

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF FREE STATE HEALTH					
BID NUMBER:	DOH(FS)18/21/22	CLOSING DATE:	18 MARCH 2022	CLOSING TIME:	11H00
DESCRIPTION					
APPOINTMENT OF SERVICE PROVIDERS TO PARTAKE IN THE PRICING FOR MAINTENANCE, SERVICE AND REPAIRS MEDICAL EQUIPMENT FOR VARIOUS HEALTH FACILITIES FOR THE FREE STATE DEPARTMENT OF HEALTH.					
PERIOD: DATE OF SIGNING OF CONTRACT FOR FIVE (05) YEARS.					
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

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

DEPARTMENT OF FREE STATE HEALTH					
GROUND FLOOR, BOPHELO HOUSE, BLOCK C-WEST, OPPOSITE MAIN DOOR					
C/O CHARLOTTE MAXEKE STREET AND HARVEY ROAD, BLOEMFONTEIN					
SUBMISSION ELECTRONICALLY TO THE FOLLOWING:					
SUPPLIER INFORMATION					
NAME OF BIDDER					
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

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

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	R
SIGNATURE OF BIDDER	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			
FOR PROCUREMENT OF DOCUMENT ENQUIRIES MAY BE DIRECTED TO:		FOR BIDDING AND TECHNICAL INFORMATION ENQUIRIES MAY BE DIRECTED TO:	
DEPARTMENT	FREE STATE HEALTH	CONTACT PERSON	Mr. P.P Tsiloane
CONTACT PERSON	S.W MALIEHE	TELEPHONE NUMBER	051 408 1683
TELEPHONE NUMBER	051 408 1816/1160	FACSIMILE NUMBER	N/A
FACSIMILE NUMBER	N/A	E-MAIL ADDRESS	TsiloanePP@fshealth.gov.za
E-MAIL ADDRESS	MalieheSW@fshealth.gov.za	NB: Bidders may send any queries electronically to the above mentioned emails	

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:	
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.	
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE IN	
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 SPECIAL CONDITIONS OF CONTRACT.	
2. TAX COMPLIANCE REQUIREMENTS	
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.	
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.	
2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS 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.	
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO 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.	

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:

.....

EXPLANATORY MEETING CERTIFICATE

BID NUMBER: DOH (FS)18/202/2022

Attendance list number: _____

DOH(FS)18/21/22: Appointment of service providers to partake in the pricing for maintenance, service and repairs of medical equipment for various Health facilities for the Free State Department of Health.

PERIOD: DATE OF SIGNING CONTRACT FOR FIVE (05) YEARS

Attendance of the explanatory meeting is NON - COMPULSORY

An official of the Department must sign this certificate at the explanatory meeting. No certificate will be signed outside the meeting. The original certificate must be included in the bid document and will not be accepted after the closing time and date of the bid.

NON- COMPULSORY EXPLANATORY MEETING DATE: 01 March 2022

TIME: 12H00

VENUE: Venue: Auditorium, First Floor
Bophelo House, c/o Charlotte
Maxeke Street and Harvey Road
Bloemfontein

CONTACT PERSON/S: Mr T Choane /Mr P.P Tsiloane
Tel: (051) 408 1379 /1683

This is to certify that _____ in his/her capacity as
_____ of the company _____ has attended the Non-
Compulsory Explanatory meeting on the _____ day of _____ 2022 and is
therefore familiar with circumstances and the scope of the items to be supplied.

**SIGNATURE /DEPARTMENTAL
OFFICIAL**

RANK

**SIGNATURE OF REPRESENTATIVE
OF COMPANY**

DATE

**OFFICIAL DATE
STAMP**

*** Note: Only one certificate per company**

PRICING SCHEDULE – NON-FIRM PRICES (PURCHASES)

NOTES: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

Name of Bidder..... Bid number DOH(FS)18/21/22

Closing Time 11:00

Closing Date 18 March 2022

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY (INCLUDING VAT)
1.	As Required	Maintenance, service and repairs medical equipment for various health facilities for the free state department of health	R.....

(See Attached Specification)

- Required by: Department of Health
- At:
- Brand and model:
- Country of origin:
- Does offer comply with specification? *YES/NO
- If not to specification, indicate deviation(s)
- Period required for delivery:
- Delivery: *Firm/not firm

*Delete if not applicable

3

PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATIONS

1. IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES.
2. IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

$$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{R4t}{R4o} \right) + VPt$$

Where:

Pa	=	The new escalated price to be calculated.
(1-V)Pt	=	85% of the original bid price. Note that Pt must always be the original bid price and not an escalated price.
D1, D2..	=	Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1, D2...etc. must add up to 100%.
R1t, R2t.....	=	Index figure obtained from new index (depends on the number of factors used).
R1o, R2o	=	Index figure at time of bidding.
VPt	=	15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

3. The following index/indices must be used to calculate your bid price:

Index: CPI Dated: JAN 2022

4. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE



health

Department of
Health
FREE STATE PROVINCE

**APPOINTMENT OF SERVICE PROVIDERS TO
PARTAKE IN THE PRICING FOR
MAINTENANCE, SERVICE AND REPAIRS OF
MEDICAL EQUIPMENT FOR VARIOUS HEALTH
FACILITIES IN THE FREE STATE
DEPARTMENT OF HEALTH**

**PERIOD: DATE OF SINGING OF CONTRACT
FOR FIVE (5) YEARS**

Mr. PP Tsiloane

Contact Number: 051 408 1683/073 122 3729

Email: TsiloanePP@fshealth.gov.za

Table of Contents

1. Maintenance Services	1
2. Institutions	1
3. Servicing	2
4. Service Provider's Staff.....	5
5. Rates - Charges - Payment	5
6. The Occupational Health and Safety Act 85 of 1993 as Amended	6
7. Liability.....	6
8. Termination.....	Error! Bookmark not defined.
9. Disputes	7
10. Waiver.....	7
ANNEXURE A	7
ANNEXURE B	18

1. Maintenance Services

- 1.1. "Maintenance Services" mean all the work described in the original equipment manufacturers' operating manuals (including service and maintenance procedure) to be carried out by the Service provider to the equipment listed in Annexure A and includes but to limited to cleaning, adjustments, repairs and replacement of parts which are affected during routine maintenance services. (See par. 3.3 and 3.6).
- 1.2. This contract shall be valid for 5 years and commences on date of signing of the contract.
- 1.3. Call out labour will be priced only for the first year of the contract and thereafter price adjustment will be based on consumer price index for the remainder of the contract. Bidders should take note that the price adjustment is not automatically and the bidder is required to apply for it for the Department Consideration.

2. Institutions

- 2.1 The institutions where the equipment is installed shall be all the Provincial Health Institutions in the Free State.

2.2 The Department of Health shall have the right to exclude or withdraw any institutions or any item of equipment. Furthermore the Department may consider to add the new equipment during the contract Period. When the new equipment is added to the contract all the bidders awarded the bid will be afforded the opportunity to submit the quotation.

(a) In the event of any exercise by the Free State Department of Health of the right referred to in 2.2 the parties shall accordingly amend the relevant portion of the bid and such amendment shall then constitute part of the contract.

3. Servicing

3.1. Maintenance service visits must be in accordance with attached Annexure A. During the contract period the Service Providers' qualified Technician will visit the health facility in order to service the medical equipment as and when needed.

All medical equipment will be tested as per the recommended original equipment manufacturer's schedule for compliance with normal calibration standards. The medical equipment will only be service exchanged by mutual agreement between the Service provider and the Department of Health or the latter's authorized representative if the calibration is not within acceptable standards. All medical equipment to be service exchanged shall be reported to: Infrastructure Management Health Technology (for institutions/facilities that do not have clinical engineering departments) at 051 408 1683/1378/1452/1549/1891/1189; Clinical Engineering at Pelonomi Hospital: 051 405 1771; Clinical Engineering at Universitas Hospital: 051 405 3989 & Clinical Engineering at Dihlabeng Hospital: 058 307 1000 before the action is taken. Only this office may authorize the exchange.

3.2. Repair or Service of any medical equipment will be effected only by mutual agreement between the Service Provider and the Department of Health or the latter's duly authorized representative.

3.3. The Service Provider shall, only after submitting a quotation and obtaining an official order, perform all such work over and above the maintenance work as specified in the original equipment manufacture's operating manuals to keep the equipment in good working order.

3.4. The Service Provider shall not commence any maintenance services on any equipment unless an official order has been issued.

3.5. A service schedule must be presented to the office of Health Technology Management and Clinical Engineering at the start of each year. All maintenance services shall be carried out at a time and date mutually agreed upon by the Service Provider and the Head

of the Institution or his duly authorized representative according to the service schedule. A week's notice must be given to the Free State Department of Health prior to the service and testing of equipment as the Service Provider notes and acknowledges that the equipment is routinely used during the normal working hours of the institution where it is placed and will not unreasonably withhold agreement to repair the equipment "after hours". The Free State Department of Health agrees to make the equipment available for maintenance services in normal working hours when reasonably possible.

Normal working hours: - Monday to Friday: 07:30 to 16:00

3.6. The Service Provider shall carry out only written official instructions by the Department of Health or his authorized representative for work on medical equipment included in this agreement and shall not act on instructions from unauthorized personnel.

3.7. A list of all consumables for maintenance services only must be attached. The markup of 15% will be fixed for the duration of the contract. .

3.8. Replaced parts must be marked and handed over to the hospital clinical engineering technician or the authorized official for inspection and acceptance, unless replaced on a service/exchange basis; otherwise payment shall not be effected.

3.9. Special visits (call outs) between routine maintenance services to undertake maintenance (repair/corrective) services by the Service Provider at the request of the Department of Health and not covered by point 1.1 or 3.1, may be charged for on the basis as listed in Annexure B.

- (a) Response time: Physical inspection within 0-8 hours for life support medical equipment
- (b) Response time: Physical inspection within 24 hours for strategic medical equipment
- (c) Response time: Physical inspection within 5 working days for non-strategic medical equipment

The Service Provider shall, only after submitting a quotation and obtaining an official order, perform all such work to keep the equipment in good working order.

If a fault occurs within two weeks of the next normal scheduled maintenance service, arrangements should be made to have the repairs of that fault and the forthcoming scheduled routine maintenance service undertaken after the repair of such a fault.

3.10. Emergency visits will be undertaken against a signed instruction to the Service Provider by the Department of Health or the Head of the Institution or the latter's duly authorized representative, to be followed by a written quotation by the Service Provider or his representative on the same day.

3.11. All work shall, unless otherwise provided for in this agreement, be performed on the Free State Department of Health's premises.

3.12. The Service Provider may not without the consent of the Head of the Institution concerned or his duly authorized representative, remove any part, component or equipment from the premises where a maintenance service or repair is taking place.

Any item, which the Service Provider removes from the Free State Department of Health's premises or is delivered to the Service Provider by the Department of Health, becomes the Service provider's responsibility, and if lost or damaged, shall be replaced or repaired without delay and without cost to the Department of Health.

3.13. The Service Provider or his representative shall report to the Head of the Institution concerned or his duly authorized representative before the start and upon completion of any maintenance service or testing of equipment.

3.14. The Service Provider or his representative and the Head of the Institution or his duly authorized representative shall properly complete and sign a Maintenance Service Certificate or Job card after a maintenance service, testing of equipment or repair work has been effected to the equipment.

3.15. Officials appointed by the hospital will be entitled to inspect the service. The Service Provider will accept the decision of the inspectors regarding the quality of the service.

3.16. The Service Provider shall not sub-contract any of the work covered by this agreement, unless agreed to in writing by the Department of Health and shall remain responsible for the performance of the Service Provider sub-contracted thereof.

3.17. All recommended spare parts required for the maintenance service shall be stocked by the Service Provider during the validity of the contract and shall be original spare parts of the equipment in question.

3.18. The Service Provider warrants all repairs including all replacement parts which are installed in the course of any service or repair shall be free from defects in material and workmanship for a period of twelve months of normal usage as from the date of installation thereof, except if the manufacturer thereof underwrites a different warranty, in which case such warranty shall apply. In the event of any claim arising from the Service provider's performance or otherwise of his obligation under this agreement, the liability of the Service Provider shall be limited to repair or replacement where necessary, free of charge.

3.19. Nothing in this bid shall be construed as a repudiation of the Free State Department of Health's right to purchase spare parts from any alternative supplier provided that such purchase has been authorized by the Head of the Department.

3.20. It is agreed that after a service has been completed, all work carried out by the Service Provider, and parts fitted, will result in the equipment being functional in accordance with specifications laid down in the service manuals relating to the equipment. Should the equipment not perform to these specifications, the Service Provider is obliged to correct any faults at no additional charge to the Department of Health.

3.21. In the event of the contract not being carried out in accordance to this specification the poor performance of the Service provider will be dealt with in line with the general conditions contract (GCC) of this bid.

4. Service Provider's Staff

4.1.1 The Service Provider shall utilize only maintenance service personnel who are fully trained to service or repair the equipment covered under this bid. Proof of experience and training (CV and Certificates) on all the machines bid for must be submitted with the bid document. Services, testing and repair of equipment shall only be carried out by such staff whose experience and training has been accounted for. Proof of certification or accreditation for the servicing of life support medical equipment must be provided by the Service Provider.

4.1.2 The Department of Health reserve the right to request bidders to submit the relevant additional information / documents when its deemed necessary.

4.2. The Department of Health may request the Service Provider to remove or cause to be removed any of the Service provider's maintenance service personnel from the Free State Department of Health's premises for reasons which, in the opinion of the Department of Health, are in the interests of best satisfying this contract.

4.3. The Service Provider shall adequately provide his own maintenance service personnel with all the tools, training and literature necessary to service the equipment covered under this contract.

4.4. All members of the Service provider's maintenance service personnel shall, while on the Free State Department of Health's premises, carry an identity document and wear clothing (PPE) acceptable to the Department of Health.

5. Rates - Charges - Payment

5.1. The price escalations will be dealt with as defined in paragraph 1.3 of the specification.

5.2. Travelling and subsistence charges, cleaning materials, fluids and all expendable items normally replaced at each maintenance service should be treated as time and material not full maintenance.

(a) In addition, the Head of the Institution shall be liable to pay the Service Provider for all parts and materials not normally used in the course of any routine maintenance service.

5.3 No payment will be made by the Head of the Institution concerned for any work invoiced in terms of this contract which in his opinion has not been satisfactorily carried out by the Service Provider or for which no official order has been issued.

(a) If payment has been effected in respect of any work not satisfactorily carried out, the Service Provider shall issue a credit note for the full amount of the invoice, alternatively, the Department of Health may deduct such amount from any subsequent payment that becomes due to the Service Provider.

5.4 A separate account shall be handed to the Head of each Institution concerned.

(a) Each invoice must bear the Free State Department of Health's order number and must refer to a specified Maintenance Certificate, Signed copies of all job cards must be attached to the invoice. Where applicable, the serial numbers of the equipment serviced or repaired must be quoted.

(a) The invoice must correlate with the applicable information on the properly completed Maintenance Service Certificate.

6. The Occupational Health and Safety Act 85 of 1993 as Amended

6.1. The Hospital's Responsible Person appointed in terms of the said Act, is in general charge of all machinery in the hospital.

6.2. The Service Provider shall be responsible to the Hospital Responsible person to ensure that all work under this agreement is carried out strictly in accordance with the requirements of said Act.

7. Liability

7.1. The Service Provider shall be liable for and hereby indemnifies the Department of Health against any liability, loss, claim or proceeding consequent upon loss of or damage to any movable or immovable or personal property, belonging to or under the control of the Service Provider while on the premises of the Department of Health caused by the intentional or negligent conduct of the Service Provider.

8. Disputes

- 8.1. Any dispute arising out of this agreement, whether during its continuance or upon or after its termination, shall be submitted to and decided by arbitration.
- 8.2. Any disputes between Service provider and the Free State Department of Health arising out of this agreement shall first be negotiated in good faith and in the absence of settlement being reached shall be referred to arbitration before a single arbitrator whose decision shall be final and binding upon Service provider and Free State Department of Health. The arbitration shall be governed by the Arbitration Act 42 of 1965 and conducted in terms of the Rules of the Association of Arbitrators of South Africa. The arbitrator shall be appointed by agreement between Service provider and the Free State Department of Health, failing which the appointment of an arbitrator shall be made by the Chairman of the Association of Arbitrators of South Africa. The costs of the arbitration shall be borne equally by Service provider and the Free State Department of Health.
- 8.3. No action, regardless of form, arising out of transactions occurring under or contemplated by this agreement may be brought by either party more than 3 (three) years after the cause of action has occurred.

9. Waiver

No waiver of any breach of this agreement shall be deemed to be a waiver of any other or of the provision(s) affected by the breach nor shall the waiver of any subsequent breach nullify the effectiveness of the provision itself. The failure of either party to enforce at any time the provisions herein shall not be interpreted as a waiver of such provision, nor affected the validity of this agreement or any part provision in question at any time in the future.

ANNEXURE A

The Free State Department of Health currently have equipment categories and makes indicated below.

The bidders are required to submit the required information for the equipment category and the make they are quoting for. Failure to indicate the category and the make will invalidate the bid.

MEDICAL EQUIPMENT

Equipment	Make	Model	Risk Priority	Service Interval
Anaesthetic Machine	Drager	Fabius	High	According to OEM
	Blease	Focus and invivo MDE	High	According to OEM
	Penlon International	Avante and Prima	High	According to OEM
	Mindray	EX 30	High	According to OEM
	GE Healthcare	Aespire, Avance and Aisys	High	According to OEM
	Datex-Ohmeda	Ohmeda	High	According to OEM
	Aeonmed	8300A	High	According to OEM
Blood gas Machine	Edan	Klab,	Medium	According to OEM
	Nova	Stats Primeplus	Medium	According to OEM
	Radio Meter	ADL 800 Flex, ADL90 Flex Plus	Medium	According to OEM
CTG Machine	Contec	CMS800G and CMS 800F	Medium	According to OEM
	Philips	Avalon FM30	Medium	According to OEM
	Sunray	SRF618B6	Medium	According to OEM
	Corometrics	170,172,173,174 Series	Medium	According to OEM
	Comen	Star500	Medium	According to OEM
	Sonatina	Cadence li/F6/f6/f9	Medium	According to OEM
	Unicare	MCF-21K	Medium	According to OEM
	Bio Care	FM-801 and IC 90	Medium	According to OEM
	Fetus	Contec	Medium	According to OEM

Defibrillator	Nihon Kohden	Tec- 5521k, TEC 5631K	High	According to OEM
	Physio Control	20E LifePak 15		
	Welch Allyn	Pic 30	High	According to OEM
	Mediana AED	A10 and A15	High	According to OEM
	Welch Allyn AED	AED10	High	According to OEM
	AED Paramedic	B safe	High	According to OEM
	GE Healthcare	Responder	High	According to OEM
	AED	Pro	High	According to OEM
	AED Cardiac Science	Powerheart	High	According to OEM
	GE Healthcare	Cardio Serve	High	According to OEM
	Instramed	Cardio mat	High	According to OEM
	Philips	Heart start XL	High	According to OEM
	Zoll M	R series and X series	High	According to OEM
	Mediana	D500 and A15	High	According to OEM
	Life Point	Biphasic	High	According to OEM
	Mindray	Beneheart D3	High	According to OEM
	Agilent	M4735A	High	According to OEM
	Lifepak AED	CR Plus and 1000	High	According to OEM
Dental Equipment	Sirona	C8	Medium	According to OEM
	Belmont	Clesta and Bel 50X caliber	Medium	According to OEM
	Belmont	Palm/Performer	Medium	According to OEM
	Belmont	Takara	Medium	According to OEM

	Yoshida	MFG and Eyecia	Medium	According to OEM
	Chair Grasia	HL-2030	Medium	According to OEM
	Ampco	P2000	Medium	According to OEM
	Victor AM	AM6015	Medium	According to OEM
	Aidec	300,400,500	Medium	According to OEM
	Meditech	Mid-638 BAgate and EMR	Medium	According to OEM
	Pelton And Crane	SP30 ,spirit 3000 and 1585	Medium	According to OEM
	Dental Auto Clave	Statim	Medium	According to OEM
		Valu clave	Medium	According to OEM
		Melag	Medium	According to OEM
		Tattnauer	Medium	According to OEM
Dermatome	Zimmer	Biomet	High	According to OEM

Dialysis machine	Fresenius	4008N,4008s and 5008S	High	According to OEM
	Braun	Dialog	High	According to OEM
	Jalo	`6000	High	According to OEM
	Gambro	AK96, AK 98	High	According to OEM
Duodenoscopy	Pentax	CD 3230,ED3490t	High	According to OEM
	Olympus	Tjf160vr,tjf9190vr, tjf-145	High	According to OEM
ECG Machine	Comen	CM1200	Medium	According to OEM
	Nihon Khoden	ECG2350	Medium	According to OEM
	Schiller	Cardio Vet 80-102plus	Medium	According to OEM
	Edan	SE1200 Express	Medium	According to OEM

	Welch Allyn	Cp200 and Cp150	Medium	According to OEM
	Ge Healthcare	Mac 2000	Medium	According to OEM
	Mindray	Beneheart R12	Medium	According to OEM
	Philips	TC70,TC50TC30	Medium	According to OEM
	Sonoscope	IE12,IE6 and IE12P	Medium	According to OEM
	Bio light(BLT)	E70	Medium	According to OEM
	Contec	CMS 4100 and KT88	Medium	According to OEM
EEG Monitor	Brainz	BRM	Medium	According to OEM
	Nihon Kohden	1200k		According to OEM
Electrosurgical Unit	Remed	4L Elpis	High	According to OEM
	Zeus Zerone	200,300 and 400 series	High	According to OEM
	Meditom	DT 300 ,DT400s, DT-300P,DT-400P	High	According to OEM
	Conmed	5000,2450	High	According to OEM
	Sutron	400HP	High	According to OEM
	Covidien Valleylab	Force fx,FX8,FT10	High	According to OEM
	OBSMedical	350		
	Excel	MCDSe series	High	According to OEM
	Erbe Medical	Icc200 ,V103,APC3 ,V10,300D,300s	High	According to OEM

	Bard	3000 and 5000 tower plus	High	According to OEM
	Aesculap	HV-400 and GN300	High	According to OEM

Endoscopic Tower	Ackermann	fusion	High	According to OEM
	Storz	Karl	High	According to OEM
Endoscopic Instrument (Rigid and flexible)	Ackermann	fusion	High	According to OEM
	Storz	Karl	High	According to OEM
ENT Drill System	Medtronic	Xps 3000	High	According to OEM
Gastroscopic Tower	Olympus	GIF 770, CV100, C LVU40GI	High	According to OEM
	Pentax	EG-2970K, EG 290KP	High	According to OEM
Gastro scope Instrument (Paediatric, ERCP, Colonoscopy, Bronchoscope)	Olympus	HD series	High	According to OEM
	Pentax	FNL-10RP2	High	According to OEM
Fluid Warmer	Gabler		Medium	According to OEM
	Diverse Medical	Med warmer	Medium	According to OEM
Instrument Washer	Ken	2314,IQ5, IQ4,IQ6	Medium	According to OEM
	Steelco	Ds500CDL,P WD86 series	Medium	According to OEM
	Getinge	46, 86 series	Medium	According to OEM
Gas Autoclave	Sterrad	100s,100NX system	High	According to OEM
Autoclave	Gabler	Gmbh,2400I uebeck	Medium	According to OEM
	Narang	AU-700-35a and AU-700-35b	Medium	According to OEM
	Bio base	Bkq-b50ii, bkq-b100ii	Medium	According to OEM
	Shinva	MOST-T and 45L B class	Medium	According to OEM
Humidifier	Fisher and Paykel	MR850 and HC500	Medium	According to OEM

	Hamilton	H900	Medium	According to OEM
Heart Lung Machine	Sorin Stockert	C5,S5,S3	High	According to OEM
Heater Cooler Unit	Maquette	HCU40	High	According to OEM
	Sorin	3T	High	According to OEM
Infant Incubator	Drager	Issollete 200 and caleo	High	According to OEM
	Ningbo David	2000,Y910	High	According to OEM
	Bejing	2000	High	According to OEM
	Fanem	1186C, 2086	High	According to OEM
	Medix	ITS86	High	According to OEM
	Dison	BT100,BB200 ,BB100 ,BB300	High	According to OEM
	Bisto	Bet 500	High	According to OEM
	Atom	AM62062,V8 O, incui	High	According to OEM
	Ge Healthcare	Giraffe	High	According to OEM
Infant Radiant Warmer	Ningbo David	9Y-90A and Yp-100	High	According to OEM
	Fisher & Paykel	Cosycot	High	According to OEM
	Drager	Baby therm 80004	High	According to OEM
	Fanem	Ampla 2085	High	According to OEM
	Olidef	Metrix sc	High	According to OEM
	Ge Healthcare	Lullaby	High	According to OEM
Infant Resuscitator	Fisher & Paykel	Neopuff	High	According to OEM
	Ge Healthcare	Lullaby	High	According to OEM

	Ecomed	I-Besmed	High	According to OEM
	Phoenix Neomed		High	According to OEM
Lung Function Machine	Medgraphics	7000 and circa 1990s	High	According to OEM
Nitric Oxide Delivery System	Nox Box	Bedfont , inomax, mallinckrodt	High	According to OEM
Oscillator Ventilator	Sensormedics	3100A,HFOV and 3100B	High	According to OEM
Micro Scope (Ent ophthalmic, Neuro surgery)	Zeiss	Opmi vario and S88	Medium	According to OEM
	Leica	DM500 and DM750	Medium	According to OEM
Patient Warmer	Bair Hugger	3M, 775 and 505	High	According to OEM
Slit Lamp	Haag Streitt	BQ-900, BX-900and IM600	Medium	According to OEM
Tourniquet System	ASP Medical	Hpm	Medium	According to OEM
	Ds Maref	DTS-3000	Medium	According to OEM
Telescope (Rigid & Flexible)	Storz	26007BA, 7230ba and 7220 aa	High	According to OEM
	Ackerman	AVX 800 RASA	High	According to OEM
Temperature Management System	Criticool		High	According to OEM
Ventilator	Avea	Carefusion Vyaire	High	According to OEM
	Avea	Viasys	High	According to OEM
	Drager	Savina 300,Invita 300,	High	According to OEM

		Babylog, VN500		
	Newport	Enmie E200	High	According to OEM
	SLE	SLE 4000,5000, 6000	High	According to OEM
	Aeonmed	VG70	High	According to OEM
	Hamilton	C2	High	According to OEM
	Belavista	1000Neo	High	According to OEM
	Sirio	S2/T spiro and Baby 200	High	According to OEM
	Maquette	Servo N	High	According to OEM
	Drager	EvitaXL	High	According to OEM
	Bellavista	1000Neo	High	According to OEM
	Fabiana Acutronic	7250 M	High	According to OEM
	Fisher & Paykel	Airvo 2	High	According to OEM
Video Laryngoscope	HugeMed		High	According to OEM
	Verathon	GVL	High	According to OEM
	Intubrite	VLS6630	High	According to OEM
Patient Monitors	Edan	IM60PM, IM70,IM80,V 6	Medium	According to OEM
	Mindray	MDRuMEC10 ,12 VS 800,VS900,B eneview T6	Medium	According to OEM
	Nihon Kohden	SVM7501,NK BSM 3562K- 3762K, NKMU631	Medium	According to OEM

	Drager	XXL infinity ,Vista 120,Infinity Accute System	Medium	According to OEM
	Sinohero	S80	Medium	According to OEM
	Contec	CM6000	Medium	According to OEM
	Ge Healthcare	Carescape B450,B650	Medium	According to OEM
	Welch Allyn	VSM 6000,Connex 6000 series, 300series	Medium	According to OEM
	Bio Light (BLT)	Q7	Medium	According to OEM
	Masimo	Rad57,Rad97 ,Root Platform	Medium	According to OEM
Phaco Machine	Alcon	Legion	Medium	According to OEM
Phototherapy	Netus	Neoblu,	Medium	According to OEM
	Fanem	Bilitron Sky 5006	Medium	According to OEM
	Careblu	240-2	Medium	According to OEM
	Blue Light		Medium	According to OEM
Theatre tables (Orthopaedic, Neuro –spinal, General purpose)	Aeonmed	OP-830 and OP-850	High	According to OEM
	Merivaara	Rapido, Classic Promerix ,Smart Practico	High	According to OEM
	Mindray	Hyled 8600,Hybase 6100 and Hybase 3000	High	According to OEM

	Alvo	Menuet Preludium, Serenada –B-C, Sonata	High	According to OEM
	Schmitt	Diamond	High	According to OEM
Theatre lights	Drager	Polaris 100	High	According to OEM
	Mindray	HY LED9500, 8600M	High	According to OEM
	Panalex	LED series	High	According to OEM
	kelling	KL LED MSDZ4	High	According to OEM
	Mingtaj	LED 720	High	According to OEM
	Dr Mach	LED300,LED 5Sc,3Sc	High	According to OEM
	Simeon Medical	Sim.LED 4500 and 3500	High	According to OEM
ICU Bed	Hartford		Medium	According to OEM
	Stieglmeyer	Evario Puro	Medium	According to OEM

ANNEXURE B

Charges for call out for the period of this contract must be firm for the first year of the contract period and thereafter the bidder may apply for price increase based on consumer price index (CPI). The application for the price increase will only be accepted provided that the bidder complies with the requirements as stipulated in the attached special conditions contract.

- (a) Labour per working hour or part thereof R /hour
(1st year)
- (b) Labour for overtime (Monday to Friday) R /hour
(1st year)
- (c) Labour for overtime (Saturday, Sunday and Public Holidays) R
..... /hour (1st year)
- (d) Travel charges per kilometer
According to the AA-tariffs
- (e) Spare parts
Bidders will be requested to provide quotations from the OEM and will only be allowed to add a markup of 15%.

NOTE TO BIDDERS:

- ☐ Successful bidders will enter into a service level agreement with the Free State Department Health.

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where:

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

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

2.1 Full Name of bidder or his or her representative:

2.2 Identity Number:

2.3 Position occupied in the Company (director, trustee, shareholder², member):

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

2.5 Tax Reference Number:

2.6 VAT Registration Number:

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

¹"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

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

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

2.7.1 If so, furnish the following particulars:

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

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

Position occupied in the state institution:

Any other particulars:

.....

.....

.....

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

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

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

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

.....

.....

.....

YES / NO 2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct

business with the state in the previous twelve months?

2.8.1 If so, furnish particulars:

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

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person

employed by the state and who may be involved with the evaluation and or adjudication of this bid?

2.9.1 If so, furnish particulars.

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

2.10 Are you, or any person connected with the bidder,

aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

2.10.1 If so, furnish particulars.

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

2.11 Do you or any of the directors / trustees / shareholders / members

of the company have any interest in any other related companies

whether or not they are bidding for this contract?

2.11.1 If so, furnish particulars:

.....

.....

.....

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

Full Name	Identity Number	Personal Income Tax Reference Number	State Number Number	Employee / Persal Number

4 DECLARATION

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

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

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

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

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

a) The value of this bid is estimated does not exceed R50 000 000 (all applicable taxes included) and therefore either the **90/10** or **80/20** preference point system to be applied subject to the lowest bid received.

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	80/90
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20/10
Total points for Price and B-BBEE must not exceed	100

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

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

- (a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

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

3. POINTS AWARDED FOR PRICE

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

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

80/20	or	90/10
$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	or	$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$

Where

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

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

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

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

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

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

- 6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)
(Points claimed in respect of paragraph 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:

- What percentage of the contract will be subcontracted.....%
 - The name of the sub-contractor.....
 - The B-BBEE status level of the sub-contractor.....
 - 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:

Designated Group: An EME or QSE which is at least 51% owned by:

- 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

EME ✓	QSE ✓

OR

- Any EME
- Any QSE

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

8.6 COMPANY CLASSIFICATION

Manufacturer

Supplier

Professional service provider

Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

WITNESSES

- 1.
- 2.

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

DATE:

ADDRESS

.....
.....

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <p><input type="checkbox"/></p>	<p>No</p> <p><input type="checkbox"/></p>
4.1.1	If so, furnish particulars:		

4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

CERTIFICATION

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

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

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

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

SWORN AFFIDAVIT – B-BBEE EXEMPTED MICRO ENTERPRISE - GENERAL

I, the undersigned,

Full name & Surname	
Identity number	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.

2. I am a Member / Director / Owner of the following enterprise and am duly authorised to act on its behalf:

Enterprise Name:	
Trading Name (If Applicable):	
Registration Number:	
Enterprise Physical Address:	
Type of Entity (CC, (Pty) Ltd, Sole Prop etc.):	
Nature of Business:	
Definition of "Black People"	<p>As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians –</p> <ul style="list-style-type: none">(a) who are citizens of the Republic of South Africa by birth or descent; or(b) who became citizens of the Republic of South Africa by naturalisation-<ul style="list-style-type: none">i. before 27 April 1994; orii. on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date;"
Definition of "Black Designated Groups"	<p>"Black Designated Groups means:</p> <ul style="list-style-type: none">(a) unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution;(b) Black people who are youth as defined in the National Youth Commission Act of 1996;(c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act;(d) Black people living in rural and under developed areas;(e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;"

3. I hereby declare under Oath that:

- The Enterprise is _____ % Black Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise is _____ % Black Female Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise is _____ % Black Designated Group Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Black Designated Group Owned % Breakdown as per the definition stated above:
 - Black Youth % = _____ %
 - Black Disabled % = _____ %
 - Black Unemployed % = _____ %
 - Black People living in Rural areas % = _____ %
 - Black Military Veterans % = _____ %

- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of _____, the annual Total Revenue was R10,000,000.00 (Ten Million Rands) or less
- Please Confirm on the below table the B-BBEE Level Contributor, **by ticking the applicable box.**

100% Black Owned	Level One (135% B-BBEE procurement recognition level)	
At least 51% Black Owned	Level Two (125% B-BBEE procurement recognition level)	
Less than 51% Black Owned	Level Four (100% B-BBEE procurement recognition level)	

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

Deponent Signature: _____

Date: _____

Commissioner of Oaths
Signature & stamp

**SWORN AFFIDAVIT – B-BBEE EXEMPTED MICRO ENTERPRISE – SPECIALISED ENTITY -
GENERAL**

I, the undersigned,

Full name & Surname	
Identity number	

Hereby declare under oath as follows:

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

Enterprise Name:	
Trading Name (If Applicable):	
Registration Number:	
Enterprise Physical Address:	
Type of Entity (NPO, PBO etc.):	
Nature of Business:	
Definition of "Black People"	<p>As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians –</p> <p>(a) who are citizens of the Republic of South Africa by birth or descent; or</p> <p>(b) who became citizens of the Republic of South Africa by naturalisation-</p> <p>i. before 27 April 1994; or</p> <p>ii. on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date;"</p>
Definition of "Black Designated Groups"	<p>"Black Designated Groups means:</p> <p>(a) unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution;</p> <p>(b) Black people who are youth as defined in the National Youth Commission Act of 1996;</p> <p>(c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act;</p> <p>(d) Black people living in rural and under developed areas;</p> <p>(e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;"</p>

3. I hereby declare under Oath that:

- The Enterprise has _____ % Black Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has _____ % Black Female Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has _____ % Black Designated Group Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Black Designated Group Beneficiary % Breakdown as per the definition stated above:
 - Black Youth % = _____ %
 - Black Disabled % = _____ %
 - Black Unemployed % = _____ %
 - Black People living in Rural areas % = _____ %
 - Black Military Veterans % = _____ %
- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of _____, the annual Total Revenue/Allocated Budget/Gross Receipts was R10,000,000.00 (Ten Million Rands) or less

- Please Confirm on the below table the B-BBEE Level Contributor, **by ticking the applicable box.**

At Least 75% Black Beneficiaries	Level One (135% B-BBEE procurement recognition level)	
At Least 51% Black Beneficiaries	Level Two (125% B-BBEE procurement recognition level)	
Less than 51% Black Beneficiaries	Level Four (100% B-BBEE procurement recognition level)	

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

Deponent Signature: _____

Date: _____

Commissioner of Oaths
Signature & stamp

**SWORN AFFIDAVIT – B-BBEE QUALIFYING SMALL ENTERPRISE – SPECIALISED ENTITY -
GENERAL**

I, the undersigned,

Full name & Surname	
Identity number	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.

2. I am a Director of the following enterprise and am duly authorised to act on its behalf:

Enterprise Name:	
Trading Name (If Applicable):	
Registration Number:	
Enterprise Physical Address:	
Type of Entity (NPO, PBO etc.):	
Nature of Business:	
Definition of "Black People"	<p>As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians –</p> <p>(a) who are citizens of the Republic of South Africa by birth or descent; or</p> <p>(b) who became citizens of the Republic of South Africa by naturalisation-</p> <p>i. before 27 April 1994; or</p> <p>ii. on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date;"</p>
Definition of "Black Designated Groups"	<p>"Black Designated Groups means:</p> <p>(a) unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution;</p> <p>(b) Black people who are youth as defined in the National Youth Commission Act of 1996;</p> <p>(c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act;</p> <p>(d) Black people living in rural and under developed areas;</p> <p>(e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;"</p>

3. I hereby declare under Oath that:

- The Enterprise has _____ % Black Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has _____ % Black Female Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has _____ % Black Designated Group Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Black Designated Group Beneficiary % Breakdown as per the definition stated above:
 - Black Youth % = _____ %
 - Black Disabled % = _____ %
 - Black Unemployed % = _____ %
 - Black People living in Rural areas % = _____ %
 - Black Military Veterans % = _____ %

- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of _____, the annual Total Revenue/Allocated Budget/Gross Receipts was between R10,000,000.00 (Ten Million Rands) and R50,000,000.00 (Fifty Million Rands)
- Please confirm on the table below the B-BBEE level contributor, **by ticking the applicable box.**

At Least 75% Black Beneficiaries	Level One (135% B-BBEE procurement recognition level)	
At Least 51% Black Beneficiaries	Level Two (125% B-BBEE procurement recognition level)	

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

Deponent Signature: _____

Date: _____

Commissioner of Oaths
Signature & stamp

45

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

(a) has been requested to submit a bid in response to this bid invitation;

47

- (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 consortium³ 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.

³ 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

SPECIAL CONDITIONS OF CONTRACT
DEPARTMENT OF HEALTH

CONTENTS:

	<u>Page</u>
1) Evaluation criteria	2
2) B-BBEE Status	2
3) Prices for Once-off bids	2
4) Prices for Period Contract	3
5) Qualification of bid documents	4
6) Applicable Declarations	4
7) Corrections to documents	4
8) Tax Clearance Certificates	5
9) Compulsory Explanatory Meeting and/or Site Visit	5
10) Payment to suppliers	5
11) Legislation / Laws	5
12) Validity period of bids	6
13) Quantities	6
14) Samples	6
15) Bid prices	6
16) Price lists	7
17) Specification – company's response	7
18) Adjudication of bid	7
19) Compliance to contract	8
20) Contract signing	8
21) Financial schedules	8
22) Declaration of Interest	8
23) Descriptive literature/brochures/pamphlets	8
24) Performance Security / Surety	8
25) Accredited representative	9
26) Equipment exceeding specifications	9
27) Delivery and documents	9
28) Insurance	9
29) Incidental services	9
30) Spare parts	9
31) Warranty	9
32) Penalties	10
33) Settlement of disputes	10
34) Termination of contract: unfulfilled orders	
35) Cession	11
36) Acceptance of the Special Conditions of Contract and/or General Conditions of Contract	11
37) The company must complete the following	11

THE FOLLOWING SPECIAL CONDITIONS OF CONTRACT WILL APPLY TO THIS BID / QUOTATION :

1. EVALUATION CRITERIA

The following preference point system is applicable to the bid/quotation 80/20.

The preference points for this bid/quotation are allocated as follows and will be applied when adjudicating the bid / quotation:

Price	=	80 points
B-BBEE status	=	20
<u>Total points</u>	=	<u>100 points</u>

2. B-BBEE Status – SBD 6.1 form

2.1 Bidders may claim points for B-BBEE status in the following manner:

2.1.1 A bidder with annual total revenue of R10 million or less qualifies as Exempted Micro Enterprises (EME) and must submit the following to substantiate their B-BBEE ratings:

- (i) A sworn affidavit confirming their annual total revenue of R10 million or less and level of black ownership to claim points as prescribed by regulation 6 and 7 of the Preferential Procurement Regulations 2017.
- (ii) An EME may be measured in terms of the QSE scorecard should they wish to maximize their points and move to a higher B-BBEE recognition level. It is in this context that an EME may submit a B-BBEE verification certificate.

2.1.2 A bidder with annual total revenue of between R10 million and R50 million is regarded as Qualifying Small Enterprise (QSE) and must submit the following to substantiate their B-BBEE rating:

- (i) A sworn affidavit confirming their annual total revenue of between R10 million and R50 million and level of black ownership or a B-BBEE level verification certificate to claim points as prescribed by regulation 6 and 7 of the Preferential Procurement Regulations 2017.
- (ii) A sworn affidavit must be signed by the EME and/or QSE representative and attested by the Commissioner of Oaths.

2.1.2 Bidders other than Exempted Micro Enterprises and Qualifying Small Enterprises must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof issued by an Accredited Verification Agency approved by the South African National Accreditation System (SANAS) to substantiate their B-BBEE ratings.

2.2 Bidders who do not submit B-BBEE Level Verification Certificates or are non-compliant contributors to B-BBEE do not qualify for preference points for B-BBEE. **They will therefore score points out of 90 or 80 for price only and zero (0) points out of 10 or 20 for B-BBEE.**

2.3 A trust, consortium or joint venture must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid and Public Entities and Tertiary Institutions must submit B-BBEE Status Level Verification Certificate together with their bids.

3) **Once-off bid prices**

3.1 **Firm prices:**

Prices for once-off bids must be firm. No application for price adjustment will be considered except in the case where rate of exchange is applicable. All the necessary documentary proof must be submitted.

Where the exchange rate is applicable the bidder is expected to complete the SBD 3.2 in full at the time of bidding.

4) **Period Contract Prices**

4.1 **1st year of the contract period:**

Prices must be firm for the 1st (first) year of the contract period. No price adjustments will be allowed during the 1st year of the contract period except in the case where rate of exchange is applicable. The request for price adjustment due to rate of exchange will be considered per consignment. All the necessary documentary proof must be submitted.

4.2 **2nd year and rest of the contract period – Prices subject to escalation**

4.2.1 A request for price adjustment due to statutory increases on period contracts will be considered **after** the 1st year of the contract period if the bid/quotation is qualified as such and with the necessary documentary proof.

4.2.2 **In order to be considered for price increases from the 2nd year** of the contract period (statutory increase) and where the rate of exchange is applicable (on request per consignment), the price escalation form SBD 3.2 must be completed in full.

4.2.3 **Submitting of price adjustment claims:**

Claims for statutory increases must be submitted within 90 days of the change in price. If a claim is received after 90 days, the adjusted price will only be considered from the date the claim was received by the Department.

Delivery of goods and/or services must not be withheld as a result of the price adjustment not being finalized or as a result of any dispute.

Companies must indicate in the bid document the amount to be remitted abroad as well as the rate of exchange applied in the conversion of that amount into SA currency, when calculating the bid price. Proof from the bank for rate of exchange applicable to the bid at time of bidding **must** be attached to the bid document.

Price adjustments based on Rate of Exchange will only be applied per consignment delivered to the applicable institution of the Department due to the continuous fluctuation.

4.2.4 Documentary proof for price adjustments:

- (i) All claims must be properly substantiated by documentary evidence to the satisfaction of the Head of Health.
- (ii) The following information must be supplied when claims for rate of exchange variations are lodged:
 - Documentary evidence of currency and amount paid to foreign supplier
 - Supplier's invoice
 - Bill of entry/landing
 - Copy of institutions order, delivery note and invoice

4.2.5 Failure to comply with the conditions as per par. 4.2.2 to 4.2.4 **will invalidate** the claim.

5) Qualification of bid documents

- 5.1 The invitation form (SBD 1) must be **completed in full and signed originally** (in black pen ink) by the person in the company who is authorised to do so. Failure to sign the offer will invalidate the offer.
- 5.2 The SBD forms and all other bid forms must be submitted in the original format. The Office will only consider the original bid documents issued by the Office and signed by the company. Bid documents that are retyped, transmitted by facsimile, electronic mail or changed in any other way, will invalidate the bid. Scanned documents, which are completed in the original, will be acceptable.

6) Declarations – SBD 4, SBD 6.1, SBD 6.2, SBD 8 and SBD 9:

All declarations must be **originally completed** in full and duly signed by the bidder and where required, two witnesses.

6.1 SBD 4 – Declaration of Interest

All the state employees are not allowed to do a business with the Free State Department of Health.

537

6.2 SBD 6.2 – invitation and Evaluation of bids based on a stipulated minimum threshold for Local Production and Content within designated sectors

- (a) If required, the SBD 6.2 Declaration Certificate for local production and content for a specific designated sector must be completed by **manufacturers** for the items on offer within the relevant sector in order to qualify for the points allocated for local production and content.
- (b) **Distributors** of the items within the specific sector must complete and submit the declaration stating that the items on offers are RSA manufactured. However, they will not qualify for any points allocated for local production and content.

7) Corrections to documents:

- 7.1 Correction fluid (like Tippex for example) must not be used in bid documents in order to correct mistakes. Where a company wishes to correct a mistake, a single line must be drawn through it and the company must place his/her signature and date next to the correction, so that the original entry is still visible and legible. Failing to rectify mistakes in this manner will invalidate the bid or the relevant item, or the relevant clause.
- 7.2 In all other cases of alterations/corrections a full signature and date must be attached above, next to or below the said alteration or correction. If not signed in full at the correction the specific item/bid/quotation will not be taken into consideration.
- 7.3 Companies must check the numbers of the pages on the bid document and should satisfy themselves that the document is complete and that none of the pages are missing or duplicated before the closing date of the bid. No liability shall be accepted with regard to claims arising from the fact that pages are missing or duplicated.
- 7.4 Where preference points are claimed on the various SBD 6 forms, the forms must be completed in full, must be signed by the company and both witnesses otherwise the points claimed will not be considered.
- 7.5 The bid must be submitted in a sealed envelope. The **correct** bid number and closing date must be clearly indicated on the front of the envelope and the bidder's details on the back. The envelope must be placed in the bid box as indicated, before or on the closing date and time of the bid. On failure to comply the bid will not be considered. Bids, which are **received after the closing date and time**, will not be accepted and will be returned to the bidder.

8) Tax Clearance Certificates

- 8.1 **Original valid Tax Certificates must be attached** to the bid documents. Where the Tax Clearance Certificate is not attached the information will be verified on the Central Supplier database. The Department will not accept a bid from a bidder, whose tax matters were not declared to be in order by SARS.

8.2 Each party to a Consortium/Sub-contractor/Joint Venture must submit a separate original valid Tax Clearance Certificate. If the Tax Clearance certificates are not attached such information will be verified on the Central Supplier Database. Each party's Tax matters must be declared to be in order by SARS.

8.3 Period Contracts: Should the bid be accepted, the contractor must provide the Department (Compliance Office) throughout the contract period with a valid Tax Clearance Certificate on or before the expiry date of each certificate in the possession of the Office.

8.4 The Department has the right to verify the Tax Clearance Certificate submitted by a company at any SARS branch office nationwide.

9) **Compulsory Explanatory Meeting and / or Site Visit**

9.1 A compulsory explanatory meeting and/or site visit if so required in the bid documents and bid advertisement must be attended. Failure to attend will invalidate the bid. In case of a joint venture, consortium all companies must attend the meetings and submit their own attendance certificate in the company's name.

9.2 An attendance certificate per company must be signed and stamped by an official of the Department with registration at the meeting. The document/s must be attached in its original to the bid document. Copies of the document will not be accepted.

9.3 Information already provided at the meeting will not be repeated to late attendees.

9.4 A copy of the minutes of the meeting can be made available to companies on request.

10) **Payment to suppliers**

Payments will be handled as prescribed by the PFMA and will normally be effected within 30 days of receipt of all the required documentation, which should be correct in every respect.

11) **Legislation / Laws**

Companies must comply with the provisions of current Labour Legislation as well as any other relevant legislation or legal requirement.

12) **Validity period of bid**

The period for which offers are to remain valid and binding (in order for the Department to finalize it), is indicated in the bid documents (SBD 3.1 / 3.2) and is calculated from the closing day with the understanding that offers are to remain in force and binding until the close of business on the last day of the period calculated and if this day falls on a Saturday, Sunday or Public Holiday, the bid is to remain valid and binding until the close of business on the following working day.

13) Quantities

Where quantities are specified in the bid documents the Department cannot guarantee that they will be ordered as such, as it depends on Departmental needs. The Department is not liable for any losses the contractor might suffer for not ordering specific quantities.

Where quantities are specified, "as required" the quantities will be ordered as and when needed.

14) Samples

- 14.1 Samples to be submitted (if so required in the bid documents), must be clearly marked with the bid and item number as well as the company's name.

UNDER NO CIRCUMSTANCES SAMPLES SHALL BE INCLUDED IN THE BID DOCUMENTS. SAMPLES INCLUDED IN BID DOCUMENTS WILL NOT BE CONSIDERED

- 14.2 The samples must be delivered to the addressee mentioned in the bid documents so as to reach him/her not later than the closing date and time of the bid.
- 14.3 Samples shall be supplied by the bidder at his/her own expense and risk.
- 14.3 Samples of the successful company will be kept with the Department until the end of the contract period and will be returned to the company only if so stated in the bid/quotation documents.
- 14.4 All samples provided, which must be returned to the company must be removed on request of the Department at the company's own expense and risk within the specified period. On failing to comply with, the company will forfeit ownership and the sample shall forthwith be disposed of at the discretion of the Department.

15) Bid prices

- 15.1 Prices of bids must be provided for the specific units as required per SBD 3 forms. The packaging may vary and will be considered unless specific packaging is required.
- 15.2 Bid prices must be all inclusive and no additional cost will be paid for e.g. delivery, VAT, etc.
- 15.3 Bid prices must be indicated on the relevant SBD 3 form/s unless otherwise requested by the Department.

16) Price lists

Price lists **will not be considered** for acceptance of the bid unless it was specifically requested in the bid / quotation documents.

17) Specification – company's response

Where a specification provides for the company's response to the different points of specification, the bidder's part must be properly completed or the bid or the relevant item will be disqualified. **Where items deviate from the requirement, the deviation must be indicated.**

18) Adjudication of bid

- 18.1 Chapter 6 of the Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004), that deals with the Register for Tender Defaulters, as well as Regulations made by the Minister of Finance in this regard, are applicable when adjudicating a bid/quotation.
- 18.2 The Department may terminate the bid/contract in whole or in part if representatives of the Department, is in the judgement that the bidder has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 18.3 In the event of a bid being awarded as a result of B-BBE points claimed in terms of the revised Preferential Procurement Regulations 2017, the contractor may be required to furnish documentary proof to the satisfaction of the Department.
- 18.3.1 The Department will act against the bidder or person awarded the contract upon detecting that the B-BBEE status level of contribution has been claimed of obtained on a fraudulent basis or any of the contract conditions have not been fulfilled.
- 18.3.2 The Department may, in addition to any other remedy that it may have against the bidder or person:
- 18.3.3 Disqualify the bidder or person from the bidding process;
- 18.3.4 Recover all costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- 18.3.5 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;
- 18.3.6 Restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after applying the *audi alteram partem* (hear the other side) rule; and

18.3.7 Forward the matter for criminal prosecution.

19) **Restriction of business interest of employees conducting business with the Provincial Government**

An employee may not have a business interest in any entity conducting business with the Provincial Government.

20) **Compliance to contract**

20.1 The Department will monitor compliance to the contract after adjudication of the bid that include, but need not be limited to; site inspections and the request for documentary proof of compliance with the PFMA and relevant legislation.

20.2 Where services are rendered, which involves minimum wages for employees in terms of the sectoral wage determination, the Department reserves the right to request copies of payslips of employees during the period of the contract.

20) **Contract signing**

In response to an invitation to bid, companies must submit bid which in terms of the law represent offers. Once an offer is accepted and a bid is awarded to a successful company, a legal contract comes into existence.

The Department will not enter into any other contract than the SDB 7.1 or 7.2 form to be concluded as a result of acceptance of the bid.

21) **Financial schedules**

The financial schedule and annexure(s) for breakdown on salaries/wages where applicable, must be fully completed and submitted with the bid.

22) **Declaration of Interest**

Failure to declare interest on the part of the company or officials from the Department is unacceptable, which will lead to the bid/quotation not being considered.

23) **Descriptive literature / brochures / pamphlets**

If so required, the company must supply descriptive literature, brochures or pamphlets.

Descriptive literature is regarded as text and photos as issued by the original manufacturer.

24) **Performance Security / Surety**

A Performance Security / Surety is not applicable to all bid. Where it is a requirement in a specific bid, it will be indicated in the bid documents as well as the period in which the

performance security / surety must be submitted. If so required, it must be provided to the Department within the required period or the Department will have the right to cancel the contract and to claim any damages suffered from the contractor.

25) Accredited representative

If you are an accredited representative in South Africa for the goods/services offered written proof from the original supplier must be enclosed. (Refer to the SDB 1 form). Failure to do so will result in the offer not being considered.

26) Equipment exceeding specifications

There might be cases where the specifications do not address latest developments in technology. Where this is the case, the company must indicate next to the specific requirement in the specification to what extent the improved technology is offered. The Department may consider such offers in the adjudication process on condition that full details are provided for comparison purposes.

27) Delivery and documents

If so required, details of shipping and/or other documents to be furnished by the supplier are specified in the bid document

28) Insurance

Insurance as prescribed in the GCC par. 11 is applicable. Specific requirements over and above GCC par. 11 will be specified in the bid/quotation document.

29) Incidental services

Incidental services if so required will be handled as specified in the bid document.

30) Spare parts

Spare parts forms part of the specification of the bid/quotation and must be dealt with as such.

31) Warranty

- 31.1 Only new, unused goods must be supplied unless otherwise stated in the bid document.
- 31.2 The General Conditions of Contract par. 15 will apply unless otherwise stated in the bid documents.
- 31.3 Suppliers must remedy defect(s) on goods delivered within the period stated in the bid/quotation document or within the period as required by the Department.

32) Penalties

Penalties will be imposed as per current prime interest rate as prescribed by the General Conditions of Contract par. 22 unless otherwise stated in the bid/quotation document.

33) Settlement of disputes

The parties hereby agree that in the case of a dispute that cannot be resolved mutually, the dispute will be referred for settlement to the Secretary of the Law Society in the Free State, and in the case of the said Society's unwillingness to hear the dispute, such dispute will be referred to the Chairperson of the Bar Council for the Society for Advocates and/or his/her nominee.

The parties agree that the decision of the presiding officer in the dispute settlement procedure will be final and that neither of the parties will institute legal action against the other following the dispute settlement.

34) Termination of contracts: Unfulfilled orders

On termination of the contract, unfulfilled orders will automatically be cancelled and where appropriate, be supplied in terms of any subsequent contract.

35) Cession of contracts

The supplier shall not cede, in whole or in part, its obligations to perform under the contract or payments made/or to be made by the Department to the supplier, except with the Department's prior written consent.

36) Acceptance of the Special Conditions of Contract and General Conditions of Contract

Failure to accept the Special Conditions of Contract and the General Conditions of Contract or any part thereof, may result in the bid/quotation not being considered.

37) THE COMPANY MUST COMPLETE THE FOLLOWING:

I,in my capacity as of the company, hereby certifies that I took note and accept the above-mentioned Special Conditions of Contract.

.....
SIGNATURE

.....
CAPACITY

Contact person of company:

Tel. of company: (.....) Fax of company: (.....)



THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

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

RSA.

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such

obligations of the supplier covered under the contract.

- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

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

5. Use of contract documents and information; inspection.

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or

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

- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

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

22. Penalties

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

23. Termination for default

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any

person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language**
- 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law**
- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices**
- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties**
- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)**
- 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34 Prohibition of Restrictive practices**
- 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by 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 (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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

Js General Conditions of Contract (revised July 2010)

TS Last page