

**MERAFONG CITY LOCAL MUNICIPALITY  
 APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF  
 PHYSICAL SECURITY SERVICES TO PROTECT THE PROPERTY,  
 ASSETS AND PERSONNEL OF THE MERAFONG CITY LOCAL  
 MUNICIPALITY, FOR A PERIOD OF THIRTY-SIX (36) MONTHS.  
 BID NUMBER: PS(S&T) 16/03/2526**

Name of Company	
Name of Representative	
Physical Address	
Postal Address	
Contact Number:	Tel . _____ Fax . _____ Cell . _____
BBBEE Contributor Status Level	
CSD Registration Number	
SARS Tax Pin Number	
<b>Tender Amount</b>	<b>R</b> _____

**Prepared for:**  
 Merafong City Local Municipality  
 3 Halite Street  
 Carletonville  
 2499

**Prepared By:**  
 Merafong City Local Municipality  
 3 Halite Street  
 Carletonville  
 2499



## MERAFONG CITY LOCAL MUNICIPALITY

03 HALITE, CARLETONVILLE, 2499 - TEL (018) 788 9500

For Bid Document Enquiry: Babalwa Tsotso 018 788 9500

E-Mail: [btsotso@merafong.gov.za](mailto:btsotso@merafong.gov.za)

### BID NOTICE

BID NO.	DESCRIPTION	FUNCTIONALITY	DOCUMENT AVAILABILITY	CLOSING DATE	ENQUIRIES
PS (S&T) 16/03/2526	Appointment of a service provider for the provision of physical security services to protect the property, assets and personnel of the Merafong City Local Municipality, for a period of thirty-six (36) months.	Minimum of 70/100 to proceed to next evaluation stage	10 March 2026	14/04/2026 @ 10H00 @ SCM Unit	Ms. Babalwa Tsotso (SCM) - 018 788 9500, <a href="mailto:btsotso@merafong.gov.za">btsotso@merafong.gov.za</a>  Technical Information: Mr. W Molotsi 018 788 9500 <a href="mailto:wmolotsi@merafong.gov.za">wmolotsi@merafong.gov.za</a>

Bids are hereby invited based on the above-mentioned information

**Bid documents will be available for the non-refundable fee of R 1 322.62 vat inclusive (proof of payment must be attached with the returnable document) on weekdays from 07:30 until 15:30, at Merafong Local Municipality at SCM offices situated on the corner of 3 Halite and Gold Street, Carletonville, 2499 and bid documents will also be made available for the same document fee electronically on etenders portal and the Merafong City Local Municipality website.**

**Merafong City LM Banking Details- Nedbank Current Account No: 1454087331**

Bids are to be completed in accordance with the conditions contained in the bid documents and must be placed in a sealed envelope and externally endorsed:

**Relevant Bid number: Relevant Bid description.**

Bids must be deposited in Bid Box 1, situated at the Revenue Section, Cnr Halite and Gold Street, Carletonville and is open between 07h30 and 16h00. Bids will be opened immediately thereafter, in public.

**BIDDERS SHALL TAKE NOTE OF THE FOLLOWING BID CONDITIONS:**

1. Companies must be registered on the CSD database and suppliers must submit CSD report not older than 3 months, link: [www.csd.gov.za](http://www.csd.gov.za)
2. Attach municipal account for rates and taxes of both company and directors appearing in CK not owing for more than 90 days, or if the municipal account is not on your names, please submit copy of Lease Agreement with proof of payment for 3 months from the Bank (No statements).
3. Certified copies of Identity Documents (ID's) for all shareholders/owner(s)/partners registered on the CK forms.
4. Copies of Company Registration documents (CK 1) must be submitted.
5. Bidders must attach a valid tax pin certificate.
6. **NB: EVALUATION OF THE BID:** The evaluation of proposal/bids will be conducted in the following stages, - compliance requirements and second stage will be assessment on functionality.
7. 90/10 Preference point scoring system will apply, where 90 points will be allocated for price only and 10 Specific goals points scored.
8. Attach receipt as proof of purchase of the bid document and ensure that the receipt is secured in the document.

**TERMS AND CONDITIONS:**

- Failure to comply with these conditions will result in immediate disqualification of your bid.
- The Merafong Local Municipality does not bind itself to accept the lowest bid or any other bid and reserves the right to accept the whole or part of the bid or to withdraw.
- Bids which are late, incomplete, unsigned, completed in pencil, use of correction pen/tippex, submitted by facsimile or electronically, will not be accepted.
- Bids submitted are to hold good for a period of 90 working days.
- Bids must only be submitted on the documentation provided by the Merafong Local Municipality; (original bid documents)

**D.D. Mabuza**  
**Municipal Manager**  
**Merafong City Local Municipality**

**MBD 1  
INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (MERA FONG CITY LOCAL MUNICIPALITY)</b>					
BID NUMBER:	PS(S&T) 16/03/2526	CLOSING DATE:	14 APRIL 2026	CLOSING TIME:	10H00
DESCRIPTION	Appointment of a service provider for the provision of physical security services to protect the property, assets and personnel of the Merafong City Local Municipality, for a period of thirty-six (36) months.				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).</b>					

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

<b>3 HALITE STREET</b>					
<b>CARLETONVILLE</b>					
<b>2499</b>					
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
CSD NUMBER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER		CODE		NUMBER	
CELLPHONE NUMBER					
FACSIMILE NUMBER		CODE		NUMBER	
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS		TCS PIN:		OR	CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]		<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT <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 PART B:3 ]	
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE		
SIGNATURE OF BIDDER			DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>			<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>		
DEPARTMENT	SUPPLY CHAIN MANAGEMENT		CONTACT PERSON	Mr. W Molotsi	
CONTACT PERSON	Mr. SN Ndolela		TELEPHONE NUMBER	018 788 9500	
TELEPHONE NUMBER	(018) 788 9692		Email	wmolotsi@merafong.gov.za	

**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 ONLINE</b>
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	BIDDER MUST NOT BE IN ARREARS WITH THW MUNICIPAL RATES & TAXES FOR MORE THAN 90 DAYS.
<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 VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
2.4	FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
2.5	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.6	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.7	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
<b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>	
3.1.	IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.2.	DOES THE ENTITY HAVE A BRANCH IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES</span> <input type="checkbox"/> NO
3.3.	DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.4.	DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.5.	IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
<b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.</b>	

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.  
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

DATE: .....

## **FUNCTIONALITY EVALUATION CRITERIA**

NB: Minimum requirement for Functionality Criteria is 70 out of 100 (70/100).

### **FUNCTIONALITY CRITERIA**

<b>CRITERIA</b>	<b>POINTS ALLOCATION</b>
Company Experience	30
Key Personnel Experience	15
PSIRA Registration- company	10
ICASA Licence for CCTV	5
PSIRA Registration project manager	10
Valid Firearms licenses	20
Detailed methodology	10
Total	100

Evaluation Criteria:

The minimum score required is 70 Points in order to proceed to the next stage

Bidders who fail to obtain 70 points on functionality will be automatically eliminated. The table below indicates the functionality criteria that will be utilised during the assessment

No	Criteria	Function	Points	Scores
1.	Company experience	Proof: Appointment letters	0 - No points allocated	30
			1 – 3 projects = 15 points	
			4 - 5 projects = 20 points	
			6 to 10 projects = 25 points	
			10 or more projects = 30 points	
2	Relevant expertise of the project team (Experience of Key Personnel)	Proof: CV	Project manager must have a minimum 3 years' relevant experience = 10 points	15
			Project manager with 4 years or more relevant experience = 15 points	
3.	Registration with PSIRA	Proof: Registration certificate by company	Company to be registered (PSIRA) and active member.	10
4.	ICASA License for CCTV	Proof: Registration certificate	Company to attach certified accreditation certificate	5
5.	Project manager accredited with PSIRA	Proof: Registration certificate	certified valid formal accreditation for project manager	10
6.	Valid Firearms licenses	Valid Firearm licences	30 firearm licenses attached -15 points Greater than 30 firearm licenses -20 points	20
7.	Detailed methodology	Methodology	Detailed methodology	10

# **TERMS OF REFERENCE: PROJECT SPECIFICATIONS**



## **TENDER SPECIFICATIONS FOR THE PROVISION OF PHYSICAL SECURITY SERVICES TO PROTECT THE PROPERTY, ASSETS AND PERSONNEL OF THE MERAFONG CITY LOCAL MUNICIPALITY, FOR A PERIOD OF THIRTY-SIX (36) MONTHS.**

### **1. CONTRACT REQUIREMENTS**

#### **1.1 Purpose**

The purpose of this tender is to invite qualified service providers to bid for the supply of security (guarding) to protect the property, assets, clients and personnel of the Merafong City Local Municipality.

#### **1.2 Scope**

This is a fixed term contract for thirty-six (36) months.

The contract is for the supply of physical security manpower, associated equipment, the management and supervision thereof.

### **2. QUANTITIES**

2.1 It is expected that the quantities as shown on the Schedule of Manpower and Rates will be required during the period of the contract. These quantities are given in good faith and without commitment to the Merafong City Local Municipality.

2.2 Deployment of physical security personnel numbers is subject to the review after the installation of external and internal electronics system. This is in view of consideration of cost affective armed response /patrol unit.

2.3 The Contractor shall be bound to supply whatever quantities the Merafong City Local Municipality actually requires during the period of the contract, irrespective of the extent by which the total quantities ordered may vary from those set out on the Schedule of Manpower and Rates.

2.4 Council may reduce the number of guards as and when is required, Council will give notice of fourteen 14 days for such reduction.

### **3. GENERAL DUTIES**

3.1 To perform access control duties and patrol the premises to prevent persons from illegally entering, and removing equipment or material from the premises concerned. Guards are not allowed to enter buildings guarded, if locked, unless instructed to do so as part of their duties.

3.2 To guard and protect the buildings, equipment and material against damage, theft and vandalism.

- 3.3 To protect staff, employees, visitors and customer by preventing or minimising risk of injury, including death and to report any incident to his supervisor or company's control centre, the Council and the South African Police Service, and take appropriate action to protect the premises and Council's staff.
- 3.4 To apprehend any suspicious person on the premises and to take action as mandated.
- 3.5 To report any suspicious action or unusual occurrence to an official of the Council as instructed.
- 3.6 Guards must be supervised on a daily basis by their superiors and equipped to perform their duties as agreed upon from time to time.
- 3.7 Supervisors are required to present themselves to the official in charge of the premises guarded for discussion at least once a week.
- 3.8 Guards must be dressed in a distinctive uniform of the Contractor rendering the service for identification purposes. Uniform and equipment must be worn at all times for the duration of the shift and equipment allocated to the guards must remain under his control. The dog must be on a leash and in the presence of the appointed handler at all times.
- 3.9 To patrol the area of responsibility to prevent the vandalism and theft of the Council's assets.
- 3.10 To prevent people from illegal dumping, erection of structure on and occupying premises under the Contractor's control and occupied by the Council.
- 3.11 To monitor security threats and risks e.g. public unrest situations, within the Merafong City Local Municipality's area of responsibility and provide an early warning system to facilitate proactive interventions.
- 3.12 Provide trained and qualified Close Protection Officers as and when required.
- 3.13 Provide ad hoc security at official Council events and functions and escorts of Council employees when transporting cash or Council valuables.

## **1. ADMINISTRATIVE INFRASTRUCTURE**

- 1.1 The Contractor must demonstrate the capacity to have the administrative and management infrastructure to manage and control the contract at the time of commencing of the contract.
- 1.2 The Contractor must give access to its premises by the Council at all reasonable times for inspection. These facilities must be acceptable for the running of a security business and be equipped with fully functioning equipment and manned by skilled staff.
- 1.3 The Contractor must ensure that all personnel are vetted according to regulation. Proof must be submitted to the Municipality before the commencement of this contract in this regard.
- 1.4 The Contractor must ensure that all personnel undergo polygraph testing every three (3) months. This cost will be for the Contractor and proof must be provided.

1.5 The Contractor must draft and submit the standard operational procedure to Public Safety, Security and Transport before commencement for their approval.

## **2. EXTENT OF WORK**

The tenderer shall take cognizance of the fact that this is a fixed contract. Attendance of the tender briefing is compulsory and tenderers will be presented with a detailed list of the Merafong City Local Municipality facilities to be secured. The schedule of manpower and rates should provide a broad guideline of the current requirements as determined by the Merafong City Local Municipality.

## **3. PLACE OF SERVICE DELIVERY**

The current requirement of fixed positions to be manned and to be tendered for, will be presented at the compulsory site briefing. The tenderer must be in a position to provide the service within the geographical borders of the Merafong City Local Municipality.

## **4. SCHEDULE OF RATES**

The Contractor will be required to complete the Schedule of Manpower and Rates in this document. **All rates must include Value Added Tax.**

## **5. DAMAGE, THEFT AND LOSS**

Any damage caused by the Contractor or his staff to private or the Merafong City Local Municipality's property and existing services must be repaired at the Contractor's expense. Any property found damaged by others which could implicate the Contractor in any way must be reported to the responsible contracts manager of the Merafong City Local Municipality before any work commences. Any Theft and / or loss occurred in the presence of the contractor's employee or in the absence of his /her employee, or where the employee did not see or where the employee deserted the post/site or leave post /site unattended, must be re-imbursed by the contractor. The amount equal to the damages, loss will be deducted from the invoice of the contractor.

## **6. APPLICABLE LEGISLATION**

In terms of this contract all security (service) Contractors and their employees utilized on the premises of the Council shall at all times during the term of this agreement be registered in terms of the Private Security Industry Regulation Act (Act 56 of 2001) and comply with the Private Security Industry Regulations, 2002, which came into operation with the Act on 14 February 2002. Certified copies of the relevant certificates shall be forwarded to the Council before commencement of the agreement.

## **7. LEGISLATIVE COMPLIANCE**

7.1 The contract shall in all respects be construed in accordance with the Law of the Republic of South Africa and any differences that may arise between the Council and the Contractor in regard to the contract shall be settled in the Republic of South Africa.

7.2 The Contractor shall comply with the following relevant legislation:

7.2.1 The Private Security Industry Regulation Act (Act no 56 of 2001)

7.2.2 The Private Security Industry Regulations, 2002, dated 14 February 2002.

7.2.3 The Appeal Regulations, 2002, promulgated on 14 February 2002

7.2.4 Provisions from the repealed Security Officers Act 92 of 1987 concerning funding and improper conduct

- 7.2.5 The compensation for Occupational Injuries and Diseases Act 103 of 1993
- 7.2.6 All provincial ordinances and Local Authority by-laws and all relevant regulations promulgated there under having an effect on the business of the security personnel provided in terms of this contract
- 7.2.7 The Occupational Health and Safety Act 85 of 1993. The contractor will carry out his obligation, including the appointment of officials, in accordance with the requirements of this act.
- 7.2.8 Section 49 of the Criminal Procedures Act on the Restriction on the Right to Shoot
- 7.2.9 The Firearms Control Act 60 of 2000
- 7.2.10 The Criminal Procedures Act 51 of 1977

## **8. REGISTERED OFFICE AND COMMUNICATION**

The Contractor must maintain a permanently based office during normal working hours, suitably staffed so that messages and instructions etc. may be relayed through it to his field staff. The Contractor must be in the possession of a functional cellular phone so that he may be contacted at all times.

## **9. MANAGEMENT AND SUPERVISION**

- 9.1 The Contractor must provide for a Contracts Manager responsible for the service to be provided. Such representative shall be competent and responsible, and shall have adequate experience in carrying out work of a similar nature to the security service provided in terms of this agreement and shall exercise personal supervision on behalf of the Contractor. The Council shall be notified in writing of such appointment, which will be subject to Council approval.
- 9.2 The Council may delegate the Manager: Public Safety, Security and Transport its powers, function and competency in terms of this agreement and on receiving notice in writing of such delegation the contractor shall recognise and obey the delegated person to whom any such powers or functions have been delegated as if he /she were the Council.
- 9.3 The Contractor shall exercise supervision over the service at each premise at all times, or shall be represented by a representative having full power and authority on behalf of the Contracts Manager. Such representative shall be competent and responsible, and shall have adequate experience in carrying out work of a similar nature to the security service provided in terms of this agreement and shall exercise personal supervision on behalf of the Contracts Manager. The Council shall be notified in writing of such appointment, which will be subject to Council approval.
- 9.4 Personnel provided by the Contractor may on occasions render certain services under the control and supervision of the Council.

- 9.5 The Council shall at all times during the term of the contract, monitor the Contractor's services, or cause them to be monitored without prior notice.
- 9.6 The Contractor shall be required to carry out proper supervision of his own personnel by means of two visits per shift by an off-site supervisor or manager during their hours of duty. Details of such visits shall be recorded in the occurrence book provided by the Contractor and the pocket books of the security personnel visited.
- 9.7 The Contractor shall at all times be responsible for the acts and omissions and be responsible for any loss, theft, damages that took place in the presence / absence of his of his employees providing services to the Council in terms of this agreement while they are acting within the course and scope of their duties and employment even when not on the premises of the Council.
- 9.8 All sites must have guards, Sick and absent guards must be replaced with immediate effect.

## **10. CONFIDENTIALITY**

The Contractor must ensure that the responsible manager and the Council's best interests are served at all times during the contract period. Recommendations and advice must be based on impartial observations, responsible opinions and pertinent facts. Any information gained by the Contractor during the course of the contract must be kept in strict confidentiality and may not be used without the written permission of the City Manager of the Merafong City Local Municipality.

## **11. WORKING HOURS AND RATES**

- 11.1 Personnel provided by the Contractor in terms of this agreement shall, in addition to the normal working hours be prepared to work shifts and/or overtime as and when required by the Council and agreed upon by the parties.
- 11.2 Personnel provided by the Contractor shall sign on and off duty on a daily basis.
- 11.3 Normal working hours (Monday to Friday): 06:00 to 18:00 (Day Shift) at the rate stipulated in the Schedule of Manpower and Rates.
- 11.4 Normal working hours (Monday to Friday): 18:00 to 06:00 (Night Shift) at the rate stipulated in the Schedule of Manpower and Rates.
- 11.5 Overtime hours (Monday to Thursday): 06:01 to 17:59 (Day Shift) at 1,5 times the Rate stipulated in the Schedule of Manpower and Rates.
- 11.6 Overtime hours (Monday to Thursday): 18:01 to 05:59 (Night Shift) at 1,5 times the Rate stipulated in the Schedule of Manpower and Rates.
- 11.7 Overtime hours (Friday): 18:01 to 00:00 at 1,5 times the Rate stipulated in the Schedule of Manpower and Rates.
- 11.8 Overtime hours (Saturdays): 00:01 to 06:00 at 1,5 times the Rate stipulated in the Schedule of Manpower and Rates.

11.9 Overtime hours (Sundays and Public Holidays): 06:01 to 24:00 at 2 times the Rate stipulated in the Schedules of Manpower and Rates.

11.10 Normal working hours (Day Shift) shall cover the period 06:00 to 18:00 on Mondays to Fridays and shall form the basis for the rates stipulated in the Schedule of Manpower and Rates.

11.11 The provisions of the Basic Conditions of Employment Act and PSIRA requirements shall apply on the implementation of working hours and shift systems

## **12. TRAINING OF CONTRACTOR'S PERSONNEL**

12.1 As part of its proposal, the bidder shall forthwith submit proof of PSIRA registration of each guarding personnel.

12.2 The contractor shall ensure that all supervisors and site managers are also registered members of PSIRA.

12.3 Retraining of personnel provided by the Contractor to the Council shall include formal retraining on predetermined subjects as agreed upon between the two parties once every six (6) months. Results of such retraining shall be made available to the Council. Such training shall be of the Contractor's cost.

12.4 Personnel issued with firearms must have competence certificate shall receive accredited training with such firearm at least once every six (6) months. The results of such training shall be made available to the Council on request. Personnel shall be professionally and formally trained and be able to use and handle a firearm when required at Contractor's cost.

12.5 The Council shall conduct random competency test/inspections of the Contractor's personnel regarding the firearms with which they have been issued. Tests and inspections may include safety precautions, theoretical written tests, practical shooting capacity and the general conditions of the relevant firearms in accordance with the provision of Firearms Control Act 60 of 2000.

12.6 Personnel shall be trained and be able to use and control guard/patrol dogs when required by the Council, provided that only a sufficient number of members of the Contractor's personnel need to be trained by the Contractor to use and control guard/patrol dogs at Contractor's cost.

12.7 The Contractor's personnel shall, after completion of their formal training, have the expertise to execute their functions properly, in particular regarding but not limited to the execution of their service, including the legal aspects thereof, the use, handling of firearms as required.

12.8 Training as agreed on by the parties shall be provided by the Contractor's personnel on or before the effective date to ensure that the personnel will immediately be qualified to perform their services to the level of professional efficiency required by the Council.

12.9 Personnel shall be trained and be able to drive a vehicle as specified and required by the Council, provided that only a sufficient number of members of the Contractor's personnel need to be trained by the Contractor to drive a vehicle on contractors own cost.

### **13. COST OF TRAINING**

All costs incurred in the training of security personnel provided in terms of this agreement shall be borne by the Contractor.

### **14. DISCIPLINARY MEASURES**

14.1 Security personnel provided by the contractor shall in addition be subject to the Merafong City Local Municipality Code of Conduct from the effective date under this agreement and as from time to time amended in writing.

14.2A breach of discipline, failure to comply with any disciplinary measure or any negligence of duty on the part of a member of the security personnel provided by the contractor in terms of this agreement shall be dealt with immediately by the contractor's management.

14.3The Council shall notify the contractor of any such breach, failure or negligence that in its opinion merits the intervention of the Contractor's management and undertakes to assist in any disciplinary proceedings taken.

14.4The contractor shall notify the Council in writing of the outcome of any such disciplinary proceedings taken.

14.5Should the Contractor decide not to take disciplinary steps against a member of his personnel, the reason therefore shall forthwith be conveyed in writing to the Council.

14.6Grievances on the part of security personnel of the Contractor shall immediately be dealt with by the Contractor in terms of the Contractor's grievance procedure. Contractor's employees, dissatisfaction or labour action must under no circumstances take place at council property and must not compromise council safety of assets, personnel, customers, etc.

14.7In the event of the Council, not being satisfied by the performance of any member of the Contractor's personnel in terms of this agreement the Council shall notify the Contractor. The Contractor shall forthwith remove the abovementioned personnel from any duties related to this contract and replace such officer with a qualified trained security officer. Council has a right to remove any security personnel from one premises to another or all premises in total if the security officer is not performing.

14.8The specific member(s) of the personnel of the Contractor who are replaced at the Councils request shall thereafter not be used at any other site, installation and depot or office complex of the Council.

## **15. EQUIPMENT**

15.1 The Contractor shall provide all security equipment as from time to time agreed upon by the two parties. Such equipment, including but not limited to firearms, batons, handcuffs, motorcycles, occurrence books, pens, pocket books, bullet proof vests, radios, torches, vehicles, wrist watches, cones, red tape and locks and chains shall at all times be clean and in good working order and in condition to enable the Contractor's personnel to perform their duties to the satisfaction of the Council.

15.2 Security personnel must be in full uniform with identification as per PSIRA Regulation and in possession of serviceable equipment when posted for duty.

## **16. OWNERSHIP OF OCCURRENCE AND POCKET BOOKS**

16.1 All original pages of the occurrence books and any other books shall from the moment they are being utilised become the property of the Council and shall be handed to the Council for safekeeping immediately after the books are full.

16.2 The Contractor will be given access to all these books on request and will be allowed to make photocopies thereof at his own cost. The Council shall have similar rights and access for photocopying purposes to any pocket books in the possession of the Contractor.

## **17. UNIFORMS**

17.1 The Contractor will provide his personnel with a standard uniform consisting of at least the following attire:

- Cap
- Jacket
- Jersey
- Belt
- Pants (combat
- Shirt (combat
- Boots

17.2 Insignia of the Contractor shall be visibly displayed on the uniforms and adequate clothing shall be provided for protection against the elements of cold weather as and when required.

17.3 The Contractor's personnel shall at all times be in the possession of official identification cards (at the cost of the contractor) with the following information:

17.3.1 A recent colour photograph of the relevant security officer

17.3.2 His/her full names, surname and nickname

17.3.3 Identity number

17.3.4 The level of training (Grade)

17.3.5 Registration number with the Private Security Industry Authority (PSIRA) and, shall be displayed on the left breast pocket of the jacket/blazer whilst on duty.

17.4 When on duty the personnel provided by the Contractor shall at all times (unless the Council decide otherwise) wear the uniform (including footwear) of the contractor at the cost of the Contractor.

## **18. EMPLOYMENT OF PERSONNEL OF OTHER PARTY**

18.1 A party to this agreement shall not without written approval of the other party, during the term of this agreement employ or offer to employ (or be instrumental in any third party

employing or offering to employ), any person in a supervisory, managerial or senior capacity it that person was employed by the other party at any time during the term of this agreement.

18.2 Although the personnel provided in terms of this agreement shall observe the Council's regulations, rules, operating methods and procedures while providing the service under this agreement, they shall at all times continue to be employees of the Contractor.

18.3 Although the Contractor's security personnel may on occasion render certain services under the supervision and control of the Council, no contractual relationship shall come into existence between such personnel and the Council. Under no circumstances or at any time shall the Council become the employer of the security personnel. No contractual obligation between the Council and the security personnel shall be created due to the fact that the personnel perform their services under the control and authority of the Council or in accordance with the Council's operating methods.

## **19. INTIMIDATION**

19.1 It is the intention of both parties that the personnel provided in terms hereof shall as far as practically possible, not fail to carry out their duties as a result of any form of intimidation. Should the Contractor suspect intimidation of personnel, he shall take prompt action in conjunction with the Council and the South African Police Service to remedy the situation.

19.2 Such action shall, if deemed necessary by the Council, of any form of intimidation which their personnel may be subjected to.

## **20. INSTRUCTIONS TO THE CONTRACTOR**

All verbal requests to the Contractor shall be confirmed in writing by the Council within twenty-four (24) hours and shall be deemed to have been received by the Contractor if left with a responsible person at the Contractor's business premises or Contracts Manager.

## **21. MEETINGS**

### **21.1 Weekly Liaison**

The Contractor's Contract Manager shall be required to attend a regular weekly meeting with the Council's Senior Officer: Security Services or her delegate at the relevant premises on which the Contractor is providing security services to discuss the provision of these services. Both parties shall keep notes of agreements of these meetings.

### **21.2 Monthly Liaison**

The Contractor (represented the management) shall also be required to attend a meeting on (at least) a monthly basis with the Council's responsible manager or his delegate, to discuss matters pertaining to the execution of security services by the Contractor and the administration of the agreement in general. Both parties shall agree to keep minutes alternatively.

## **22. REPORTING OF INCIDENTS AND REPORTS**

22.1 All incidents or accidents involving the death or injury to any person, life threatening or schedule one offence cases shall be reported to the nearest SAPS, any criminal offences committed on the premises or to the property of the Council, shall forthwith be reported to the senior security personnel or as instructed by the department immediately after

occurrence of the said incident or accident has come to the attention of the security Contractor

22.2A detailed written preliminary report of all such incidents shall be presented to the Security Section within twelve (12) hours after the occurrence of the said incident or accident. A list of names and telephone numbers of the Council's controlling officers to whom the said incidents or accidents must be reported, shall be made available to the Contractor on or before the commencement of the agreement.

22.3 Salient details of all incidents occurring on the Council's premises shall be recorded in the occurrence book immediately after the occurrence thereof. Books for this purpose shall be made available by the Contractor at his own cost for the premises and shall remain available for inspection by the Council at any time in a prearranged office or enclosure on the premises. The pages of the occurrence book shall be numbered consecutively by the Contractor and no person shall remove any pages for any reason whatsoever.

22.4A detailed written weekly report in respect of all premises concerned shall be submitted to the Council on or before the first working day of the following week. Reports shall include full details of any incident or incidents, which occurred during the preceding week. Reports, details of routine inspection visits, and any other information relating to the security situation on the premises may be requested by the Council.

22.5 Notwithstanding anything to the contrary, the Council may also, should it be deemed necessary, request the Contractor to submit a detailed written report in respect of any incident (including shooting incident reports) or accident after it has occurred on the Council's premises.

### **23. TWO WAY RADIO SETS**

23.1 Hand held two-way radio sets provided by the Contractor shall have an adequate range to ensure, as far as it is practically possible, good communications between any two points within a patrolled area of responsibility on the premises of the Council on which security services are provided. It is a must that Contractor use communication radio.

23.2 The Contractor shall provide the Council's responsible manager or his delegate on or before the commencement date of the service with a diagram indicating the local communication network and call signs to be used by the Contractor during the term of this agreement. Any changes in these networks or call signs shall forthwith be brought to the attention of the Council in writing.

23.3 The hand held two-way radios shall at all times be in working condition and any obsolete or faulty radios shall be replaced within 24 hours by the Contractor at his own cost.

23.4 The Contractor shall at his own cost supply a radio base set, to be installed in the security radio control room of the Council as well as the diagram of the call signs, which shall enable direct communication between the Council's personnel and the Contractor's personnel.

23.5 The Contractor shall take all necessary steps to prevent transmissions from his radio system from interfering with, to be shared or blocking any radio communications used by any division of the Council.

23.6 Should the Contractor or any of his employee's use of any radio equipment on the Council's premises without written authority, the Contractor shall be liable for any damage or loss suffered by the Council or any other division or business unit of Merafong City Local Municipality where such loss is directly contributed to the use of unauthorised or deficient radio equipment.

#### **24. TELEPHONES AND HOUSING OF CONTRACTORS EMPLOYEES**

24.1 The Contractor shall make his own arrangement for the housing of his personnel at suitable premises. Under no circumstances shall housing for the Contractor's personnel be provided or erected on the property of the Council, unless this has expressly been requested by the Council and the Council's prior written approval has been obtained.

24.2 Should the Council at any time during the term of this agreement make any facility to house personnel, horses and/or guard dogs available to the Contractor, the Contractor shall at his own cost maintain and keep such facility during the term of this agreement in a clean, tidy and sanitary condition and shall at the termination of this agreement for whatever reason, reinstate any such facility to the same condition in which it was when handed to the security officer.

24.3 The Contractor shall at his own cost make his own arrangements in respect of the installation and provision of telephones which may be needed at any of the Council's premises where security services provided.

#### **25. PROPERTY OF THE COUNCIL**

25.1 In respect of services provided on the property of the Council, the Contractor shall at all times comply with the provisions of the Control and Access to Public Premises and Vehicles Act, 1985 (Act no 53 of 1985), ensuring that no person shall without the permission of an authorised personnel member (hereinafter referred to as the authorised officer), enter any premises or any vehicle in respect of which a directive has been issued by the Council and for the purpose of the granting of that permission an authorised officer may require of the person concerned that he:

25.1.1 Furnish his name, address and any other relevant information required by the authorised officer

25.1.2 Produce proof of his identity to the satisfaction of the authorised officer

25.1.3 Declare whether he has a firearm or any potentially dangerous object in his possession, custody or under his control

25.1.4 Declare what the contents are of any vehicle such as suitcases, attached cases, bags, handbags, folders, envelopes, parcels or containers of any nature which he has in his possession or custody or under his control, and show those contents to him

25.1.5 Subject himself and anything which he has in his possession or custody or under his control to an examination by an electronic or other apparatus in order to determine the presence of any potential dangerous object, and

25.2 Where an authorised officer grants permission in terms of the above clauses he may do so subject to conditions regarding the carrying or displaying of some form of proof that the necessary permission has been granted, to visit a specific person, office or area of

responsibility, the duration of his presence on or in the premises or vehicle, the escorting of the person concerned while he is in on or in the premises or vehicle, and such other requirements as he may consider necessary.

25.3 Subject to the provisions of the Trespass Act, 1959 (Act no 6 of 1959), an authorised officer may at any time remove any person from any premises or vehicle if:

25.3.1 That person enters, or enters upon the premises or vehicle concerned without the permission contemplated in the above clause

25.3.2 That person refuses or fails to observe a condition contemplated in the above clause

25.3.3 The authorised officers considers it necessary for the safeguarding of the premises or vehicle concerned or the contents thereof or for the protection of the people therein or thereon.

25.4 The search of a female under these clauses shall only be carried out by a female security personnel member in private, and should at all times be done in a courteous and dignified manner.

25.5 The provisions of 28.1 shall not apply in respect of any member of the South African Police Service establishment by or under any law or a member of the South African National Defence Force who is required in the performance of his functions to enter or enter upon any public premises or public vehicle and who produces proof of his identity to the satisfaction of the authorised officer concerned, provided that such member shall not be obstructed in the performance of his duties.

25.6 The provisions of 28.1 shall not apply in respect of any member of the Armed Response Unit who is required in the performance of his functions to enter or enter upon any public premises or public vehicle and who produces proof of his identity to the satisfaction of the authorised officer concerned, provided that such member shall not be obstructed in the performance of his duties.

25.7 In clause 28.2 of this agreement, unless the context indicates otherwise:

25.7.1 **“Authorised officer”** means personnel member in the employ of the Contractor authorised by the Council to act in terms of this agreement

25.7.2 **“Premises”** means any building, structure, hall, room, office, convenience, land, enclosure or water surface which is the property of, or is occupied or used by, or is under the control of the Council, and to which a member of the public has a right of access, or is usually admitted or to which he may be admitted and,

25.7.3 **“Vehicle”** means vehicle, conveyance or craft which is the property or under the control of the Council and which is used for the transport, for the profit or otherwise, of the public or the Council’s employees.

## 26. PROVISION OF DOGS

26.1 Guard dogs (if required by Council) shall only be of the required breed (i.e. Doberman, Rottweiler or German Shepherd) to allow training and performance as a guard/patrol dog. Dogs shall be free of contagious diseases and certified as such by a registered veterinary surgeon. A certified copy of such certificate shall be made available to the Council.

26.2 Under no circumstances shall the security Contractor provide any other breed of dog in terms of this agreement.

- 26.3 Guard/patrol dogs shall be trained to protect their handlers, to intercept perpetrators and to be alert for intruders in their patrol area of responsibility. In general guard/patrol dogs shall be required to act as deterrent to criminal elements. Guard/patrol dogs shall also be trained to overcome obstacles such as steps, one (1) meter high walls and be able to crawl underneath low objects such as storm water pipes in tunnels.
- 26.4 Guard/patrol dogs shall be trained to obey not more than one handler and shall only be under his control. Guard/patrol dogs shall at all times be under the supervision of the handler while on duty.
- 26.5 For the purpose of initial training guard/patrol dogs shall preferably be between one (1) and three (3) years of age. The age of the guard/patrol dog shall not exceed six (6) years. If it is any time during the term of this agreement established by the Council that a guard/patrol dog, utilised in terms of this agreement, is older than six (6) years the security Contractor shall be requested to replace the dog within twenty-four (24) hours.
- 26.6 Guard/patrol dogs shall at all times be properly kennelled, groomed and fed to maintain them in a good state of health. Guard/patrol dogs which are not capable of effectively carry out the functions described above, shall be replaced within three (3) hours with other trained guard/patrol dogs who shall be able to perform the functions required. Fresh food and water as well as equipment such as leads, food and water bowls, choke chains and combs shall at all times be available.
- 26.7 Guard/patrol dogs shall at all times be handled by a qualified dog handler. A certified certificate indicating that the dog handler has successfully passed the training course in the effective handling of a guard dog shall be made available to the Council.
- 26.8 Monthly veterinary reports on all dogs stating and certifying them fit to execute the duties in terms of the agreement shall be submitted.

## **27. PROVISION OF MOTOR VEHICLES**

- 27.1 If required by the Council, the Contractor shall provide comprehensively insured roadworthy motor vehicle(s) with driver(s) having valid Code B driver's licenses, motorcycle(s) with driver(s) having valid code A driver's licenses, having valid code B driver's license to the Council for roving, patrol duties and/or prevention of theft of cables on prescribed sections of overhead lines in any nominated area of responsibility. The type of vehicle will be dictated by the work document or posting chart.
- 27.2 The Contractor shall provide the required number of motor vehicle(s), motorcycle(s), and/or bicycle(s) having driver(s) within one (1) working day (or such other time as the parties may agree to from time to time) but only on receipt of an official written request from the responsible manager of the Merafong City Local Municipality.
- 27.3 The Contractor shall not provide any additional motor vehicle(s), motorcycle(s), and/or bicycle(s) having driver(s) on verbal request from any official other than the responsible manager, but should it nevertheless react positively to such request, the Council shall not necessarily effect payment for the unauthorised service rendered.

27.4 All drivers required and requested by the Council shall report for duty with the required vehicles at such times and places as are from time to time agreed on between the Council and the Contractor.

27.5 The drivers with their assigned motor vehicle(s), motorcycle(s), and/or bicycle(s) shall perform their daily duties at such times as agreed upon from time to time between the Council and the Contractor.

27.6 Motor vehicle(s), motorcycle(s), and/or bicycle(s) with driver(s) provided by the Contractor to the Council in terms of this agreement shall only be driven by drivers provided by the Contractor.

27.7 The Contractor shall allocate one (1) vehicle for the project manager, two (2) vehicles for two (2) supervisors for day shift and night shift for 2 locations.

**28. MAINTENANCE OF MOTOR VEHICLES**

28.1 Maintenance, servicing and mechanical repairs (hereinafter referred to as maintenance) of the motor vehicle(s), motorcycle(s), and/or bicycle(s) including all adjustments necessary to keep the motor vehicle(s), motorcycle(s), and/or bicycle(s) in a roadworthy and operational condition are included in the agreement and shall be provided by the Contractor at his own cost.

28.2 Should any motor vehicle(s), motorcycle(s), and/or bicycle(s) provided by the Contractor break down or be involved in an accident while patrolling the prescribed sections in terms of this agreement, the Contractor shall, if such motor vehicle(s), motorcycle(s), and/or bicycle(s) cannot be repaired within two (2) hours, or be unable to proceed with any patrolling duties within two (2) hours at his own cost forthwith provide replacement motor vehicle(s), motorcycle(s), and/or bicycle(s) to continue with his patrolling duties.

28.3 The Contractor shall inform the Council as soon as practically possible if any of his motor vehicle(s), motorcycle(s), and/or bicycle(s) required for patrolling in terms of this agreement has broken down or has been in an accident.

**29. PROVISION OF FIREARMS**

29.1 The Contractor shall at all times ensure that the personnel provided to the council in terms of this agreement only be issued with the firearms **or an equivalent** as listed below.

29.1.1

<b>Shotguns (Single shotguns shall not be acceptable)</b>	<b>Revolvers</b>	<b>Pistols</b>
Beretta Browning Mossberg Remington Winchester	Colt Smith & Wesson Taurus Llama	Beretta Glock Taurus Vector Smith & Wesson Star Z88 Llama CZ75 (9mmP)

		CZ83 (9mmK)
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29.2 Firearms of trademarks not mentioned shall only be used on the premises of the council once the Council's prior written consent has been obtained.

29.3 All firearms shall be accompanied by a certificate of serviceability which will be renewed at least once every twelve (12) months and shall be issued by a qualified gunsmith. Certificates shall be kept in a safe place on the premises of the Contractor and be made available to the Council if required.

29.4 Only firearms registered in the name of the Contractor shall be permitted on the Council's sites. The Contractor furthermore shall provide guarantee's that he is the lawful owner of all firearms issued to his personnel in terms of this agreement,

29.5 Under no circumstances shall firearms belonging to another person or employee be accepted and approved by the Council for the provision of security services in terms of this agreement.

29.6 The Contractor shall at all times ensure that all firearms issued to his personnel in terms of this agreement are in clean and working condition and are properly maintained.

29.7 The Contractor shall in terms of this agreement issue the Council with a complete firearm register before the commencement of this contract.

### **30. REMUNERATION AND ALLOWANCES**

30.1 The Contractor shall acquaint himself with any relevant wage regulating measure or statutory enactment which may be in force or which may be contemplated, affecting conditions of employment during the term of the agreement.

30.2 The Contractor may claim cost price adjustments related to any statutory wage amendments on condition that he shall undertake to, and after two months provide audited proof, that he did in fact adjust the remuneration paid to each of his employees who are utilised in the execution of this contract, by precisely the amount by which the statutory wage applicable to each individual employee was amended.

30.3 The Contractor shall remain solely responsible for the payment of all cost pertaining to personnel, including but not limited to salaries, bonuses, pension fund contributions, benevolent fund contributions, medical fund contributions and insurance premiums.

30.4 Salaries payable by the Contractor to his personnel shall at no stage be less than those prescribed by any applicable wage determination by PSIRA rates.

30.5 The Contractor shall be responsible for the payment of inter alia, all applicable taxes, charge duties or fees assessed or levied by the Central Government Workmen Compensation Commissioner and Provincial Government in respect of the security personnel provided or as a result of the security personnel being provided by the Contractor in terms of this agreement and he shall, on request furnish sufficient documentary proof to the Council that any or all these payments have in fact been made.

**31. PENALTIES**

31.1 In the event of an officer required to be armed is posted without a firearm, issued with a firearm not in working order or without the necessary ammunition or an unarmed personnel member being posted in place of the required armed security personnel member, a penalty shall be imposed by the council and the non-compliance shall be deemed as a remedial breach.

31.2 Grades A, B, C and/or D personnel for specific tasks shall be required to render the service required by the council in terms of this agreement. Should it at any time during the term of this agreement or at any time thereafter be determined that personnel of a lower grade or with inadequate training or no training at all being provided, all overpayments made to the Contractor shall forthwith be recovered from the time the lower grade or untrained personnel were supplied.

31.3 In the event of personnel being provided without standard equipment or without the standard equipment being clean or in working order or not being deployed according to the required procedures, the following penalties shall apply and shall be deducted by the council from the fees payable to the Contractor:

<b>ITEM</b>	<b>PENALTY</b>
Base Radio	R 300.00 per (12) hour shift, or part thereof
Battery pack	R 200.00 per shift, or part thereof
Body armour	R 200.00 per (12) hour shift, or part thereof
Cell phone	R 200.00 per (12) hour shift, or part thereof
Dog	R 200.00 per (12) hour shift, or part thereof
Firearm/shotgun	R 500.00 per (12) hour shift, or part thereof
Flashlight and or adequate batteries	R 200.00 per shift, or part thereof
Hand radio	R 300.00 per (12) hour shift, or part thereof
Identity card/disc	R 300.00 per shift, or part thereof
Mobile radio	R 300.00 per (12) hour shift, or part thereof
Motor vehicle	R1000.00 per (12) hour shift, or part thereof
Part of standard uniform	R 200 per shift, or part thereof
Pocket book and/or pen	R 200.00 per shift, or part thereof
Late posting	R 200.00 per 10 minutes accumulative times by number of guards posted late
Spotlight/Torch	R 200.00
No proper O.B entry	R 500 .00 per entry

31.4 In the event of security personnel not being posted or being absent from his/her place of duty after being posted, or found sleeping on duty, the following penalties shall apply and shall be deducted by the Council from the fees payable to the Contractor.

<b>SECURITY OFFICIAL</b>	<b>1<sup>ST</sup> OFFENCE</b>	<b>2<sup>ND</sup> OFFENCE</b>	<b>3<sup>RD</sup> OFFENCE</b>	<b>4<sup>TH</sup> OFFENCE</b>
Grade A	50% of shift payment	Full shift payment	Double shift payment	Breach
Grade B	50% of shift payment	Full shift payment	Double shift payment	Breach
Grade C	50% of shift payment	Full shift payment	Double shift payment	Breach

Grade D	50% of shift payment	Full shift payment	Double shift payment	Breach
Dog Handler	50% of shift payment	Full shift payment	Double shift payment	Breach
Close Protection Officer	50% of shift payment	Full shift payment	Double shift payment	Breach

31.5 Rates tendered for equipment shall be based on twelve (12) hour shifts except for flashlights and spotlights. In the event of equipment not being provided or provided not in working condition, the penalties as set out in Clause 34.3 above shall be imposed.

31.6 General penalties will apply in the following cases:

<b>NATURE OF INCIDENT</b>	<b>PENALTY</b>
Non-attendance of weekly and monthly meetings	Written warning to maximum 3 times will lead to termination of contract.
Failure to submit reports as determined by the contract or as agreed on	R 1000.00
Failure to adhere to supervisory visits as scheduled	R 1000.00
No occurrence book entries or incorrectly captured	R 500.00 per page on which any number of faults found
Failure to report incident	R2500.00
No daily posting sheets received	R 500.00
Desertion of post	R 1000.00

## **32. BREACH**

32.1 In the event of the contractor committing a remediable breach of a provision of this agreement and failing to remedy such breach as soon as practically possible after negotiations with the council or within seven (7) days after having received written notice from the council to remedy such breach, the council shall be entitled to immediately cancel the relevant portion of the agreement if it is feasible, or to cancel the whole agreement if it is not, by notice in writing to the contractor provided that such written notice shall only be handed to the Contractor after the negotiations referred to have taken place.

32.2 If the Contractor and/or any member of his personnel contravenes or fails to comply with, any part of the conditions of this agreement, which includes the sub clauses hereunder or any other part thereof, it shall be deemed to be a breach of contract.

- 35.2.1 To report for duty at the time and place as agreed upon from time to time by the parties
- 35.2.2 To continue with his/her duties until the time agreed upon
- 35.2.3 To comply with the regulations, rules, operating methods and procedures of the Council
- 35.2.4 To sign on and off duty at all times
- 35.2.5 To wear on duty in terms of this agreement, unless the Council should decide otherwise the standard uniform clothing including footwear, in a reasonable state of cleanliness and repair
- 35.2.6 To have available when reporting for duty on each day of each shift and/or when on duty the equipment referred to in Clause 28 working order and condition
- 35.2.7 To work shifts or overtime as from time to time agreed to by the parties
- 35.2.8 To carry out instructions issued by the Council in pursuance of the regulations, rules, operating methods and procedures

- 35.2.9 To report for duty in a sober and alert manner, without being under the influence of alcohol or drugs, or to remain in such sober and alert condition while on duty
- 35.2.10 To timeously report incidents or to submit reports as provided for in this agreement
- 35.2.11 To timeously complete pocket and/or occurrence books
- 35.2.12 To comply with fire arm act, PSIRA, all other relevant act as indicate above
- 35.2.12 To have a valid firearm license/permit available when reporting for duty.

35.3 Any of the above shall, as soon as it is practically possible, be reported to the council by telephone or facsimile message and the security Contractor shall take remedial action without delay to the satisfaction of the council. If any one or more of the failures referred to above are of such a frequency that the security service provided to the council in terms of this agreement is adversely affected, this state of affairs shall be dealt with by the council.

35.4 It shall be deemed an irremediable breach of the agreement if the Contractor's firearm license for any reason whatsoever be suspended, revoked or set aside by an appropriate authority or competent person while the use of firearms is required for the execution of the Contractor's obligations hereunder or should the Contractor's competence to render security services for any reason whatsoever be terminated, or diminished in a material manner such as suspension, revocation, setting aside, termination or diminution.

35.5 Should the Contractor act in conflict with or fail to comply with any statutory provisions, regulations, by-laws, rules or program contemplated in Clause 10 which have a direct bearing on the service provided in terms of this agreement, such action or failure shall be deemed to be a breach of agreement.

35.6 Notwithstanding anything contained to the contrary in this agreement, should the Contractor commit any act of insolvency, assign, surrender or attempt to assign or surrender his estate or allow any default judgement against it to remain unsatisfied for seven (7) days or if the said judgement is not rescinded within fourteen (14) days of the date of the default judgement, or be liquidated or placed under judicial management or be wound up, whether provisionally or finally or make any material incorrect or untrue statement of representation in connection with any information furnished by it in respect of this agreement or the remainder of the tender document then upon the occurrence of any one (1) or more of the aforesaid events, the council may without prejudice to any other rights he may have elect to:

- 35.6.1 Immediately terminate this agreement by written notice to the Contractor or,
- 35.6.2 Claim specific performance from the Contractor.

## **36. LIABILITY DUE TO NEGLIGENCE**

The Contractor will be held liable for damages or losses (theft occurred in presence of security officer) negligence, absence, site left un-attendant, site desertion suffered by the council, as a result of the Contractor's own or his employees' negligence, which originates at the installation or premises. The following may constitute negligence of the Contractor and/or his employees:

- 36.1 Not submitting relevant reports when requested to do
- 36.2 Employees not completing the prescribed documentation
- 36.3 The posting of unregistered guards
- 36.4 The short posting of guards
- 36.5 Left the post attendant
- 36.6 Guard did not see anything
- 36.7 The Contractor and/or his employees failing to perform duties as instructed
- 36.8 The involvement of the Contractor's employees in the loss/theft or damage of property

- 36.9 The lack, absence or non-functioning of specified equipment
- 36.10 The Contractor and/or his employees failing to respond adequately to any criminal activity in or around the allocated installation/premises
- 36.11 The non-observation of criminal activity when it is obvious that it should have been noticed by the Contractor's employees.

### **37. GENERAL**

37.1 The Contractor shall allow his personnel to attend and, if necessary, to testify in, court proceedings, as well as in disciplinary and arbitration proceedings should the council deem it necessary, provided the council has notified the Contractor within a reasonable time before the start of the proceedings that the presence of the Contractor's personnel is required by the council.

37.2 The personnel are first and foremost deployed by the Contractor to protect the people and assets of the council entrusted to them, in the area of responsibility of responsibility allocated to them.

37.3 Personnel provided by the Contractor in terms of this agreement shall be in a physically fit and mentally sound condition to perform their duties at all times.

37.4 The Contractor undertakes to make the relevant provisions of this agreement known to all members of the personnel provided in terms hereof as soon as it is practically possible before the commencement of this assignment.

37.5 No security personnel provided by the Contractor shall, unless duly authorised or instructed by the City Manager of the Merafong City Local Municipality, comment in or to the press or other public communications media upon the business of the Merafong City Local Municipality.

37.6 The Contractor shall notify the responsible manager at telephone number **(to be advised)** and/or the Contracts Officer at telephone number **(to be advised)** of any change of address within fourteen (14) days thereof.

37.7 The Contractor shall each shift on each day after posting his security personnel to a particular site, submit to the office of the council **(to be advised)** a posting sheet for each site certified as correct by both the Contractor and the council.

37.8 The personnel provided in terms of this agreement shall report for duty at those points indicated by the council. These points of reporting may vary from time to time according to the operational requirements of the council.

37.9 The Contractor shall be responsible for the posting of all relevant personnel to sites or for crime prevention operations and also for all costs incurred in the transport, deployment and utilisation of such personnel.

37.10 The Contractor shall be responsible for taking command of the deployment of and control of his personnel on a daily basis at the designated sites of the council, in order that they can effectively protect the assets of the council.

37.11 No self-posting will be allowed on any site.

37.12 Each shift will hold parade by the supervisor before the commencement of duties.

37.13 Security Officer with criminal record, garnished, debt defaults & judgements is not allowed under any circumstances at Merafong premises.

## **REQUIREMENTS AND SPECIAL CONDITIONS OF THE CONTRACT**

1. The contractor must be registered with PSIRA in terms of section 21 of the Private Security Industry Regulations Act 56 of 2001
2. Bidder must attach PSIRA registration certificate for the company and for the company directors
3. Bidder must submit the company's Organizational Structure NB. All directors must be PSIRA registered at Grade A/B while supervisors must be Grade C registered.
4. The bidder's pricing must be in line with PSIRA illustrative contract pricing structure of the current financial year (NB. Pricing must conform to the required maximum of 40% in terms of the PSIRA Regulations)
5. Salaries of the Bidder Security Officers must be in line with the determinations as published in the recently promulgated Government Gazette
6. For the purposes of number (5) above the salary structures must be attached to the bid document
7. The bidder must attach a list of PSIRA registered employees
8. Bidder must have complaint tax status (Company's Valid Tax Clearance Certificate or PIN should be attached)
9. Bidder must have Liability Insurance and attach a copy of the Policy Contract or confirmation letter from the insurance company
10. An in-loco inspection will be conducted to all short listed bidders and the following requirements must be ready at the time of inspection. **See attached Annexure A**
11. The successful bidder will be subjected to company security screening
12. The successful bidder will be required to sign a Service Level Agreement/Contract with Merafong City Local Municipality
13. Any bidder who submits a quotation below the set PSIRA pricing requirements will automatically be disqualified

## SCHEDULE OF MANPOWER AND RATES (PRICING)

### PRICE AS PER PSIRA RATES: DAY SHIFT

Reporting to: Senior Officer: Security Services

Item	Description	Est. Qty	Day Shift per guard excl vat	Total incl vat
<b>1.</b>				
<b>Unarmed Guards</b>				
1.1	GRADE D	53	R	
1.2	GRADE C	51	R	
<b>2.</b>				
<b>Armed Guards</b>				
2.1	GRADE D	2	R	
2.2	GRADE C	5	R	
2.3	GRADE B	1	R	
<b>3.</b>				
<b>Dog Handler</b>				
3.1	GRADE D	1	R	
3.2	GRADE C	1	R	
3.3	GRADE B	1	R	
<b>4.</b>				
<b>Close Protection Officers</b>				
4.1	GRADE D	1	R	
4.2	GRADE C	1	R	
4.3	GRADE B	1	R	
<b>5.</b>				
<b>Ad Hoc Services</b>				
5.1	Festivals	1	R	
5.2	VIP's	1	R	
5.3	Reaction unit Grade B	9	R	
<b>6.</b>				
<b>Management</b>				
6.1	Project Manager x 1			
6.2	Supervisor x 1		Min Grade A	
<b>Total</b>				

**PRICE AS PER PSIRA RATES: NIGHT SHIFT**

Reporting to:

Senior Officer: Security Services

Item	Description	Est. Qty	Night Shift per guard excl vat	Total Amount Inc VAT	
<b>1.</b>					
<b>Unarmed Guards</b>					
1.1	GRADE D	75	R		
1.2	GRADE C	60	R		
<b>2.</b>					
<b>Armed Guards</b>					
2.1	GRADE D	2	R		
2.2	GRADE C	3	R		
2.3	GRADE B	1	R		
<b>3.</b>					
<b>Dog Handler</b>					
3.1	GRADE D	1	R		
3.2	GRADE C	1	R		
3.3	GRADE B	1	R		
<b>4.</b>					
<b>Close Protection Officers</b>					
4.1	GRADE D	1	R		
4.2	GRADE C	1	R		
4.3	GRADE B	1	R		
<b>5.</b>					
<b>Ad Hoc Services</b>					
5.1	Festivals	1	R		
5.2	VIP's	1	R		
5.3	Reaction unit Grade B	9	R		
<b>6.</b>					
<b>Management</b>					
6.1	Project Manager x 1				
6.2	Supervisor x 1		Min Grade A		
<b>Total</b>					

**Notes:**

1. Provision for relievers NOT made in Estimated Quantities.
2. The rates above must be completed by the Contractor, and must include VAT.
3. Transport for posting of security officers at tenderers cost.
4. The tenderer to include escalation percentage of prices per annum

FORM OF OFFER & ACCEPTANCE  
**MERAFONG CITY LOCAL MUNICIPALITY**

FORM OF OFFER

(Form of Offer & Acceptance)

THIS FORM MUST BE FILLED BY BOTH THE POTENTIAL TENDERER (PART 1) AND THE EMPLOYER/CLIENT (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL TENDERER AND THE EMPLOYER /CLIENT WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

**PART 1 (to be filled in by the tenderer at time of tender)**

BID NO	PS(S&T) 16/03/2526
BID DESCRIPTION	Appointment of a service provider for the provision of physical security services to protect the property, assets and personnel of the Merafong City Local Municipality, for a period of thirty-six (36) months.

Having examined the General and the Special Conditions of Contract, Specifications and Schedule of Quantities for the works of Tender:

.....  
 .....

I/We offer to provide the services in conformity with the General and the Special Conditions of Contract, Specifications and Schedule of Quantities, save as amended by Alterations by Tenderer (if any) attached hereto, for the sum of:

Description	Tender Amount (Incl. VAT)
Appointment of a service provider for the provision of physical security services to protect the property, assets and personnel of the Merafong City Local Municipality, for a period of thirty-six (36) months.	

In words .....

.....

NAME (PRINT)	
CAPACITY	
SIGNATURE	
NAME OF COMPANY	
DATE	

My/our offer/s remains binding upon me and open for acceptance by the purchaser/client during the validity period (90 working days) indicated and calculated from the closing time of tender.

1. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bid documents, viz
    - Invitation to Quote
    - Returnable Schedules
    - B-BBEE Certificate
    - Declaration of interest
    - Special Conditions of Contract
    - Pricing schedules
    - Scope of Works
    - Central Supplier Database (CSD)
  - (ii) Other .....
2. Variances from and amendments to the documents listed in the Bill of Quantity and any addendum thereto as listed in the BID as well as any changes to the terms of the Offer agreed by the Tenderer and the Employer during the process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Agreement. No amendments to or deviations from said documents are valid unless contained in the Service Level Agreement, which must be duly signed by the authorised representative(s) of both parties.
3. I/We confirm that we have satisfied ourselves as the correctness and validity of my tender, that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I/We accept that any mistakes regarding price(s) and rate(s) and calculations will be at my/our own risk.
4. I/We confirm that Escalation will be applicable on this contract and will be calculated as per Contract Data & General Conditions of Contract 2017(GCC 2017)
5. I/We accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract. I/We undertake to complete and deliver the whole of the Works comprised in the Contract within the time stated in the Appendix adjusted in terms of the Contract.
6. The Tenderer shall within two weeks after receiving a completed copy of this Agreement, including the Schedule of Deviations (if any), contact the Employer's Agent (whose details are given in the Contract Data) to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the Conditions of Contract identified in the Contract Data. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this Agreement.
7. Unless and until a formal agreement is prepared and executed, this Tender, together with the written acceptance thereof by yourselves or the Representative acting on your behalf, shall constitute a binding Contract between us.
8. I/We understand that you are not bound to accept the lowest or any tender you may receive.

9. I/We further confirms that Merafong City Local Municipality has the right to cancel the tender if the funds necessary to cover the total envisaged expenditure of the tender are not available for the current financial year.
10. I/We declare that I/We have no participation in any collusive practices with any tenderer or any other person regarding this or any other tender.
11. I/We confirm that I/We am duly authorised to sign this contract:

NAME (PRINT)	
CAPACITY	
SIGNATURE	
NAME OF COMPANY	
DATE	

WITNESS	
1.	.....
2.	.....
DATE:	.....

**MBD 4  
DECLARATION OF INTEREST**

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.

2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.

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

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

3.2 Identity Number: .....

3.3 Position occupied in the Company (director, trustee, hareholder<sup>2</sup>):.....

3.4 Company Registration Number: .....

3.5 Tax Reference Number:.....

3.6 VAT Registration Number: .....

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

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

3.8.1 If yes, furnish particulars. ....  
.....

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be –

(a) a member of –

(i) any municipal council;

(ii) any provincial legislature; or

(iii) the national Assembly or the national Council of provinces;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



MBD 5

DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED)

For all procurement expected to exceed R10 million (all applicable taxes included), bidders must complete the following questionnaire:

1 Are you by law required to prepare annual financial statements for auditing?  
\*YES / NO

1.1 If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.

.....  
.....

2 Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days?  
\*YES / NO

2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.

If yes, provide particulars.

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

\* Delete if not applicable

3 Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract?

\*YES / NO

If yes, furnish particulars

.....  
.....

Will any portion of goods or services be sourced from outside

\*YES / NO

the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic?

If yes, furnish particulars

.....  
.....

CERTIFICATION

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

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

## MBD 6.1

### MBD 6.1: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all bids invited. It contains general information and serves as a claim 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, 2022.**

#### 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 a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the ..... Preference point system shall be applicable; or  
b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (delete whichever is not applicable for this tender)
- 1.3. Points for this bid shall be awarded for:
- (a) Price; and
  - (b) RDP Goals (PPPR 2000) as depicted in the Merafong LM SCM Policy
- 1.4. The maximum points for this bid are allocated as follows:

	POINTS
<b>PRICE</b>	90
RDP Goals (PPPR 2000) as depicted in the Merafong LM SCM Policy	10
<b>Total points for Price and RDP Goals 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 RDP Goals are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

#### 2. DEFINITIONS

- a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- b) **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;



Black people as defined	5		
Black people living in rural or underdeveloped areas or townships	5		

**5. BID DECLARATION**

5.1 Bidders who claim points in respect of Specific Goals must complete the following:

**6. SPECIFIC GOALS CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 4.1**

6.1 SPECIFIC GOALS : ..... = .....(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor)

**7. SUB-CONTRACTING**

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

**(Tick applicable box)**

YES		NO	
-----	--	----	--

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted ..... %
- 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		NO	
-----	--	----	--

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

<b>Designated Group: An EME or QSE which is at least 51% owned by:</b>	<b>EME</b>	<b>QSE</b>
	√	√
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 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 MUNICIPAL INFORMATION

Municipality where business is situated .....

Registered Account Number .....

Stand Number .....

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

8.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the municipality that the claims are correct;
- (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) 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: .....
.....
.....

## CONTRACT FORM - PURCHASE OF GOODS/WORKS

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

### PART 1 (TO BE FILLED IN BY THE BIDDER)

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

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

WITNESSES	
1	.....
2.	.....
- - -	.....

**CONTRACT FORM - PURCHASE OF GOODS/WORKS**

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

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

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

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

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

1. ....
2. ....

**MBD 8**

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

1 This Municipal Bidding Document must form part of all bids invited.

2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

3 The bid of any bidder may be rejected if that bidder, or any of its directors have:

- a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
- b. been convicted for fraud or corruption during the past five years;
- c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
- d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

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

Item Question	Yes	No
4.1 Is the bidder or any of its directors listed on the National Treasury's database as a company or person 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>	<input type="checkbox"/>	<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) 3265445).</b>	<input type="checkbox"/>	<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 of law outside 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:			

**CERTIFICATION**

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

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

**MBD 9**  
**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

1 This Municipal Bidding Document (MBD) 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 *pe se* prohibition meaning that it cannot be justified under any grounds.

3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:

- a) take all reasonable steps to prevent such abuse;
- b) reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
- c) cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

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

<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.

**MBD 9**  
**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

PS(S&T) 16/03/2526 – Appointment of a service provider for the provision of physical security services to protect the property, assets and personnel of the Merafong City Local Municipality, for a period of thirty-six (36) months.

(Bid Number and Description)  
in response to the invitation for the bid made by:

MERAFONG CITY LOCAL MUNICIPALITY  
(Name of Municipality)

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

## **NATIONAL TREASURY GENERAL CONDITIONS OF CONTRACT (NT GCC) TABLE OF CLAUSES**

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# General Conditions of Contract

## 1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the tender documents for the receipt of Tenders.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

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

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among Bidders (prior to or after Tender submission) designed to establish Tender 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 tender price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the Tender will be manufactured.

1.17 "Local content" means that portion of the tender 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 tender documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

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

1.26 "Tort" means in breach of contract.

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

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

## **2. Application**

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

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

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

## **3. General**

3.1 Unless otherwise indicated in the tender documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a Tender. Where applicable a non-refundable fee for documents may be charged.

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

## **4. Standards**

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

## **5. Use of contract documents and information inspection**

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

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

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

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

## **6. Patent Rights**

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement

of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

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

## **7. Performance security**

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

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

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

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

(b) a cashier's or certified cheque

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

## **8. Inspections, tests and analyses**

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

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

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

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

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

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

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

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

## **9. Packing**

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

storage. Packing, case size 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, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental Services**

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

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

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

## **14. Spare parts**

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

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

## **15. Warranty**

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's

specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

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

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

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

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

## **16. Payment**

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

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

## **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 Tender, with the exception of any price adjustments authorized or in the purchaser's request for Tender validity extension, as the case may be.

## **18. Variation orders**

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

## **19. Assignment**

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

## **20. Subcontracts**

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

## **21. Delays in the supplier's performance**

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

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with

or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

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

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

(b) if the supplier fails to perform any other obligation(s) under the contract; or

(c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

## **24. Antidumping and countervailing duties and rights**

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

## **25. Force Majeure**

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that

his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

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

## **26. Termination for insolvency**

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

## **27. Settlement of Disputes**

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

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

## **28. Limitation of Liability**

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

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

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

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

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

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

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

## **29. Governing language**

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

## **30. Applicable law**

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

## **31. Notices**

31.1 Every written acceptance of a Tender 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 Tender 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 Tender SARS must have certified that the tax matters of the preferred bidder are in order.

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

### **33. Transfer of contracts**

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

### **34. Amendment of contracts**

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

### **35. Prohibition of restricted practices**

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

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

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