 226 5341

2. Information regarding the Bid Document or Bidding Process:

Captain D.M. Moroka

Office Tel No: (012) 649 6670

Warrant Officer Class 1 A. Ntshatsha

Office Tel No: (012) 649 6625

3. Contract Management: (After awarding of contract)

Captain E.M. Mukhanu

Office Tel No: (012) 649 6648/50

## BID SUBMISSIONS

4. Closing period of bid : 5 to 6 weeks

5. Closing date and time : 2022 at 11h00

6. Validity of bid : 120 days

7. Address for depositing of bid documents:

Postal: Central Procurement Service Centre  
Private Bag X 1037  
Thaba Tshwane  
0143

Street: 349 Witch Hazel Avenue Office Park Eco Origin  
Block E  
Eco Park Centurion  
0157

**FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.**

<b>Prepared by:</b> CPSC	<b>AMENDMENT : 000</b> Original	<b>DATE :</b> 2022	Page 4 of 80
<b>Approved by:</b> CPSC			

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	CPSC-B-PQ-PC-005-2021	CLOSING DATE:	23 JUNE 2022	CLOSING TIME:	11:00 AM
DESCRIPTION	RENDERING OF A FOREIGN EXCHANGE AND SPECIAL PAYMENT SERVICE TO THE DEPARTMENT OF DEFENCE FOR THE PERIOD OF FOUR (04) YEARS				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
Central Procurement Service Centre					
Eco-Origin Office Park, Block E					
349 Witch Hazel Avenue					
Eco Park, Centurion					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	Major N. Sobekwa		CONTACT PERSON	Mr A. Cordier	
TELEPHONE NUMBER	(012) 649-6682		TELEPHONE NUMBER	(012) 392-2867/083 226 5341	
FACSIMILE NUMBER	n/a		FACSIMILE NUMBER	(012) 392-2887	
E-MAIL ADDRESS	invitationdodcpsc@gmail.com		E-MAIL ADDRESS	n/a	
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX]	
	<input type="checkbox"/> Yes <input type="checkbox"/> No			<input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW ]	
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

<b>1. BID SUBMISSION:</b>
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED--(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>
1.3. 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 SPECIAL CONDITIONS OF CONTRACT.
1.4. <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
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 VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....  
(Proof of authority must be submitted e.g. company resolution)

DATE: .....





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Department:  
Defence  
REPUBLIC OF SOUTH AFRICA

# Request for Bid : CPSC-B-PC-005-2022

Author: G.H Mkhize  
Date: 05/23/2022 14:09:16

## PRICING SCHEDULE

Request for Bid Open

Document Type: CPSC-B-PC-005-2022

Company Name: 0000428611

Attention: RENDERING OF A FOREIGN EXCHANGE AND SPECIAL PAYMENT SERVICE TO THE DEPARTMENT OF DEFENCE FOR THE PERIOD OF FOUR (04) YEARS

Tel No: ZAR

Fax No: 2022/06/23 11:00:00

Cell No: Created

Email: 120

No.	Item Code	Item Description	Consumer	Delivery Point	Purchase Unit of Measure	Date Required
1	PC-005-01	Rendering of a Foreign Exchange and Special Payment Service to the Department of Defence for YEAR ONE	FINANCE DIVISION	Quantity Required	Year	
		Line Comment	Lead Time	Quantity Required	Quantity Available	
				1		
	Total Unit Cost in ZAR Currency, Including VAT and ALL Delivery Costs					
	Total Cost in ZAR Currency, Including VAT and ALL Delivery Costs					
2						

Item Code	Item Description	Consumer	Delivery Point	Purchase Unit of Measure	Date Required
PC-005-02	Rendering of a Foreign Exchange and Special Payment Service to the Department of Defence for YEAR TWO Line Comment	FINANCE DIVISION Lead Time	Quantity Required	Year Quantity Available	
			1		
<b>Total Unit Cost in ZAR Currency, Including VAT and ALL Delivery Costs</b>					
<b>Total Cost in ZAR Currency, Including VAT and ALL Delivery Costs</b>					

Item Code	Item Description	Consumer	Delivery Point	Purchase Unit of Measure	Date Required
PC-005-03	Rendering of a Foreign Exchange and Special Payment Service to the Department of Defence for YEAR THREE Line Comment	FINANCE DIVISION Lead Time	Quantity Required	Year Quantity Available	
			1		
<b>Total Unit Cost in ZAR Currency, Including VAT and ALL Delivery Costs</b>					
<b>Total Cost in ZAR Currency, Including VAT and ALL Delivery Costs</b>					

3

Item Code	Item Description	Consumer	Delivery Point	Purchase Unit of Measure	Date Required
PC-005-04	Rendering of a Foreign Exchange and Special Payment Service to the Department of Defence for YEAR FOUR Line Comment	FINANCE DIVISION Lead Time	Quantity Required	Year Quantity Available	
			1		
<b>Total Unit Cost in ZAR Currency, Including VAT and ALL Delivery Costs</b>					
<b>Total Cost in ZAR Currency, Including VAT and ALL Delivery Costs</b>					

4

**Questionnaires**

**Questionnaires / Evaluation Criteria**

THE 8020 QUESTIONNAIRE EVALUATION TEMPLATE V2

Question/s

Please provide your BBEE level from the possible list provided in the dropdown :

Options
LEVEL1
LEVEL2
LEVEL3
LEVEL4
LEVEL5
LEVEL6
LEVEL7
LEVEL8
NON-COMPLIANT

**Attachment Description**

**Attachment File Name**

**CENTRAL PROCUREMENT SERVICE CENTRE**

CLOSING DATE OF BID: 23 JUNE 2022

BID NUMBER: CPSC-B-PC-005-2022

CLOSING TIME OF BID: 11:00AM

NAME OF BIDDER: \_\_\_\_\_

VALIDITY: 90 DAYS

**GROUP QUESTIONNAIRE**

Tick the applicable box

Period (in days) required to complete Delivery?

.....  
.....  
.....

Please state percentage profit before tax?

.....

The Department of Defence Prefers Firm Prices.  
Price Firm.

YES  NO

Delivery Period Firm.

YES  NO

Comply to description as requested?

YES  NO

If not, state deviations.

.....  
.....  
.....  
.....

Will a Government Order be accepted?

YES  NO

Are you registered in terms of Section 23 (1) or  
23 (3) of the Value Added Tax (Act no.89 of  
1999)?

YES  NO

Vat Registration Number:

\_\_\_\_\_

Company Registration number:

\_\_\_\_\_

Confirm that in the event of a contract be  
concluded, it will be in terms of General Bid  
Conditions and General Conditions of contract  
(attached), the contents of which you are fully  
acquainted with.

YES  NO

If a trade discount is offered, is it included in  
the price?

YES  NO

**IMPORTANT!** Prices not reflected on the official documentation provided as part of this Bid will not  
be taken into consideration.

**PLEASE NOTE THAT PRICES INDICATED IN THIS DOCUMENT WILL BE TAKEN AS ABEING  
VAT INCLUSIVE.**

This requirement may be awarded in total to one supplier or per individual item.

The obligation to pay sub-contractors is my  
responsibility.

YES  NO

It is your responsibility to make a copy of your  
completed Bid document. The Department of  
Defence will not make copies of Bid Documents  
after the closing date and time. Is this noted?

YES  NO

Your company must include a copy of your  
CIPRO registration either CM2 or CK1 in your  
Bid document. Is this noted?

YES  NO

## SBD 4

### DECLARATION OF INTEREST

NAME OF COMPANY: .....

SUPPLIER'S CODE: .....

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

2.1 Full Name of bidder or his or her representative: .....

2.2 Identity Number:.....

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>, member):  
.....

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:  
.....

2.5 Tax Reference Number: .....

2.6 VAT Registration Number: .....

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

<sup>1</sup>"State" means –

- (a) 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);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

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

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .....

Name of state institution at which you or the person connected to the bidder is employed : .....

Position occupied in the state institution: .....

Any other particulars:

.....  
.....  
.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attach proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

.....  
.....  
.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:

.....  
.....  
.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**




**4 DECLARATION**

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.  
 I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME 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 B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

### 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 **80/20** preference point system shall be applicable.

1.3 Preference 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:

	<b>POINTS</b>
<b>PRICE</b>	<b>80</b>
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	<b>20</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

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.



**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>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>	<b>Number of points (80/20 system)</b>
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	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 10 or 20 points)

(Points claimed in respect of paragraph 6.1 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	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 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 or QSE?

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

(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 least 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		
<b>OR</b>		
Any EME		
Any QSE		

**8 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 paragraph 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 paragraph 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 BIDDER(S)

DATE: .....

ADDRESS: .....

.....

.....

**DI SEC INSTR/02/2012**

**VETTING AND SCREENING  
OF PRIVATE COMPANIES  
AND INDIVIDUALS  
DELIVERING SERVICES TO  
THE DEPARTMENT OF  
DEFENCE**

**QUESTIONNAIRE: PRIVATE COMPANIES**

Company Name: .....

Company Registration Number: .....

DOD Supplier Code (if already registered with the DOD): .....

Personal particulars of Company Director(s) (Include copy of RSA Identification and passport document):

.....  
.....  
.....  
.....  
.....

Personal particulars of sub-contractor if any (Include copy of RSA Identification and passport document):

.....  
.....  
.....  
.....  
.....

Company Physical Address: .....

.....

.....

.....

Company Postal Address: .....

.....

.....

.....

Company Core Business: .....

.....

1. When did the company begin with its operation?

Answer: .....

2. Does the company have a valid SARS tax clearance certificate? If yes, provide the tax clearance certificate number and the certified copy of the certificate.

Answer: .....

3. Is the company registered with the Company and Intellectual Property Commission (CIPC)? If yes, provide the registration number and attach a certified copy of the registration certificate.

Answer: .....

4. Who are the shareholders of the company and what percentage of shares do they each possess?

Answer: .....  
.....  
.....

5. What services will be rendered by the company to the SANDF.

Answer: .....  
.....  
.....

6. What DOD installations/unit and specific area/section does the company required access to:

Answer: .....  
.....  
.....

7. Does the company provide services to other RSA state departments? If yes, provide the names of the departments and the period/s during which service was provided.

Answer: .....  
.....  
.....  
.....

8. Does the company provide services to foreign governments and/or companies? If so, provide details.

Answer: .....  
.....  
.....



9. Has the company been implicated in fraudulent activities? If yes, provide details.

Answer: .....  
.....  
.....  
.....

10. Has the company been implicated in corrupt practices? If yes, provide details.

Answer: .....  
.....  
.....  
.....

11. Has the company been implicated in any other criminal activity? If yes, provide details.

Answer: .....  
.....  
.....  
.....

12. Does the company have the Employment Equity Plan? If yes, provide the Employment Equity Plan as well as the number and composition of the employees. (Only if the company is South African or employs South Africans)

Answer: .....  
.....  
.....  
.....  
.....  
.....  
.....

13. What is the track record and achievements of the company? Provide details.

Answer: .....  
.....  
.....  
.....

14. Is the company under investigation by any government security agency? If yes, provide details.

Answer: .....  
.....  
.....  
.....  
.....  
.....  
.....

15. What known factor could possibly prevent this company from entering into contract with the Department of Defence and Military Veterans or any component thereof and why?

Answer: .....  
.....  
.....  
.....  
.....  
.....  
.....

**Compiled by:**

ID: \_\_\_\_\_ Title: \_\_\_\_\_ Name: \_\_\_\_\_

Signature: \_\_\_\_\_

**Important aspects to take note of**

- This document must always be accompanied by the profiles of the director(s) of the company as well as their RSA identification and passport documents.
- Always attach the current Financial statement(s) of the company.
- The current and valid SARS Tax Clearance certificate must be attached.
- A Company Profile must be submitted with bid.

**DECLARATION OF BIDDERS PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

The following questionnaire must be completed and submitted with the Bid

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury’s database as companies or persons prohibited from doing business with the public sector? <b>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>To access this Register enter the National Treasury’s website <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, click on the icon “Register for Tender Defaulters “ or submit your written request for a hard copy of the Register to facsimile number (012) 326 – 5445.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	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 on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so furnish particulars:		

**CERTIFICATION**

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
- 3 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.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 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.

**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.

<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.

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

Js914w 2



# **SECTION B:**

## **BID ADJUDICATION INFORMATION**

### **EVALUATION CRITERIA**

### **MANDATORY DOCUMENTATION**

**FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.**

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## EVALUATION CRITERIA

FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.

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## **MANDATORY CRITERIA**

1. **Phase 1:** Adherence to mandatory requirements administered by CPSC's Bid Evaluation Committee (BEC). Bidders who do not fully adhere to the criteria will be eliminated / excluded and will not proceed to the next phase.

S/No	Criteria
	<b>A</b>
1.	<b><u>General Rules for completion of Bid documents:</u></b> Amendment, scratching, use of tippex and omission to all the documents will nullify the offer. Other documents which do not form part of Two Envelope System must be consolidated into a Bid document (clearly marked, Company stamp, Company name and Bid number) which should be deposited into the CPSC Brown Bid Box (Eco Origin office Park Eco Park Centurion) on or before the closing date and time.
2.	<b><u>Standard Bid Documents (SBDs) 1, 4, 6.1, 8 and 9:</u></b> Failure to fully complete and sign any of the SBD documents attached and submit them in their originality by the closing date and time will nullify the offer.  <b>THE WRITING OF THE PRICE ON THE SBD1 WILL INVALIDATE THE BID.</b>
3.	<b><u>Submission of Two envelope system:</u></b> Bidders <b>MUST</b> submit <b>STRICTLY</b> Two (2) separate properly sealed envelopes, clearly marked, Company stamp, Company name, Bid number and closing date. <b>THESE ENVELOPES MUST BE SUBMITTED TO BID RECEIPT OFFICE AT CENTRAL PROCUREMENT SERVICE CENTRE.</b>  <b>ENVELOPE 1: PRICE PROPOSAL</b> Must contain SBD3.1 or Price Schedule only. Price Breakdown (where necessary).  <b>ENVELOPE 2: TECHNICAL PROPOSAL</b> Must contain Standard Bid Documents as set out in <b>S/No 2</b> , including the necessary attachments and enclosures.
4.	<b><u>Financial Capability or Proof of Good Financial Standing:</u></b> Bidders are to submit a certificate or proof of good financial standing from an auditor/accountant/book keeper indicating that the Bidder has the financial capacity to fund and satisfy the offer. Failure to adhere will nullify the offer.

**FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.**

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5.	<p><b>No Sub-Contracting will be permitted/allowed for this Tender with the Exception of Paragraph 5 of the Statement of Work as stipulated by the Department of Defence: Due to the nature of this Tender, only Bidders who have the capability, capacity and ability to execute the requirement will be considered.</b></p> <p><b>Bidders are to submit a written confirmation that they will not be Sub-Contracting any portion/services of this contract except for Paragraph 5 provision.</b></p> <p>Failure to adhere will nullify the offer.</p>
6.	<p><b>Central Suppliers Database:</b> Bidders must submit a CSD (full report, not a summary) before/on the closing date of the Bid. The Bidder must remain TAX compliant for the duration of the tendering process. Failure to adhere, will nullify the offer.</p>
7.	<p><b>Vetting Form:</b> Must be completed fully by the Bidder. Non adherence will nullify the offer.</p>
8.	<p><b>Group Questionnaire:</b> Must be completed fully by the Bidder. Non adherence will nullify the offer.</p>
9.	<p><b>Accreditation and registration:</b> Bidders are required to register with SA Reserve Bank as a Bank in terms of the Bank Act 1990 and a proof of registration should be attached. Failure to comply with the requirement will nullify the offer.</p>

2. **Phase 2:** This phase will be evaluated by means of adherence to specification / scope of work. Bidders who meet all the requirements as set out on Phase 1 will be considered for Phase 2. Phase 2 will be evaluated out of a total of Ninety (90) points. All Bidders who score less than 70% threshold will be excluded and will not continue through to the next Phase.

Functionality Criteria	Weight
a. Experience	5
b. Project Execution Plan	40
c. Site Visit and Presentation by the Bidder	45

Phase 2: Functionality Criteria: (Refer to Appendix C of TOR)			Total
	<b>Functionality Criteria</b>		<b>/90</b>
1.	<b>Experience:</b> Bidders shall be evaluated out of a total score of Five (05) points for experience.	05	

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	<p>a. A bidder will be awarded Five (05) points for providing 5 references as proof that the company bidding has experience in foreign exchange and special payment services. Such experience and skills should be substantiated by reference, with contact numbers including the duration of such service.</p> <p>b. A bidder will be awarded Four (04) points for providing 4 references as proof that the company bidding has experience in foreign exchange and special payment services. Such experience and skills should be substantiated by reference, with contact numbers including the duration of such service.</p> <p>c. A bidder will be awarded Three (03) points for providing 3 references as proof that the company bidding has experience in foreign exchange and special payment services. Such experience and skills should be substantiated by reference, with contact numbers including the duration of such service.</p>	05		
2.	<b>Execution Plan:</b> Bidders shall be evaluated out of a total score of Forty (40) points for the Execution Plan. The project execution plan should address how the Bidder intends to address the entire Statement of Work as stipulated by the Department of Defence.	/40		
	<p>a. Bulk Cash Service for foreign and domestic Operations.</p> <p>b. Subsistence and Travel Advances paid to Officials of DOD travelling abroad.</p> <p>c. The exchange of Foreign currency that is returned by the DOD.</p> <p>d. The International Provisioning and Special Delivery of bulk cash consignments in foreign currency to foreign missions/destinations.</p> <p>e. Special payments/Bank Transfers in domestic currency.</p> <p>f. Bank/Telegraphic Transfers into foreign Bank Accounts of the DOD.</p> <p>g. Bank/Telegraphic Transfers into foreign Bank Accounts of the DOD Creditors.</p> <p>h. Receipt and processing of Cash in Foreign Currency on behalf of the DOD.</p>	/05 /05 /05 /05 /05 /05 /05 /05		
3.	<b>Presentation and Site Visit by the Bidder:</b> Bidders will be evaluated out of a total score of forty-five (45) points. Bidders	/45		

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	will be required to conduct/facilitate a presentation and Site Visit to the adjudication team/panel members of the Department of Defence entailing a thorough interrogation as to how the Execution Plan of the contract will be administered as per the Statement of Work.			
	a. Bulk Cash Service.	/03		
	1. The following main currencies should be kept in cash at Financial Service Centre/Finance satellite Offices, nationally and internationally, of the DOD:			
	i. US Dollars			
	ii. Euros			
	iii. British Pounds			
	iv. Botswana Pula			
	v. Swedish Crown			
	vi. South African Rand (ZAR)			
	vii. Any other currencies that may be required			
	b. Subsistence and Travel Advances to Officials of the DOD Travelling Abroad.	/03		
	c. The exchange of Foreign currency that is returned by the DOD.	/03		
	d. The International Provisioning and Special Delivery of bulk cash consignments in foreign currency to foreign missions/destinations.	/03		
	e. Special payments/Bank Transfers in domestic currency.	/03		
	f. Bank/Telegraphic Transfers into foreign Bank Accounts of the DOD.	/03		
	g. Bank/Telegraphic Transfers into foreign Bank Accounts of the DOD Creditors.	/03		
	h. Receipt and processing of Cash in Foreign Currency on behalf of the DOD.	/03		
	i. Facilities – as stipulated on the Terms and Conditions wrt Service Delivery.	/03		
	j. System of Control - as stipulated on the Terms and Conditions wrt Service Delivery.	/03		
	k. Specific Denominations - as stipulated on the Terms and Conditions wrt Service Delivery.	/03		

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	i. After – hour Service - as stipulated on the Terms and Conditions wrt Service Delivery.	/03		
	m. Annual Meetings with the SA Reserve Bank – Including all aspects relating to Rendering of Support by the Service Provider.	/03		
	n. Management Information.	/03		
	o. Invoicing by the Service Provider.	/03		
<b>Total Functionality (Bidder must achieve 70% threshold in this criteria)</b>		<b>90</b>		

3. **Phase 3:** Price.

<b>Phase 3</b>	<b>Price.</b> (Will be according to specific requirements)	<b>80/</b>
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4. **Phase 4:** Preferential points. (As per Preferential Procurement Policy Framework ACT, 200: Preferential Procurement Regulations, 2017). Act No.5 of 2000 requirement in the B-BBEE status Level Certificate accredited by the South African National Accreditation System (SANAS) or Independent Regulatory Board of Auditors (IRBA) which must be submitted together with the Bid document).

<b>Phase 4</b>	<b>Preferential B-BBEE points</b>	<b>/20</b>																														
<p><b>Points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:</b></p> <table border="1"> <thead> <tr> <th>B-BBEE Status of Contributor</th> <th>Number of Points (90/10 system)</th> <th>Number of Points (80/20 system)</th> </tr> </thead> <tbody> <tr><td>1</td><td>10</td><td>20</td></tr> <tr><td>2</td><td>9</td><td>18</td></tr> <tr><td>3</td><td>8</td><td>16</td></tr> <tr><td>4</td><td>5</td><td>12</td></tr> <tr><td>5</td><td>4</td><td>8</td></tr> <tr><td>6</td><td>3</td><td>6</td></tr> <tr><td>7</td><td>2</td><td>4</td></tr> <tr><td>8</td><td>1</td><td>2</td></tr> <tr><td>Non-compliant Contributor</td><td>0</td><td>0</td></tr> </tbody> </table> <p>A bid must not be disqualified from the bidding process if the bidder does not submit a certificate substantiating the B-BBEE status level of contribution or is a non-compliant contributor. Such a bidder will score zero (0) out of a maximum of ten (10) or twenty (20) points respectively for B-BBEE.</p>		B-BBEE Status of Contributor	Number of Points (90/10 system)	Number of Points (80/20 system)	1	10	20	2	9	18	3	8	16	4	5	12	5	4	8	6	3	6	7	2	4	8	1	2	Non-compliant Contributor	0	0	
B-BBEE Status of Contributor	Number of Points (90/10 system)	Number of Points (80/20 system)																														
1	10	20																														
2	9	18																														
3	8	16																														
4	5	12																														
5	4	8																														
6	3	6																														
7	2	4																														
8	1	2																														
Non-compliant Contributor	0	0																														

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	<b>Calculation of the total points scored for price and B-BBEE status level of contribution</b> The points scored for price must be added to the points scored for B-BBEE status level contribution to obtain the bidder's total points scored out of 100.	
--	---	--

5. Thereafter the points achieved are used in the application of the Preference Point System as per the B-BBEE status Level Certificate.

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## MANDATORY BID DOCUMENTATION<sup>1</sup>

1. The following standard bid documents and appendices must be fully completed in all aspects in a clear legible manner, signed by a duly authorised representative of the bidder and attached in the following order by the closing date and time.

### STANDARD BID DOCUMENTS

- SBD 1: Invitation to bid
- SBD 3: Pricing Schedule and breakdown
- SBD 4: Declaration of Interest
- SBD 6.1: Preference Points Claim Form
- SBD 8: Declaration of Bidders past supply chain management practices
- SBD 9: Certificate of Independent Bid Determination

### MANDATORY APPENDICES

- Appendix A: Company Profile
- Appendix B: Execution Plan
- Appendix C: Certificate of Compliance by Sub-Contractor (As per Serial No 5 of the Mandatory Criteria.
- Appendix D: Questionnaire
- Appendix E: Specification Compliance
- Appendix F: Financial Capability Proof.
- Appendix G: Vetting and screening of the companies and individuals
- Appendix H: Accreditation and Registration

## MANDATORY BID DOCUMENTATION<sup>2</sup>

<sup>1</sup> The completion and submission of the following standard bid documents and appendices is **mandatory** and must be submitted as a complete bid document by the closing date and time. Failure to fully complete and submit the standard bid documents and appendices by the closing date and time **will** invalidate the bid.

<sup>2</sup> The completion and submission of the above standard bid documents and appendices are **mandatory** and must be submitted as a complete bid document by the closing date and time in a sealed envelope with the bid number, closing date and time endorsed on the outside. **Late bids** will not be accepted or processed and will be returned unopened to the address appearing on the bid document. Failure to fully complete and submit the standard bid documents and appendices by the closing date and time **will** invalidate the bid as incomplete.

**FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.**

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## APPENDIX A

### COMPANY PROFILE / EXPERIENCE

1. Bidders must submit a company profile covering the following minimum headings in the supply and support of the relevant contract commodity or service to be provided as Appendix A.
  - a. Detail of company Directors.
  - b. Copies of company registration documents listing shareholders namely the CK1 and CK2 for a Close Corporation, Relevant Documents for Sole Proprietorship and Private Companies respectively (relevant documents to be attached)
  - c. Address of head and regional offices.
2. The company profile must be signed by a duly authorized representative of the bidding company.

FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.

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## APPENDIX B

# EXECUTION PLAN

FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.

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## APPENDIX C

### LETTER OF SUPPLY / SUB-CONTRACTORS CERTIFICATE

1. If bidders are making use of a sub-contractor to render service then they must attach a signed sub-contractors certificate from their supplier confirming subcontracting of this requirement.

**FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.**

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## APPENDIX C

### CERTIFICATE OF COMPLIANCE BY SUB-CONTRACTOR

**THIS CERTIFICATE MUST BE SUBMITTED WITH THE COMPLETED BID DOCUMENTS  
IN THE ORIGINAL BY THE SUB-CONTRACTOR**

**BIDDERS NAME:** \_\_\_\_\_

**SUB-CONTRACTOR'S NAME:** \_\_\_\_\_

*Delete whichever is not applicable.*

I/we am/are fully aware of the Bid Requirements and am/are capable of supplying the required item(s)/service(s) strictly according to the Bid Conditions, Special Conditions and Specifications supplied by the Department of Defence. I/we hereby certify that

\_\_\_\_\_ obtained a quotation from me/us to supply and deliver the item(s)/service(s) listed in Bid no \_\_\_\_\_

Section/s \_\_\_\_\_ on their behalf to the DOD.

I/we further certify that I/we have the necessary infrastructure at my/our disposal to execute the Bid and meet all the delivery requirements for the duration of the contract and will comply with the minimum supply and delivery standards. We confirm that we have seen and will comply with the product specifications.

I/we, the sub-contractor/s have been licensed with the Local Authority and am/are in possession of a Certificate of Acceptability from the Local Authority. (Copy attached/not attached)

I/we, the Sub-Contractor/s hereby authorise the Department of Defence's Officials access to my/our premises for inspection purposes.

Sub-Contractor's Contact Person: \_\_\_\_\_

Address of Sub-Contractor: \_\_\_\_\_

Tel No: \_\_\_\_\_

Fax No: \_\_\_\_\_

\_\_\_\_\_  
SIGNATURE OF SUB-CONTRACTOR

**WITNESSES:**

1. \_\_\_\_\_

Date: \_\_\_\_\_

2. \_\_\_\_\_

Date: \_\_\_\_\_

**FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.**

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## APPENDIX D

# QUESTIONNAIRE

**FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.**

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# QUESTIONNAIRES FOR RENDERING OF FOREIGN EXCHANGE AND SPECIAL PAYMENT SERVICE TO THE DEPARTMENT OF DEFENCE FOR THE PERIOD OF FOUR (04) YEARS

**MUST BE COMPLETED BY ALL BIDDERS BY CIRCLING THE RELEVANT ANSWER.**

1. **Prices**

Do you confirm compliance to the stipulation that bid prices are **firm** specified in the Specific Conditions will be considered by the Departments Procurement Service Centre for the duration of the contract? **Yes/No**

**Price Structure**

a. **Wages**

**Compliance with Labour Legislation**

Do you, as the Bidders, comply with any applicable wage order/determination or agreement, in terms of the Labour Relations Act or Wage Act. **Yes/No**

b. **Remuneration**

Is your industry regulated by a wage order/determination? or agreement in terms of the Labour Relations Act? **Yes/No**

What is the minimum wage you pay un-skilled Workers in your company? R\_\_\_\_\_ per hour  
or  
R\_\_\_\_\_ per month

c. **Equipment/Consumables**

Has a list of equipment and consumables to be used for the Execution of the contract been submitted **\*Yes/No**

2. **Consumer Price Index**

Indicate which Province/Municipal area was used as a baseline in determining the bid price? \_\_\_\_\_

3. **Specifications**

Do you confirm strict compliance to the specification and scope of work? **Yes/No**

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4. Bid Conditions

- a. Do you confirm compliance to the Specific Conditions? **Yes/No**
- b. Do you confirm compliance to the Special Conditions of Contract? **Yes/No**
- c. Do you confirm compliance to the General Bid Conditions? **Yes/No**
- d. Do you confirm compliance to the General Conditions of Contract? **Yes/No**
- e. Do you confirm that you have kept copies of all the above documents? **Yes/No**

5. Military Inspections

Do you confirm that it is a mandatory requirement that DOD Procurement officials/Identified DOD Officials must complete a physical inspection of you and all suppliers/sub-contractors premises during the evaluation of the bids and will do ad-hoc inspections during the period of the contract? **Yes/No**

6. Site Inspection/Explanatory Meeting

- a. Was the site inspection/explanatory meeting attended? **Yes/No**
- b. Has the original signed site inspection/explanatory meeting Certificate been submitted? **Yes/No**

**POST AWARD REQUIRED DOCUMENTATION**

- a. **Performance Security.** Do you take cognizance of the fact that 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 which represents 10% of the estimated contract price for the year specified in SCC for the fulfillment by the Service Provider of his/her obligations under the said agreement. **Yes/No**
- b. **Standard Bid Document (Contract Form 7.1).** Do you confirm that you will sign a Contract Form 7.1 upon award or within a maximum period of 10 days after the award of the contract? **Yes/No**

7. **Finance.** Do you confirm that you have finance available to manage the contract for a period of three months based on your bid amount? **Yes/No**

8. **Bid Documents.** Have you made / kept a copy of your completed Bid document and the relevant bid conditions for reference purposes. **Yes/No**

9. **Clarification of information.** Has it been noted and confirmed that the Department may request clarification on any information regarding any aspect included in the bid. The bidder is to supply the requested information within the requested time span, failing which may result in the bid being disqualified.

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(Signed) \_\_\_\_\_

Full Name of Bidder's Authorised Representative: \_\_\_\_\_

Witnesses 1. \_\_\_\_\_ 2. \_\_\_\_\_

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## APPENDIX E

### COMPLIANCE TO SPECIFICATION<sup>3</sup>

COMPANY NAME: \_\_\_\_\_

COMPANY REGISTRATION NUMBER: \_\_\_\_\_

BID NUMBER: \_\_\_\_\_

DESCRIPTION: \_\_\_\_\_

acting in the capacity of \_\_\_\_\_,  
being a duly authorised representative of the company herewith confirm and endorse that we have read and understand the content of the specification attached to the bid/price quotation.

*Delete whichever is not applicable.*

I/we/are fully aware of the Bid Requirements and am/are capable of supplying the required item(s)/service(s) strictly according to the Bid Conditions, Special Conditions and Specifications supplied by the Department of Defence. I/we hereby certify that I/We **COMPLY/DO NOT COMPLY** to the specification and all its contents with no deviations. (NB: Delete whichever is not applicable or circle the applicable statement)

**Table 1: Deviations to Specifications per paragraph**

Specification para no	Deviation

I/We further confirm that should we do not comply with any portion of the specification or of our accepted offer upon delivery of the item/s or service we undertake to replace the item/s or provide the required service strictly as per specification within a period as specified by the Department at no additional costs to the Department. I/We acknowledge that the Department reserves the right to obtain the specified item/s or service from another source and we will be held financially accountable for any difference in Price to the Department.

Print  
Name/Names \_\_\_\_\_ Sign \_\_\_\_\_

Date \_\_\_\_\_

<sup>3</sup> **Failure to complete this certificate in all aspects and return it with the bid/PQ documents by the closing date and time will invalidate the bid.**

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## APPENDIX F

# FINANCIAL CAPABILITY PROOF

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## APPENDIX G

# VETTING AND SCREENING OF THE COMPANIES AND INDIVIDUALS

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## APPENDIX H

# ACCREDITATIONS AND REGISTRATION

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# BRIEFING SESSION CERTIFICATE

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**SECTION C: CONDITIONS AND  
CONTRACT REFERENCE  
INFORMATION**

**GENERAL BID CONDITIONS (GBC)**

**GENERAL CONDITIONS OF  
CONTRACT**

**SPECIAL CONDITIONS OF  
CONTRACT**

**SPECIFIC CONDITIONS**

**FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.**

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# GENERAL BID CONDITIONS

FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.

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# DEPARTMENT OF DEFENCE

## GENERAL BID CONDITIONS (GBCs)

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### TABLE OF CLAUSES

1. Definitions.
2. Application.
3. Availability.
4. Approved list of bidders.
5. Preparation of bids.
6. Charge for bid documents.
7. Samples.
8. Alternative offers.
9. Partial bids.
10. Bid prices and delivery periods.
11. Validity periods.
12. Closing of bids.
13. Lodging of bids.
14. Open bids or unnumbered envelopes.
15. Opening of bids.
16. Late bids.
17. Consideration of bids.
18. Award of bids.
19. Quantities other than specified.
20. Bidder's incorrect information.
21. Notification of awards.
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**FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.**

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## GENERAL BID CONDITIONS

1. **Definitions.** Unless inconsistent with or otherwise indicated by the contents, the following terms shall have the meanings assigned to them:

- a. **Acceptance of a Bid.** Means the award of a contract to a bidder in response to his bid or price quotation.
- b. **Bid.** Means a written offer on the official bidding documents forming part of firstly, an invitation to bid, which invitation has been advertised in the Government Tender Bulletin, or secondly, an offer submitted in response to an invitation to submit a price quotation.
- c. **Bidder.** Means any natural or juristic person submitting a bid or a price quotation.
- d. **Closing Time.** Means the date and hour specified in the bidding documents for the receipt of bids or price quotations.
- e. **Department.** Means the Department of Defence and in specific any of its Procurement Entities.
- f. **Firm Prices.** Are deemed to be the prices which are 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 a law or regulation is binding upon the contractor and demonstrably have an influence on the prices of any supplies, or the rendering costs of any services, for the execution of the contract.
- g. **Price Quotation.** Means a written offer sounding in money and reflected on the documentation wherein the offer was invited, duly completed and where necessary signed by or on behalf of the bidder.
- h. **GBC.** Means the General Bid Conditions.
- i. **Written or In Writing.** Means handwritten in ink or any form of electronic or mechanical writing.

2. **Application.** The GBCs are applicable to all Departmental bids and written price quotations, unless otherwise indicated in the bidding documents. Where the conditions in the bidding documents are in conflict with the GBCs, the conditions in the bidding documents shall prevail.

3. **Availability.** Copies of these GBCs are available, on application, from the Secretary for Defence (Attention: Chief of Acquisition and Procurement), Private Bag X910, Pretoria, 0001 or from any of the Department's Procurement Entities.

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4. **Approved List of Bidders.** In the event that an approved list of bidders has been compiled for specific goods or services, bids will only be invited from bidders on such a list.

5. **Preparation of Bids.** Concerning the preparation of bids, bidders are to note the following:

- a. **Expenses.** Unless otherwise indicated in the bid documents, the Department shall not be liable for any expense incurred in the preparation and submission of a bid.
- b. **Bidding Documents.** Bidders are required to make use of the prescribed bidding documents. No changes to the bid documents are to be made.
- c. **Information.** All the information called for in the bidding documents is to be furnished in the appropriate spaces, eg the bid prices. If requested, other information required, pamphlets, samples, etc are to be supplied.
- d. **Address.** A domicilium citandi et executandi shall be chosen in the Republic and stated in the bid.
- e. **Completion of Bidding Documents.** Bidders are to complete the bid documents, forms, certificates, questionnaires and specification forms in all aspects and to submit bids signed in ink of your choice.
- f. **Bid Envelope.** The bid number must not appear on any envelope unless the envelope contains the bid itself. In particular, the bid number must not appear on an envelope containing a request for bid documents.
- g. **Bidder's Own Conditions.** Bids should not be qualified by the bidder's own conditions of bid. Bids qualified by a bidder's own conditions may be rejected as being invalid and failure of the bidder to renounce such conditions when called upon to do so may invalidate the bid. This includes any alterations, erasures, omissions or additions by bidders to the bid documents.
- h. **Submission of Documents.** The bid documents are to be submitted with due consideration to the following:
  - i. The bid documents are not to be retyped or redrafted. Photocopies may be prepared and used, but the original signed document must be submitted with the bid.
  - ii. Bidders must check the number of pages and satisfy themselves that none are missing or duplicated.
  - iii. Bidders must bid in accordance with the requirements stipulated in the bid documents.
  - iv. Bids must be compiled in such a manner that it allows for easy cross-referencing between the bid document and the submitted bid.

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- i. **Documents.** Bidders are to ensure that all required or specified documents are included in their bids.
  - j. **Compliance to Conditions and Specifications.** Bidders are to clearly indicate in their bids that their offers are compliant to the conditions and specification pertaining to the bid. If not, it must be clearly stated where and in which manner their offers are non-compliant to the conditions and specifications.
6. **Charge for Documents.** Where applicable and as required in the bidding documents or advertisement, a non-refundable fee for documents may be charged.
7. **Samples**
- a. The Department shall not make samples available to prospective bidders, unless specifically mentioned in the bid documents;
  - b. When samples are called for in bid documents, samples shall be delivered at the cost of the bidder to the addressee mentioned in the bid documents before the closing time of the bid. Bids shall not be included in parcels containing samples.
8. **Alternative Offers.** In the event that bidders offer products alternative to that called for, bids for such alternative offers shall be submitted on separate copies of the bid documents, but only if bids are submitted for the specified requirement.
9. **Partial Bids.** In the event that bids for supplies and/or sales are called for, bids may be submitted for less than the number of specified items, or part of the specified quantity or requirement called for in the bid.
10. **Bid Prices and Delivery Periods**
- a. **Firm Bids.** Firm bid prices and delivery periods are preferred. However, bidders may submit firm or non-firm prices and delivery periods. Where a bidder has not indicated whether his prices or delivery periods are firm or not, bid prices and delivery periods are deemed to be firm and the contractor shall be bound thereby. Expressions such as "soonest" or "earliest" or delivery periods which are unspecified are not acceptable.
  - b. **Contract Periods.** Where different prices are bid for different periods of the contract, the bid price applicable in respect of a particular period of the contract shall be a firm price if, as regards such period, it conforms to the definition of firm prices.
  - c. **Proof.** The Department may, where non-firm prices are offered, require that proof of costs of labour, material or other factors which are specified by the bidder, be submitted and, should the cost in the opinion of the Department not be realistic, same may be brought into consideration in the comparison adjudication of the bids.

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11. **Validity Periods.** The period for which bids are to remain open for acceptance, valid and binding is indicated in the bidding documents and is calculated from the closing time and such offers are to remain open for acceptance, valid and binding until close of business on the last day of the period so calculated. Should this last day fall on a Saturday, Sunday or Public Holiday, the bid will remain open for acceptance, valid and binding until close of business on the first business day following such Saturday, Sunday or Public Holiday.

12. **Closing of Bids.** Bids close at the time and date indicated in the bid documents. Extension of the closing date may be granted if circumstances justify this action. The closing date is normally extended only if there is sufficient time to publish an amending notification before the original closing date.

13. **Lodging of Bids.** Concerning the lodging of bids the following shall apply:

- a. **Receipt.** Bids shall be lodged to ensure their actual receipt at the address before the closing time specified and in accordance with the directives in the bidding documents.
- b. **Envelope.** Each bid shall be addressed according to the directives in the bidding documents and shall be lodged in a separate sealed envelope with the name and address of the bidder, the bid number and the closing date indicated on the envelope. The envelope shall not contain documents relating to any bid other than that shown on the envelope.
- c. **Copies.** Unless specifically provided for in the bid invitation, no bids forwarded by e-mail, telegram, telex, facsimile or similar apparatus will be considered. Photostat copies of bids or photostat copies of faxes, signed in ink after being photostatted, will be accepted as valid bids.
- d. **Samples.** Bids shall not be included in packages containing samples as such bids may be rejected as being invalid.

14. **Open Bids or Unnumbered Envelopes.** All bids received in sealed envelopes with the relevant bid numbers on the envelopes are kept unopened in safe custody until the closing time of the bids. However, if a bid is received in an unsealed envelope or without an envelope, it shall be sealed in an envelope after the bid number has been written on the envelope.

15. **Opening of Bids.** Bids are opened in public as soon as practicable after the closing time and the names only of the bidders are read out, if so requested, at the time of opening the bids.

16. **Late Bids.** Bids are late if they are received at the address indicated in the bid documents after closing time. A late bid will not be opened or admitted for consideration and where practicable shall be returned unopened to the address appearing on the envelope.

17. **Consideration of Bids.** During the consideration of bids the following applies:

- a. **Bids Considered.** All bids correctly lodged are taken into consideration.

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- b. **Position of Bidder.** The financial standing of bidders and/or their ability to manufacture or to supply goods or to render a service may be examined before their bids are considered for acceptance.
- c. **Comparative Prices.** In comparing bids, the prices are brought to a comparative level by deducting unconditional discounts, preferences and other benefits and adding delivery and other costs as applicable and bringing implied contract price adjustments into account. Non-firm bid prices are adjusted in accordance with the assessed contract price adjustments implicit in the non-firm prices. Where a range of delivery periods is quoted, the worst implied delivery period is used when calculating the comparative prices.
- d. **Preferential Point System.** Where bidding documents include documents relating to a preferential point system, the required calculations will be made and comparison of bids done on the basis of points earned through the preferential point system.
- e. **Adjustments to Prices.** The department reserves the right to rectify any incorrect calculations made by the bidder, but no adjustments may be made to the input figures.
- f. **Compliance to Specification.** Bids will be evaluated to establish compliance to product or service specifications, with due consideration to alternative offers and/or deviations to specification.
- g. **Evaluation Criteria.** Where bidding documents include evaluation criteria relating to functionality, for example bidder's capability, bidders profile, etc, the required calculations will be made and comparison of bids done on the basis of points earned.
- h. **Negotiations.** Unless otherwise stated in the bid documents, no negotiations will be entered into.
- i. **Communication with Bidders.** The Department may request clarification on information regarding any aspect included in the bid, which the bidder is to supply by the indicated date.

18. **Award of bids.** After prices have been brought to a comparative level and/or points calculated according to a preferential points system, the bid will be awarded considering the following order of priority:

- a. If the preferential point system is applicable, normally to the bidder with the highest points, unless reasonable and justifiable grounds exist for passing over the bidder with the highest points. In the event of equal bids, the award is according to the relevant regulation.
- b. If the preferential point system is not applicable, normally to the bidder with the lowest bid in the case of purchases by or services to the Department, or highest bid in respect of sales, unless reasonable and justifiable grounds exist for passing

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over the bid with the lowest bid in the case of purchases by or services to the Department, or highest bid in respect of sales. In the event of equal bids, the award is according to the following order:

- i. Bidders offering firm bid prices as well as firm delivery periods.
  - ii. Supplies provided and services rendered from resources available within the Republic.
  - iii. Supplies and services from points nearest to the centres at which delivery is required.
  - iv. All things still being equal, the award shall be decided by the drawing of lots.
- c. The Department is not obliged to accept the lowest or any bid.
  - d. The Department may, where a bid relates to more than one item, accept such bid in respect of any specific item or items and also accept part of the specified quantity of any specific item or items.

19. **Quantities Other than Specified.** The Department may increase or decrease the quantities reflected in the bids, but will do so after consultation with the bidders that responded to the invitation to bid.

20. **Bidder's Incorrect Information.** Where a contract has been awarded on the strength of information furnished by the bidder, which, after the conclusion of the relevant agreement, is proved to have been incorrect, the Department may, in addition to any other legal remedy it may have

- a. recover from the contractor all costs, losses or damages incurred or sustained by the Department as a result of the award of the contract; and/or
- b. cancel the contract and claim any damages which the Department may suffer as a result of having to make less favourable arrangements.

21. **Notification of Acceptance.** Successful bidders are notified by registered or certified mail of the acceptance of their bids, either through a contract form or by official departmental order forms.

22. **Furnishing of Bid Results**

- a. The following particulars of the successful bidders are normally published in the Government Tender Bulletin for general information:
  - i. Name.
  - ii. The price and delivery basis.

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- iii. The brand name of the product or the name of the manufacturer, if applicable.
- iv. Where applicable, the preference percentages claimed.
- b. Bids are not available for perusal by the public, but, at the written request of a bidder or interested party, the names and addresses of all bidders may be furnished over and above the information published in the Government Tender Bulletin.
- c. Requests for any further information will be treated as provided for by law.

23. **Amendment or Withdrawal of Bid.** If a bidder amends or withdraws his bid after the closing time and within the validity period or extended validity period, he shall reimburse the Department any damages if a less favourable bid is accepted or less favourable arrangements are to be made.

24. **Failure to Comply.** Where bidders fail to comply with any of these conditions, the Department reserves the right to invalidate bids received.

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# GENERAL CONDITIONS OF CONTRACT

**FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.**

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# GOVERNMENT PROCUREMENT

## GENERAL CONDITIONS OF CONTRACT

### NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and **may not be amended**.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

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## **TABLE OF CLAUSES**

1. Definitions.
2. Application.
3. General.
4. Standards.
5. Use of contract documents and information; inspection.
6. Patent rights.
7. Performance security.
8. Inspections, tests and analysis.
9. Packing.
10. Delivery and documents.
11. Insurance.
12. Transportation.
13. Incidental services.
14. Spare parts.
15. Warranty.
16. Payment.
17. Prices.
18. Contract amendments.
19. Assignment.
20. Subcontracts.
21. Delays in the supplier's performance.
22. Penalties.
23. Termination for default.
24. Anti-dumping and countervailing duties and rights.
25. Force Majeure.
26. Termination for insolvency.
27. Settlement of disputes.
28. Limitation of liability.
29. Governing language.
30. Applicable law.
31. Notices.
32. Taxes and duties.

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## General Conditions of Contract

### 1. Definitions

1. The following terms shall be interpreted as indicated:
  - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidised 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 recognised 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.

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- 1.11 "Dumping" occurs when a private enterprise abroad markets its goods on own initiative in the RSA at lower prices than that of the country of origin and which has 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

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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](http://www.treasury.gov.za) or [www.info.gov.za](http://www.info.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**

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

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**information ; inspection.**

therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

**6. Patent rights**

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

**7. Performance security**

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
  - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
  - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty

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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 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.

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**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 SCC, and 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 are specified in SCC.
- 10.2 Documents to be submitted by the supplier are specified in SCC.

**11. Insurance**

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

**12. Transportation**

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

**13. Incidental services**

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

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(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 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:

- (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 in SCC.

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

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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 in SCC, 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**

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 in SCC 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 contracts 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.

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- 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 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 Clause 22, unless an extension of time is agreed upon pursuant to 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 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

- 22.1 Subject to 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 Clause 23.

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**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 Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

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

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidised 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 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

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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 in the SCC.

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.

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- 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 in SCC.
- 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 tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

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# SPECIAL CONDITIONS OF CONTRACT

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**DEPARTMENT OF DEFENCE**

**SPECIAL CONDITIONS OF CONTRACT**  
**(SCCs)**

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**TABLE OF CLAUSES**

1. Changed Requirement.
2. Co-ordinated Activities.
3. Contractor's Personnel.
4. Value Added Tax (VAT).
5. Damage Compensation.
6. Waiver.
7. Severability.
8. Sub-contracting.
9. Awarding of the bid.
10. Liability Insurance

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**RESTRICTED**

**SPECIAL CONDITIONS OF CONTRACT**

**CHANGED REQUIREMENT**

1. If Department of Defence institutions participating in this contract are disbanded or relocated or for reasons unknown at the time of concluding the contract, the Department of Defence reserves the right to cancel the contract or parts thereof on written notice of 90 days sent to the contractor at the address appearing in the contract.

**CO-ORDINATED ACTIVITIES**

2. Whilst on Department of Defence premises, personnel of the contractor will have access to all areas, subject to other stipulations in the relevant contract, to render the services. If the contractor's service is not rendered in a specific area at a given time, access to that area is forbidden.

3. The work to be executed must under no circumstances disrupt the routine activities taking place in the institution or on the premises where the service is to be provided.

**CONTRACTOR'S PERSONNEL**

4. Identification. To identify the contractor's personnel on the premises of the Department of Defence, the personnel will comply with the following, with any costs for the account of the contractor:

- a. Personnel will wear company identification cards with an employee photograph on it, conspicuously on his/her person at all times;
- b. Personnel will wear identifiable uniforms whilst on duty.

5. Attitude towards Safety, Health, Security and Service Delivery. Without prejudice to the contractor's responsibility and right to select and appoint his/her own personnel, the Department of Defence will at all times have the right to identify personnel of the contractor whom are considered to be safety and/or health and/or security risk and/or personnel whom are undesirable. In such case the contractor will be requested not to utilise such person(s) any longer to honour his/her obligations in terms of this contract. The contractor will immediately comply with the request and he/she will not, as a result of such a request, be entitled to institute any claim against the Department of Defence for any loss or otherwise suffered as a result of such a request. The contractor therefore indemnifies the Department of Defence against any claim whatsoever from the employee concerned.

6. Name List. The contractor must submit a complete name list of all personnel to be employed on Department of Defence premises to provide the service according to the contract, to the Department of Defence official at the institution or on the premises where the service is to be provided, who will arrange for entry permits for the contractor. Any changes to the personnel must be communicate to the designated official without delay.

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7. Personnel on Site. The contractor must ensure that the total number of personnel offered for the execution of this contract is on duty on a daily basis. Provision must therefor be made for temporary or stand-in personnel for cases where personnel are on leave or sick leave.

**VALUE ADDED TAX (VAT)**

8. All monies paid in terms of this bid is subject to value added tax calculated at the appropriate tariff from time to time as provided for in the Value Added Tax Act, Act 89 of 1991, the schedules thereto and Rulings as issued by the South African Revenue Services in regard to value added tax.

**DAMAGE COMPENSATION**

9. The contractor herewith indemnifies the Department of Defence from any claim that may arise from a third party and all costs or legal expenses in this regard, to such a claim for loss or damage resulting from the death, injuries or disability of any such person(s), or the damage to property of the contractor or any other person(s) that may result from or be related to the execution of this contract.

10. The contractor will be held responsible for any damage or theft that may be caused, to the premises or content by him or his employees or be due to their neglect whether in the normal execution of their duties or otherwise and a claim for indemnification can accordingly be imposed by the Department of Defence against the contractor.

11. In the case of damages to premises or content resulting from the work done, the contractor will undertake to rectify the damage immediately to the satisfaction of the Department of Defence. If the contractor fails to act immediately after notification, the Department of Defence will rectify the damage at will and the cost thereof will be recovered from any moneys outstanding.

12. The Department of Defence and it's employees will not be held responsible for any claim or injury to the contractor's personnel whilst on Department of Defence property or in the execution of their tasks on Department of Defence property.

**WAIVER**

13. No waiver of any of the terms and conditions of the contract will be binding or effectual for any purpose unless expressed in writing and signed by the parties thereto, and any such waiver will be effective only in specific instances and for the purpose given. No failure or delay on the part of either party in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

**SEVERABILITY**

14. Should any of the terms and conditions of the Contract be held to be invalid or unlawful, such terms and conditions will be severable from the remaining terms and conditions, which will continue to be valid and enforceable.

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**SUB-CONTRACTING**

15. In the event that sub-contractors are used to execute the contract or part thereof, the following shall apply:

- a. Prior Approval. Once the contract has been concluded, the contractor shall obtain prior approval from the Department of Defence before the appointment of any sub-contractor.
- b. Payment. The contractor shall remain liable to reimburse the sub-contractors for goods delivered or services rendered to the Department of Defence.

**AWARDING OF THE BID**

16. The DOD reserves the right to contract only a part of the contract or split the awarding of the contract to more than one bidder.

**LIABILITY INSURANCE**

17. The DOD will not be held responsible for any damages, loss and injury of Personnel, the contractor must make sure he/she has the Liability Insurance.

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**RESTRICTED**

**DEPARTMENT OF DEFENCE (DOD)**

**FINANCIAL MANAGEMENT DIVISION (FMD)**



**SCOPE OF WORK FOR THE RENDERING OF  
FOREIGN EXCHANGE AND SPECIAL  
PAYMENT SERVICES TO THE DOD FOR THE  
PERIOD OF FOUR (04) YEARS**

**FAILURE TO COMPLY TO ALL OR PART OF THE CONDITIONS WILL INVALIDATE YOUR BID.**

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**STATEMENT OF WORK – FOREIGN EXCHANGE AND SPECIAL PAYMENT SERVICE TO THE DEPARTMENT OF DEFENCE**

**SERVICES REQUIRED**

1. The following foreign and domestic currency services are required from the Service Provider in terms of the contract:
  - a. Bulk Cash Service for foreign- and domestic Operations.
  - b. Subsistence and Travel Advances paid to Officials of the DOD Travelling abroad.
  - c. The exchange of Foreign currency that is returned by the DOD.
  - d. The International Provisioning and Special Delivery of bulk cash consignments in foreign currency to foreign missions/destinations.
  - e. Special payments/Bank Transfers in domestic currency.
  - f. Bank-/Telegraphic Transfers into foreign Bank Accounts of the DOD.
  - g. Bank-/Telegraphic Transfers into foreign Bank Accounts of the DOD Creditors.
  - h. Receipt and processing of Cash in Foreign Currency on behalf of the DOD.

**DESCRIPTION OF SERVICES**

2. Bulk Cash Service for foreign- and domestic Operations. The following aspects are applicable for the provisioning of bulk foreign and domestic currency to the DOD:
  - a. The following main currencies are kept in cash at specific Finance Service Centres/Finance Satellite Offices, nationally and internationally, of the DOD:
    - i. US Dollars.
    - ii. Euros.
    - iii. British Pounds.
    - iv. Botswana Pula.
    - v. Swedish Crowns.
    - vi. South African Rands (ZAR).

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- vii. Any other currencies that may be required due to operational circumstances.
  
- b. The Service Provider will be informed in writing by the Financial Management Division of the cash requirement. Cash requirements must be authorised by delegated officials of the Financial Management Division as pre-arranged by the DOD with the Service Provider.
  
- c. Cash requirements must be made available in specific denominations as determined by the Financial Management Division. South African Rand must be provided in both notes and coins.
  
- d. The Service Provider must be prepared to supply bulk cash consignments on short notice (not later than 48 hours after receipt of the request), if required during emergencies.
  
- e. The DOD makes use of a cash-in-transit (CIT) contractor to transport cash to and from the Service Provider to the Finance Accounting Service Centres/Finance Accounting Satellite Offices. For security purposes the amounts to be uplifted will not be made known to the CIT contractor.
  
- f. The Service Provider must inform the delegated officials of the DOD on the readiness of bulk cash consignments before arrangements are made by the Financial Management Division for upliftment by the DOD CIT contractor. The cash consignment may not be uplifted/handed over to the CIT contractor unless approval was given by the delegated officials of the DOD.
  
- g. The CIT contractor will be informed by the DOD regarding the time of collection after confirmation was received from the Service Provider on the readiness of the consignment for collection.
  
- h. The CIT contractor will be responsible for arrangements with the Service Provider regarding the details of the personnel and vehicle that will be collecting the cash.
  
- i. The CIT contractor will collect the cash at the bulk cash centre/commercial branch as determined by the Service Provider against signature and deliver it to the relevant delivery points of the DOD against signature.
  
- j. Ad Hoc Requirements. Bulk amounts of foreign currencies and RSA Rands may also be required on an *ad hoc* basis. This service must be rendered throughout the RSA by the Service Provider. Should the Service Provider not have an established office at the required location, the Service Provider will be responsible for the delivery of the cash to the arranged location. This service must be provided within 48 hours after the requirement was registered with the Service Provider.

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- k. The DOD is making use of its own air capability to transport bulk cash consignments to the various mission areas and is dependant on international flight schedules and over flight rights. Should the Service Provider fail to prepare bulk cash consignments on time as requested by the DOD it will be the responsibility of the Service Provider to deliver the bulk cash consignment/s to the mission areas at own cost.

3. Subsistence and Travel (S&T) Advances to Officials of the DOD Travelling Abroad.  
The following aspects are applicable to the provisioning of this service:

- a. Foreign currency must be made available by the Service Provider to officials of the DOD travelling abroad on official visits.
- b. S&T advances to officials of the DOD travelling abroad must be provided by the Service Provider in the following manner:
  - i. Cash must be paid to DOD officials at a secured premises supplied by the Service Provider.
  - ii. Foreign currency must be delivered on request to identified DOD officials (Brigadier General/Director and higher, or lower rank groups under exceptional circumstances) in their offices.
- iii. Payment of Foreign Currency to Large Groups of DOD Officials Travelling Abroad. Such payments must be made by the Service Provider to the officials at premises as determined by the DOD. In respect of these requirements the following aspects are of the essence:
  - (1) The monies must be transported to the required location by the Service Provider.
  - (2) The service must be rendered at a specific time as arranged by the DOD.
- iv. Deposits to be made into the bank accounts (credit card accounts or specialised debit card facilities) of DOD officials.
- vi. Money Grams. In the case where officials are already abroad, cash must be made available to the identified officials at international service points in locations as indicated by the DOD.
- vii. Other Methods of Payments/Products/Services that may Become Available on the Market. Such products/services will be subjected to the approval of the DOD. In cases where unique products, such as debit cards, are issued to DOD members, the Service Provider must

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on request of the DOD, issue bank statement/s of all transactions incurred by the member for reconciliation and audit purposes.

- c. The majority of DOD officials, individuals as well as smaller groups, going abroad are first reporting to Service- or Divisional Headquarters in Pretoria prior to their departure. In the most instances foreign S&T advances are thus required to be made available by the Service Provider in Pretoria. A dedicated service must be rendered to DOD officials at a specific branch of the Service Provider.
- d. On an *ad hoc* basis this service will also be required at other branches and other major centres in the country with prior notice by the DOD.
- e. The following processes and control measures are applicable to the payment of S&T advances to DOD officials travelling abroad:
  - i. In respect of the services specified above, a standardised Foreign Advance Requisition form is utilised by the DOD.
  - ii. On receiving the Foreign Advance Requisition form, the delegated officials of the Financial Management Division will process a manual or electronic request (depending on the system utilised by the Service Provider) for foreign currency, to the Service Provider. Requests will be processed separately for each official.
  - iii. The personal details of the DOD official receiving the payment will be reflected on the Foreign Advance Requisition or electronic requirement forwarded to the Service Provider.
  - iv. All fields on the DOD Foreign Advance Requisition form must be completed in full. Incomplete forms must not be processed by the Service Provider. The delegated officials of the Financial Management Division of the DOD will be responsible to ensure the validity of the information indicated on the request.
  - v. Only transactions/services authorised by delegated officials at the dedicated nodal point within the Financial Management Division and pre-arranged by the DOD must be processed by the Service Provider. No forms may be faxed directly by officials of the DOD to the offices of the Service Provider.
  - vi. Officials of the DOD must collect foreign S&T personally on the date and time as indicated on the Foreign Advance Requisition form and as pre-arranged with the Service Provider, at the relevant branch. Officials with the rank of Brigadier General (or Director) and higher who may request

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for advances to be delivered at their offices by the Service Provider personnel.

- vii. The DOD official receiving the payment must be properly identified by means of his/her official Passport and official DOD/Military Identification Card and must acknowledge receipt of the payment by means of his/her signature on the deal receipt (record of transaction).
- viii. On receipt of the foreign S&T advance the force number, rank, initials, surname, post name and contact telephone number must be indicated on the deal receipt in the official's own handwriting together with his/her signature when collecting the foreign currency.
- ix. In the case where an advance is delivered by the Service Provider at the office of an official with the rank of Brigadier General (or Director) and higher and a nominated official (recipient) is receiving the advance on behalf of the beneficiary, the recipient must be properly identified by means of a DOD identification card or civilian identification document as well as a proxy form reflecting both the recipient and beneficiaries signatures. The force number, rank, initials, surname, post name and contact telephone number must be indicated on the deal receipt in the recipient's own handwriting.
- x. The DOD will inform the Service Provider in writing of all cancelled deals prior to the collection date.

**4. Exchange of Foreign Currency Returned by the DOD. The following aspects are applicable to the exchange of foreign currency returned by the DOD:**

- a. Unused bulk cash consignments, in ZAR as well as foreign currency, are from time to time returned from domestic deployments or foreign Mission Areas. Such unused currencies will in most instances not be sold back to the Service Provider. Instead the Service Provider will be required to exchange the consignment for other currencies as specified by the DOD or alternatively to store the total consignment to be utilised by the DOD at a different location and later stage. In the case of bulk cash amounts, such monies will be delivered to the Service Provider.
- b. Unused foreign Subsistence and Travel advances will be returned to the Service Provider by individual DOD officials in exchange for ZAR.
- c. The Service Provider may be required from time-to-time to exchange damaged/stained/outdated foreign currency bank notes.
- d. The Service Provider may be required from time-to-time to exchange foreign currency bank notes for other denominations as specified by the

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DOD, for example the exchange of a number of \$US50 bank notes for an equal amount in \$US 1 bank notes.

5. International Provisioning- and Special Delivery of Bulk Cash Consignments in Foreign Currency. The following aspects are applicable to the provisioning of this service:

- a. In the case where bulk cash foreign currency consignments cannot be transported to the Mission Areas by means of DOD transport, such consignments must be provided (made available) by the Service Provider at any foreign destination identified by the DOD.
  
- b. Such services may be required at the following destinations:
  - i. Democratic Republic of the Congo (DRC).
  - ii. Mozambique.
  
- c. Should new service delivery points be added within the contract period, notice will be given to the Service Provider in writing. This service must also be delivered in accordance with (in the same spirit of) the price structure and processes/procedures of the current contract.
  
- d. Cash requirements must be made available in specific denominations as determined by the Financial Management Division.
  
- e. For each specific task/delivery the Financial Management Division will forward a written request to the foreign exchange Service Provider specifying the following:
  - i. Total amount required in figures and words.
  - ii. Currency required.
  - iii. Destination. For example Goma Airport or Finance Service Centre Democratic Republic of the Congo. The specific place of delivery will be determined by the security restrictions within the specific country.
  - iv. Date when the delivery is required.
  - v. The specific quantities of the different denominations required.
  - vi. Specific security conditions, when applicable. For example, restricted areas in cases of war zones.

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- vii. Details of the official of the DOD to whom the consignment must be handed over:
  - (1) Full names and surname.
  - (2) Method of identification and identification number, e.g. passport number.
  - (3) South African National Defence Force identification number.
- viii. Details of the individual responsible for ordering the cash:
  - (1) Full names and surname.
  - (2) Contact details.
  - (3) Signature.
- ix. Details regarding the marking of the CIT bags, e.g. Goma, DRC.
- f. After receipt of the request from the Financial Management Division, the foreign exchange Service Provider is required to confirm the following details regarding the delivery in writing to the Financial Management Division:
  - i. Flight number.
  - ii. Specific date and time of arrival.
  - iii. Identification of courier of Service Provider.
- g. Cash must be sealed in tamper-proof bags marked with unique serial numbers.
- h. Customs and excise clearance, where applicable, regarding the transportation of the monies into the relevant country must be obtained by the Service Provider. In cases where the monies will be transported into the country by means of an airline company, authority must be obtained by the Service Provider from the relevant airline company.
- i. The courier delivering the cash on behalf of the foreign exchange Service Provider must hand over the cash against signature on a document specifying the serial numbers of the bags delivered.

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6. Special Payments/Bank transfers in Domestic Currency. The following aspects are applicable to the provisioning of this service:

- a. On request of the Financial Management Division, the Service Provider must provide bank guaranteed payments to suppliers of the DOD and effect domestic bank transfers into the bank accounts of suppliers of the DOD.
- b. The Service Provider will be informed in writing of the Financial Management Division transaction requirement. Requirements must be authorized by delegated officials of the Financial Management Division as pre-arranged by the DOD.
- c. The identified suppliers must be credited within 24 hours after the request was submitted to the Service Provider.

7. Bank Transfers/Telegraphic Transfers into Foreign Bank Accounts of the DOD. The following aspects are applicable to the provisioning of this service:

- a. On request of the Financial Management Division, the Service Provider must affect bank transfers/telegraphic transfers into the bank accounts of the DOD abroad.
- b. The full details of the beneficiary's account, as required for such transactions, will be supplied to the Service Provider by the Financial Management Division.
- c. The identified bank accounts must be credited within 24 hours after the request was submitted to the Service Provider.

8. Bank Transfers/Telegraphic Transfers into Foreign Bank Accounts of DOD Creditors. The following aspects are applicable to the provisioning of this service:

- a. On request of the Financial Management Division, the Service Provider must affect bank transfers/telegraphic transfers into the bank accounts of suppliers of the DOD abroad.
- b. The full details of the supplier, as required for such transactions, will be supplied to the Service Provider by the Financial Management Division.
- c. The identified creditors must be credited within 24 hours after the request was submitted to the Service Provider.

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9. Receipt and processing of Cash refunds (Domestic and Foreign Currency) on Behalf of the DOD. The following aspects are applicable to the provisioning of this service:

- a. Suppliers of the DOD are from time-to-time required to refund the DOD in respect of payments that were made by the DOD. The Service Provider will be required to channel such refunds back to the DOD.
- b. Refunds may be effected by the supplier either in cash or by means of an electronic payment into the Service Provider's bank account.
- c. The Service Provider will be required to exchange the refund for cash, and delivery at a specific service point as determined by the DOD. The cash will be obtained from the Service Provider similar to the process of Bulk Cash Service.

**TERMS AND CONDITIONS RELATED TO SERVICE DELIVERY**

10. Facilities

- a. The Service Provider must make use of secured banking facilities/office space that adheres to international banking standards.
- b. The premises of the Service Provider may be subjected to prior inspection by officials of the DOD.
- c. The majority of DOD officials, individuals as well as smaller groups, going abroad are first reporting to Service or Divisional Headquarters in Pretoria prior to their departure. In the most instances foreign currency services are thus required to be made available by the Service Provider in Pretoria. A dedicated service must be rendered to DOD officials at a specific branch of the Service Provider.
- d. On an *ad hoc* basis this service will also be required at other branches and other major centres in the country.

11. System of Control

- a. The Service Provider must institute and maintain a system of control to validate the authenticity of requirements received from the DOD regarding all types of services.
- b. Only duly delegated officials in the DOD's Financial Management Division may authorize transactions submitted to the Service

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Provider. Verification in this regard must be executed by means of specimen signatures maintained by the Service Provider.

- c. The DOD will not be liable for any losses incurred by the Service Provider as a result of the processing of unauthorized requests for services.
- d. Payment amounts ordered/approved by the Financial Management Division, may not be exceeded without prior approval by the specific/delegated officials of the Financial Management Division.
- e. Specially Designed Money Bags. In the case of bulk cash consignments, the Service Provider is required to make use of specially designed moneybags (stop-loss bags), with self-adhesive seals, that will indicate to the receiver should they have been tampered with.

12. Specific Denominations. In all instances where cash is provided to the DOD, such amounts must be made available in the denominations as specified by the Financial Management Division.

13. After-hour Service. The service provider must be able to render an after-hour service from dedicated service delivery points in emergency situations or under special circumstances.

**RENDERING OF SUPPORT BY THE SERVICE PROVIDER**

14. A dedicated Corporate Account Manager/Account Executive of the Service Provider must manage the relations between DOD and the Service Provider.

15. Should the Service Provider require the DOD to forward requirements for services by means of an electronic/internet-based system/platform, problems experienced regarding the availability of the system must be addressed by the Service Provider within forty-eight (48) hours after reporting of the problem by the DOD.

16. Meetings must take place, at least once a month or on request of either the DOD or the Service Provider, in order to provide a forum for the discussion and addressing of all matters related to service delivery.

17. Annual Meetings with the SA Reserve Bank. The DOD's requirement in respect of foreign currency is presented to the SA Reserve Bank on an annual basis. The Service Provider must be able to assist the DOD in arranging the meeting with the SA Reserve Bank as well as the preparation of information for

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the purpose of the meeting. The Service Provider must also ensure that the *Omnibus* to the SARB is submitted to the DOD on a monthly basis to reconcile all foreign transactions requested by the DOD and paid by the Service Provider, this includes continuous monitoring to ensure or to prevent significant under spending or over spending against the approved estimate by the SA Reserve Bank.

**MANAGEMENT INFORMATION**

18. Management information regarding the volume of transactions as well as monetary value of transactions (indicated in the different currencies utilized as well as the ZAR value) must be made available to the Financial Management Division of the DOD on a monthly basis. The information must be categorize/broken down as follows:

- a. Per cost centre, as determined by the DOD.
- b. Per type of service.

19. Information regarding service charges levied by the Service Provider against the DOD in respect of services provided must be provided to the DOD on a quarterly basis.

20. The DOD must have the option to request the Service Provider to develop additional management reports, other than to those indicated above.

**INVOICING AND PAYMENT OF ACCOUNTS**

21. Invoicing by Service Provider. All costs and commission implications for the various transactions must be set out in full (specified) on original invoices submitted to the DOD.

22. Incorrect Banking Charges. Service charges levied by the Service Provider will be subjected to internal as well as external auditing. Service charges, proven to be incorrect, that were levied must be reimbursed within forty eight (48) hours after it has been detected by the DOD and brought to the attention of the Service Provider.

**SPECIAL CONDITIONS**

23. Accreditation and Registration. The following requirements are compulsory to the Service Provider:

- a. The service provider is registered with the SA Reserve Bank as a Bank in terms of the Banks Act, 1990.

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- b. The service provider is licenced with the Financial Services Board as a “Financial Service Provider”.
- c. The service provider is a registered foreign currency services provider as prescribed by the SA Reserve Bank.
- d. The service provider must have an internationally established partnership with international service providers in order to render a service at destinations worldwide.
- e. **Written proof and/or certificates related to paragraph a to d above must be attached to the Bid Documents. Failure to comply will invalidate the Bid Documents.**

**24. Refunds in respect of Losses of State Funds**

- a. Fraudulent transactions (which are not due to misconduct by an official of the DOD) processed against the account of the DOD will not be paid to the Service Provider. Should the incorrect charge only be detected after the Service Provider was paid, the DOD must be refunded within forty eight (48) hours after the cause/responsibility was determined, and the amount involved claimed from the service provider.
  - b. Should any losses be incurred due to negligence on the side of the Service Provider in following agreed-upon (contracted) procedures/processes, or where losses result from criminal activities planned/initiated/conducted by employees of the Service Provider, the DOD must be refunded for the loss within forty eight (48) hours after such responsibility was determined, and the amount involved claimed from the service provider.
  - c. In all instances where losses occur, it will be the responsibility of the Service Provider to prove that agreed-upon (contracted) procedures/processes were adhered to by its employees, and that the said employees were not in any way involved in criminal activities related to the loss.
- d. **Disputes Between the Service Provider and Vendors**
- a. The Service Provider will act as the agent of the DOD regarding the following:
    - i. International provisioning of special delivery of bulk cash consignments.
    - ii. Special Cheque Payments/Bank transfers in Domestic Currency.

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- iii. Bank Transfers/Telegraphic Transfers into Foreign Bank Accounts of the DOD.
- iv. Bank Transfers/Telegraphic Transfers into Foreign Bank Accounts of DOD creditors.
- b. Any disputes regarding the validity/authenticity of transactions must be settled between the Service Provider and the involved third party.
- c. Only after negligence/criminal activities by officials of the DOD have been detected will the matter be investigated by the DOD.

**GENERAL CONDITIONS**

25. Dispute Resolution

- a. When a dispute regarding transactional charges arises, the relevant account must be credited immediately.
- b. Any other dispute, which may arise between the DOD and the Service Provider, shall be conducted in terms of the following:
  - i. Firstly be referred to the Chief Financial Officer (Director Stores, Services and Related Payments) for settlement and for purposes of considering such dispute;
  - ii. Should the Chief Financial Officer (Director Stores, Services and Related Payments) be unable to resolve the dispute within fourteen (14) days, same shall be referred to the Secretary for Defence as well an official of the Service Provider (on equal level) who shall meet as soon as possible after reference of the matter to them, and they shall use their best endeavours to settle such dispute within fourteen (14) days;
  - iii. Should the dispute not be capable of settlement as contemplated in paragraphs i and ii above, then such dispute shall be referred to Arbitration as provided for herein.

26. Arbitration. Should a dispute be lodged it will be referred to the State Attorney's office in Pretoria for arbitration and such shall be in accordance with the following provisions:

- a. Except as may be expressly or otherwise provided for in this Statement of Work arbitration proceedings shall be conducted in accordance with the Arbitration Laws of the Republic of South Africa.

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- b. The arbitration proceedings shall be held on an informal basis, it being the intention of the PARTIES that a decision should be reached as expeditiously and as inexpensively as possible, subject only to the due observance of the principles of justice.
- c. Either PARTY shall be entitled, by giving written notice to the other, to require that a difference or dispute be submitted for arbitration in terms of this clause.
- d. The arbitrator shall be a person to be agreed upon between the PARTIES, and failing agreement, to be nominated by the Law Society of the Northern Provinces.
- e. The PARTY referring the dispute or difference to arbitration shall, within ten (10) days of the selection or appointment of the arbitrator as provided for in paragraph 31.d supra, furnish the arbitrator with an appropriate written notice of appointment, and shall ensure that the arbitrator notifies the PARTIES forthwith of the remuneration which the arbitrator shall require for his/her services.
- f. Within thirty (30) days after delivery to the arbitrator of his/her written notice of appointment, each PARTY shall submit to the arbitrator a full statement of its case in which shall be set out all such evidence, sworn statements, facts, submissions and expert opinion as such PARTY may deem necessary to support its contentions in regard to the matter/s in dispute, and shall simultaneously serve a copy thereof on the other PARTY.
- g. Within fourteen (14) days of receipt of such copy of the other PARTIES statement of case, either PARTY may submit a further supplementary statement to the arbitrator, and shall provide a copy thereof to the other PARTY. The dispute shall be determined by the arbitrator on the evidence before him/her without legal representation by the PARTIES.
- h. If the arbitrator considers that the matter in dispute cannot be decided on the papers before him/her, the arbitrator may call for other evidence or for witnesses to testify at a place in Pretoria determined by him/her in the presence of the PARTIES, who may also question such witnesses.
- i. The arbitrator shall at all times have due regard to the intention of the PARTIES underlying the contract, and shall resolve the dispute in a summary manner.
- j. It is recorded and agreed by the PARTIES that any award made by the arbitrator:
  - i. Shall be final and binding on the PARTIES;

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- ii. Shall be carried into effect by the PARTIES;
  - iii. May include an Order directing the unsuccessful PARTY to pay the costs of the arbitrator and the expenses incurred by the successful PARTY.
- k. This clause shall survive the termination or cancellation of this contract.
- l. This clause shall constitute each PARTY'S irrevocable consent to any arbitration proceedings and neither PARTY shall be entitled to withdraw from such proceedings or to claim that it is not bound by the provisions of this clause.
- m. If a PARTY fails to take part in arbitration proceedings conducted in accordance with this clause, such failure shall constitute consent to an award being made against such PARTY.
- n. The aforementioned shall not prevent any PARTY from seeking urgent relief from a Court of Law.

27. Cancellation. Should any of the PARTIES fail to comply with any provision of the contract, the innocent PARTY shall send a letter of demand to the other PARTY (the PARTY in default, and hereinafter referred to as the "defaulting PARTY") demanding compliance with such provision(s) and should the defaulting PARTY, after a period of seven (7) days (or such longer period clearly stated in the letter of demand as may under circumstances be reasonably necessary) after the date of receipt of such written notice, remain in default, the innocent PARTY shall be entitled, without prejudice to any other rights that it may have:

- a. To claim specific performance from the defaulting PARTY and to claim such damages as it may have suffered. A certificate or invoice of the Accounting Officer of a PARTY of such costs and disbursements shall be *prima facie* proof thereof.
- b. To terminate the contract by giving written notice to the other PARTY, fourteen (14) calendar days in advance.

28. Force Majeure

- a. The DOD shall not be liable for any failure or delay in terms of the contract because of any event beyond its reasonable control, which adversely influence the performance of their obligations under this contract including, but not limited to lockout, war, revolution, civil commotion, mobilisation, strike, riot, natural disaster, fire, flood, earthquake, isolation quarantine etc.

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- b. If the *force majeure* in question prevails for a continuing period in excess of seven (7) days, the parties shall enter into bona fide discussions with a view to alleviating its effects or to agree upon such alternative arrangements as may be fair and reasonable, or to terminate the contract.

29. Insurance. The Service Provider must take out, at its own cost, insurance coverage against losses arising out of the negligence, malpractice or unprofessional conduct of the Service Provider which and shall be honoured for the duration of this contract. Proof of such insurance must be provided as part of the Bid documentation.

30. Confidentiality

- a. In terms of the contract all PARTIES undertakes to –
  - i. keep all information received from the other PARTY strictly confidential;
  - ii. use reasonable endeavours to prevent its officials, officials, agents and subcontractors from making any disclosure to any person of any information of the other PARTY,
  - iii. while this contract remains in force and for a period of five (5) years after it has terminated for whatever reason.
- b. Paragraph a above does not apply to –
  - i. any disclosure of information that is reasonably required by persons engaged in the performance of or compliance with the receiving PARTY’s obligations under this contract;
  - ii. any matter which the receiving PARTY can reasonably demonstrate is already generally available and in the public domain otherwise than as a result of a breach of this Clause;
  - iii. any disclosure as part of any attempt to resolve a dispute in accordance with paragraph 30 above;
  - iv. any disclosure which is required by law;
  - v. any disclosure of information that is already lawfully in the possession of the receiving PARTY prior to its disclosure.
- c. The confidential information remains the property of the disclosing PARTY and must be returned to the disclosing PARTY, if –

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- i. the disclosing PARTY demands its return at any time upon giving notice in writing to the receiving PARTY; or
  - ii. this contract is terminated.
- d. This Clause is severable from the rest of this contract and remains in force even if this contract is terminated.

31. Compliance with Service Requirements and Special Conditions. Bidders are expected to explicitly comply with the service requirements and special conditions indicated above. The following is applicable in this regard:

- a. Submitting of Bids by bidders will be regarded as certification of full-/complete compliance with the service requirements and special conditions indicated above.
- b. Non-compliance with the service requirements and special conditions indicated above will:
  - i. Invalidate bids (such bids will not be included/considered for the awarding of the contract), and
  - ii. It will be regarded as breach of contract by the successful bidder, should such non-compliance only become apparent after the awarding of the contract.

**UTILISATION OF SUB-CONTRACTORS**

32. In order for the DOD to have maximum control over the delivery of the foreign exchange and special payment service, as well as to ensure a high standard of service delivery, the Service Provider may not sub-contract any of the services, excluding ***International Provisioning- and Special Delivery of Bulk Cash Consignments in Foreign Currency***.

33. The Service Provider will be responsible to exercise control over sub-contractors appointed in terms of the previous paragraph to ensure that:

- a. The service that is delivered by the sub-contractors will be of a high standard, acceptable to the DOD and of the same standard as that of the main contractor.
- b. The sub-contractors will have control measures in place that are of the same standard as that of the main contractor and are acceptable to the DOD.

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**PRICING AND SPECIFICATION OF COST ELEMENTS**

34. All foreign currency deals must be provided to the DOD at a competitive and market-related exchange rate. The DOD reserves the right to compare exchange rates, provided by the Service Provider, to the exchange rates provided by other service providers on a regular basis and question rates provided by the Service Provider.

35. Service charges/commission for the following services/items must be specified in the Bid Documents:

- a. Issuing of foreign bank notes for bulk cash deals.
- b. Issuing of ZAR (bank notes and coins) for bulk cash deals.
- c. Issuing of foreign bank notes for S&T purposes.
- d. Issuing of credit card endorsements – payments into the credit card accounts of DOD officials for S&T purposes.
- e. Processing of cash transfers (e.g. MoneyGram).
- f. Transferring of foreign currency and ZAR onto debit cards (World Travel Cards or similar products). Cost applicable to the issuing of the card must also be specified, if applicable.
- g. Exchange of foreign currency returned by the DOD (bulk cash or monies returned by individual DOD officials).
- h. Bank transfers/telegraphic transfers into foreign bank accounts of the DOD.
- i. Domestic telegraphic transfers/bank transfers (ZAR) into bank accounts of DOD creditors.
- j. Receipt of cash or cheque refunds (domestic and foreign currency) on behalf of the DOD and returning of such refunds to the DOD in cash (ZAR).
- k. Cancellation fees on deals cancelled by the DOD.

36. The tariffs regarding **each of the services/items** mentioned in the previous paragraph must be indicated in the Bid Documents as a percentage of the transaction amount. The minimum and maximum amounts per type of service must also be stated. For example:

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### Issuing of foreign bank notes:

Percentage: 0.5%  
Minimum: R20,00  
Maximum: R200,00

37. Special conditions related to the service charges of each of above services must also be indicated, where applicable.

38. All other costs that may be applicable must be specified in the Bid Documents.

39. Regarding the collection/delivery of ***International Provisioning- and Special Delivery of Bulk Cash Consignments in Foreign Currency***, the following must be specified in the Bid Documents:

a. Service charge/commission, for example:

Percentage: 0.5%  
Minimum: R20,00  
Maximum: R200,00

b. Total price, inclusive of all costs, for the delivery of each consignment to each of the destinations.

c. Confirmation of adherence to service delivery requirements applicable to the following countries (e.g. specific security conditions in the country of delivery, customs and excise clearances, etc):

i. Democratic Republic of the Congo (DRC).

ii. Mozambique.

d. Reduced prices applicable when the DOD shares in an assignment arranged by other clients of the contractor.

### 40. Firm/Fixed Pricing

a. The DOD prefers to award contracts in accordance with fixed prices quoted/tendered by bidders for the duration of the contract.

b. Should price escalations be intended by bidders over the period of the contract, the details of such intended/projected escalations must be specified in bids.

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**EXECUTION PLAN TO BE SUBMITTED BY BIDDERS**

41. As part of the Bid Documents, bidders must submit a detailed written Execution Plan that indicates how the foreign exchange and special payment service will be rendered to the DOD for the duration of the contract period as discussed below. ***The ability/capability of the Service Provider to adhere to the requirements of the DOD must be addressed specifically in the Execution Plan.***

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**GENERAL INSTRUCTIONS FOR THE COMPILATION OF THE EXECUTION PLAN**

- Bidders must submit a detailed written Execution Plan of how they intend rendering the foreign currency service for the duration of the contract period.
- The Execution Plan will, *inter alia*, be utilised for bid evaluation purposes (in order to select the successful bid).
- The Execution Plan must be included in the bid documents as a separate document/part/chapter/section of the bid documents, irrespective of whether the contents of the Execution Plan are duplicated/repeated in other parts/chapters/sections of the bid.
- The aspects to be addressed in the Execution Plan are reflected below. The following guidelines deserve attention:
  - The aspects requiring confirmation only need not be further explained/motivated - mere confirmation of adherence will be sufficient.
  - Where explanations are however required, prospective bidders must explain/motivate/describe the specific issues by means of words and/or pictures and/or photos and/or sketches and/or diagrams, etc.
  - Only the aspects indicated below should be addressed in the Execution Plan (additional information may be included in the other parts/chapters/sections of the bid).
- ***Where the Service Provider is unable to adhere to a specific requirement, it must be clearly stated as such.***
- ***In instances where the Service Provider is unable to adhere to a specific requirement, but an alternative solution can be offered or where additional recommendations regarding requirements can be made, it must also be indicated.***

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42. The following aspects must be addressed in the Execution Plan (i.e. it must be utilised as headings in the written Execution Plan):

- a. Services Required. It must be **indicated** whether the Service Provider is able to render all the services required by the DOD.
- b. Description of Services. **A brief description** must be provided regarding how the services indicated below will be provided by Service Provider. Sufficient information must be provided in order for the Bid Evaluation Team to determine whether the service will be rendered according to the requirements of the DOD:
  - i. Bulk Cash Service for foreign and domestic Operations.
  - ii. Subsistence and Travel Advances to Officials of the DOD Travelling Abroad.
  - iii. Exchange of Foreign Currency that is returned by the DOD.
  - iv. International Provisioning- and Special Delivery of bulk cash consignments in foreign currency.
  - v. Special Payments/Bank transfers in Domestic Currency.
  - vi. Bank Transfers/Telegraphic Transfers into Foreign Bank Accounts of the DOD.
  - vii. Bank Transfers/Telegraphic Transfers into Foreign Bank Accounts of DOD creditors.
  - viii. Receipt of cash or cheque refunds (domestic and foreign currency) on behalf of the DOD.
- c. Timely Delivery of Services. **Confirmation** must be provided whether the service provider will be able to adhere to the timely delivery of bulk cash consignments as required by the DOD.
- d. Ad Hoc Requirements. **Confirmation** must be provided whether the service provider will be able to adhere to the requirements of the DOD regarding the provisioning of bulk cash in foreign currencies and SA Rands throughout the RSA.
- e. After-hour Service. **Confirmation** must be provided that the service provider will be able to render an after-hour service from dedicated

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service delivery points in emergency situations or under special circumstances.

- f. Terms and Conditions Related to Service Delivery. A **clear indication** must be given whether the Service Provider will be able to adhere to the requirements of the DOD, as indicated above, regarding the following aspects as well how (where applicable) the requirements of the DOD will be met:
  - i. Facilities.
  - ii. System of Control.
  - iii. Specific Denominations.
- g. Support by the Service Provider. A **description** of how the Service Provider will render the required support to the DOD.
- h. Management Information. It must be **indicated** that the Service Provider will be able to provide the management information required by the DOD and *how* the management information will be provided.
- i. Invoicing and Payment of Accounts. It must be **indicated** that the Service Provider **concurs** with the required method of invoicing and terms of payments of accounts by the DOD.
- j. Utilization of Sub-Contractors. **Confirmation** must be provided whether the service provider concurs with the requirements of the DOD in terms of the utilization of sub-contractors.
- k. Competitive Exchange Rates. The Service Provider must **indicate how** it will ensure that all foreign currency deals will be provided to the DOD at a competitive and market related exchange rate.

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