

MAQUASSI HILL LOCAL MUNICIPALITY



TENDER NO: MHLM/SCM/17/2022/2023

PROVISION OF INTERNET SERVICES & MAINTENANCE AT MAQUASSI HILLS LOCAL MUNICIPALITY FOR THE PERIOD OF THREE (3) YEARS.

CLOSING DATE: 16 MAY 2023

CLOSING TIME: 12H00

TENDER BOX ADDRESS: 19 KRUGER STREET WOLMARANSSTAD

IMPORTANT NOTES TO BIDDERS:

- Tenders must be properly received and deposited in the above-mentioned tender box on or before the closing date at Maquassi Hills Local Municipality, 19 Kruger Street Wolmaransstad 2630
- No late, couriered, faxed, or emailed tenders will be accepted under any circumstances. Tender offers must be submitted in a sealed envelope clearly reflecting the tender Number and tender description as indicated above.
- Do not reproduce this tender document (do not take it apart, omit pages, change wording or put documents between its pages). All other mandatory documents must be attached as per the advert requirements.
- Initial each and every page. Site meetings will be reflected on adverts if attendance is compulsory.

TENDERER

NAME of Company/Close Corporation or Partnership /Consortium/ Joint Venture or Sole Proprietor /Individual/Other

TRADING AS (if different from above)

COMPANY REGISTRATION NUMBER

MBD 1

1. INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE MAQUASSI HILLS LOCAL MUNICIPALITY.

BID NUMBER: **MHLM/SCM/17/2022/2023**
CLOSING TIME: **12h00**

CLOSING DATE: **16 MAY 2023**

DESCRIPTION: **PROVISION OF INTERNET SERVICES & MAINTENANCE AT MAQUASSI HILLS LOCAL MUNICIPALITY FOR THE PERIOD OF THREE (3) YEARS.**

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

ENQUIRIES MAY BE DIRECTED TO:

Mrs. N.J. Mbonani
MUNICIPAL MANAGER
018 596 3025
DURING OFFICE HOURS

N/B: Proposals must be properly received and deposited in the Bid box of Maquassi Hills Local Municipality on or before the closing date and before the closing time. Proposal offers must be submitted in a sealed envelope properly marked in terms of the Proposal number and Proposal description as indicated above. No Proposal offers will be accepted via e-mail, facsimile (fax) or telegram.,

Tender documents will be available as from **30/03/2023** at **The Maquassi Hills Local Municipality SCM Office**

Tender document will also be made available for free download on **E-Tender Portal**.

Bidders should ensure that bids are delivered timeously to the correct address. Late Bids will not be accepted

The bid box is open during office hours (07:30 to 16:30) from Monday to Friday...

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

THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (see definition on MBD 4 attached)

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

NAME OF BIDDER.....

POSTAL ADDRESS.....

STREET ADDRESS.....

TELEPHONE NUMBER.....

CELLPHONE NUMBER.....

FACSIMILE NUMBER CODE NUMBER.....

VAT REGISTRATION NUMBER

HAS AN ORIGINAL TAX CLEARANCE CERTIFICATE BEEN ATTACHED (MBD 2)? YES/NO

HAS MUNICIPAL CLEARANCE CERTIFICATE (SCM 4) BEEN ATTACHED? YES/NO

ARE YOU THE ACCREDITED REPRESENTATIVE?

IN SOUTH AFRICA FOR THE GOODS/SERVICES OFFERED BY YOU? YES/NO
(IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER

DATE.....

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

TOTAL BID PRICE..... TOTAL NUMBER OF ITEMS OFFERED.....

In the case of a company/close corporation/firm, a certified resolution of that company's/close corporation's/firm's board of directors/members or principals authorising the said person to sign bid documents on their behalf must be attached.

ANY ENQUIRIES REGARDING THE BID MAY BE DIRECTED TO:

Maquassi Hills Local Municipality

Department: Corporate

Contact Person: Mr. Jerry Molutsi

Tel: 018-596-3025

SUBMISSION OF REQUIRED DOCUMENTATION

**SERVICE PROVIDERS ARE REQUESTED TO SUBMIT THE FOLLOWING
DOCUMENTATON**

[INCLUDING PARTNERS IN A JOINT VENTURE]:

- 1. AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE**
- 2. COMPANY REGISTRATION DOCUMENTS, SHOWING EQUITY OWNERSHIP. [E.g., FORM CM 29, CK1 etc.].**
- 3. CERTIFIED COPIES OF IDENTIFICATION DOCUMENTS [OF SHAREHOLDERS].**
- 4. CSD REGISTRATION REPORT**
- 5. MASTER REGISTRATION NUMBER OR TAX COPLIANCE PIN NO. FOR VERIFICATION OF TAX COMPLIANCE STATUS**
- 6. COMPANY PROFILE**
- 7. EVIDENCE OF EXPERTISE AND PRIOR EXPERIENCE IN PROVIDING THE REQUIRED SERVICE.**
- 8. JOINT VENTURE AGREEMENT [IF APPLICABLE]**
- 9. MUNICIPAL RATES AND TAXES OF BOTH THE DIRECTOR(s) AND COMPANY**

PLEASE COMPLETE ALL BLANK SPACES ON THE FORMS WHERE NOT APPLICABLE INDICATE AS SUCH (N/A)

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Services (SARS) to meet the bidder's tax obligations.

1. In order to meet this requirement, bidders are required to complete in full the TCC 0001 form, "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally or on the website www.sars.gov.za. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
2. Applications for the Tax Clearance Certificates may also be made via e-Filing. In order to use this provision, taxpayers will need to register with SARS as e-Filers through the website www.sars.gov.za
3. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
4. In bids where Consortia / Joint Ventures / Sub-Contractors are involved; each party must submit a separate Tax Clearance Certificate.
5. Tax Compliance Status (TCS) Pin as of 18 April 2016
 - a. In terms of the new Tax Compliance Status System implemented by SARS on 18 April 2016, taxpayers are now able to issue the municipality with a TCS Pin which can be used to verify a bidder's tax status online via SARS E-filing.
 - b. The taxpayer must issue the municipality with the following: Bidders who are not in possession of an original Tax Clearance Certificate must provide at least 2 of the 3 numbers listed below in order to verify the Tax Clearance Certificate via SARS e-filing.
 1. Tax Reference Number
 2. Tax Compliance Status Pin
 3. Tax Clearance Certificate Number:
 - c. If a bidder is registered on the Maquassi Hills Local Municipality Supplier's Database and the Municipality is already in possession of an original tax clearance certificate which is valid on closing date of bid, it MUST be indicated as such on this page, whereby the attaching of a new tax clearance certificate to this page will not be needed.
6. Should a Tax Clearance Certificate not be verifiable on the SARS e-filing system, the bidder will be afforded an opportunity to submit a valid, verifiable Tax Clearance Certificate. It will result in the invalidation of the bid, should the bidder fail to provide a valid, verifiable Tax Clearance Certificate.

**PRICING SCHEDULE – FIRM PRICES
(PURCHASES)**

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder..... Bid number.....

Closing Time Closing date.....

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.

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

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

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination

**PRICING SCHEDULE – NON-FIRM PRICES
(PURCHASES)**

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

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder.....Bid number.....

Closing Time 12:00 Closing date.....

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

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

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

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

*Delete if not applicable

PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATION

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..... Dated..... Index..... Dated..... Index..... Dated.....

Index..... Dated..... Index..... Dated..... Index..... Dated.....

3. 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. Labor, transport etc.) | PERCENTAGE OF BID PRICE |
|---|-------------------------|
| | |
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B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. **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 |
|--|---|---|---|
| | | | |
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DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state*.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favoritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state it is required that the bidder or their authorized representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.

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

3.1 Full Name:

3.2 Identity Number:

3.3 Company Registration Number:

3.4 Tax Reference Number:

3.5 VAT Registration Number:

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

3.6.1 If so, furnish particulars.

.....

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

3.7.1 If so, furnish particulars.

.....

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

3.8.1 If so, furnish particulars.

.....

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

3.9.1 If so, furnish particulars.

.....

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

3.10.1 If so, furnish particulars.

.....

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

3.11.1 If so, furnish particulars.

.....

.....

CERTIFICATION

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

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

I ACCEPT THAT THE MUNICIPALITY MAY 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 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- 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 **To be completed by the organ of state**

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the **90/10** preference point system.
- b) The applicable preference point system for this tender is the **80/20** preference point system.
- c) Either the **90/10 or 80/20 preference point system** will be applicable in this tender. The lowest/highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

| | POINTS |
|--|------------|
| PRICE | |
| SPECIFIC GOALS | |
| Total points for Price and SPECIFIC GOALS | 100 |

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \mathbf{Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)} \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \mathbf{Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

| The specific goals allocated points in terms of this tender | Number of points allocated (90/10 system) (To be completed by the organ of state) | Number of points allocated (80/20 system) (To be completed by the organ of state) | Number of points claimed (90/10 system) (To be completed by the tenderer) | Number of points claimed (80/20 system) (To be completed by the tenderer) |
|---|--|--|--|--|
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DECLARATION WITH REGARD TO COMPANY/FIRM

- 4.3. Name of company/firm.....
- 4.4. Company registration number:
- 4.5. TYPE OF COMPANY/ FIRM
- ☐ Partnership/Joint Venture / Consortium
 - ☐ One-person business/sole propriety
 - ☐ Close corporation
 - ☐ Public Company
 - ☐ Personal Liability Company

- ☐ (Pty) Limited
 - ☐ Non-Profit Company
 - ☐ State Owned Company
- [TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

| | |
|--------------------------|---|
| | SIGNATURE(S) OF TENDERER(S) |
| SURNAME AND NAME: | |
| DATE: | |
| ADDRESS: | |
| | |
| | |
| | |

CONTRACT FORM - PURCHASE OF GOODS/WORKS

PART 2 (TO BE FILLED IN BY THE PURCHASER)

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

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

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

.

2.

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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>audialterampartem</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> | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4.1.1 | If so, furnish particulars: | | |
| 4.2 | <p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>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.</p> | Yes | No |
| 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 | No |
| 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 | No |
| 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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (MBD) 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. disregards 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. cancels 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 MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:
Includes price quotations, advertised competitive bids, limited bids and proposals.

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 competed

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:.....

(Name of Institution)

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

I certify, on behalf of: _

that: (Name of Bidder)

1. I have read, and I understand the contents of this Certificate.
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect.
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder.
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder.
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or 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.

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

MAQUASSI HILLS LOCAL MUNICIPALITY

AUTHORITY FOR SIGNATORY

By resolution of the Board of Directors taken on2021

Mr. /Ms

Has been duly authorized to sign all documents in connection with Bid No
.....

And any contract which may arise there from on behalf of (Block capital
letters)
.....

SIGNED ON BEHALF OF THE COMPANY:

IN HIS CAPACITY AS:

DATE:

SIGNATURE OF SIGNATORY:

NAME OF MEMBERS/SHARE HOLDERS

SIGNATURE

1).....

.....

2).....

.....

3).....

.....

4).....

.....

5).....

.....

NB: THIS APPLIES ONLY TO COMPANIES WITH MORE THAN ONE SHAREHOLDERS

**TENDER SPECIFICATIONS FOR
INTERNET SERVICES &
MAINTENANCE AT MAQUASSI
HILLS LOCAL MUNICIPALITY
FOR THE PERIOD OF THREE (3)
YEARS**

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

- i. Networking LAN and WAN
- ii. Infrastructure management,
 - a. Network Management
 - b. Server Management
 - c. IMAC Services

1. Network Management

The Network component encompasses tracking network resources, including switches, routers, and servers. It also includes performance monitoring and software updates. Network operation tasks include monitoring of activities on the network, as well as proactively identifying and remediating issues.

The management of network hardware and software support and maintenance; network security management; LAN Administration, network installations and de-installations, upgrades, etc. managed network technologies will include LAN, WAN, Wireless/Wi-Fi, Optic Fibre, Microwave, and already supplied by another third party (e.g. VSAT, MPLS, ISP, etc.).

1.2 IMAC Services

This component will cover the day-to-day Installation, Move, Addition, and Change to standard infrastructure configuration items based on a predefined catalogue and rates.

Proactively planning for moves and relocations during corporate change events. Manage user requirements and move coordination. Disconnections and reconnections, conduct user assurance testing, problem resolution and documentation generation.

1.3 Server Management

This component covers the provision of and management of standard configurations for the server infrastructure. The management of both the virtual infrastructure and the physical infrastructure. The installation and management of selected software, anti-virus and the distribution of security updates, patches, and new releases.

The component replacement on failure, systems monitoring and housekeeping in real time. The management of storage sub systems and capacity planning, backup and recovery, Monitoring the upkeep of critical system for business continuity and disaster recovery.

2. The Municipality's ICT infrastructure Landscape

The Municipality is in the process of refreshing its ICT landscape and it is looking for a single provider to manage and maintain the existing services (Voice, LAN, WAN, printing, cabling etc.) replacing the services.

The following points reflect the current solution and will also provide the starting points for the transformation of the environment process. The service provider may choose to provide a solution based on the current vendors or use and/or propose another vendor as long as the value provided to the Maquassi Hills Local Municipality meets the existing standard of services or surpasses them.

The current ICT landscape for the Municipality consists of +- 200 users equipped with desktop and/or Notebooks running Windows 10. The devices are owned by the Municipality. The +-200 users are spread around the sites across the Municipality of which the sizes of these sites vary with the main site being at Wolmaransstad.

Further must the service provider would also recommend a refresh plan for the server and storage infrastructure where required. The support will include not only the main office but also the other sites around the municipality requirements as per priority. Maintenance and support of existing applications (financial and payroll) remain in place and the service provider will work, facilitate and manage collectively with the existing service provider's deliverables.

2.1 High-level Infrastructure

The Wolmaransstad offices is the main office, core switches and remote connections using VSAT and other wireless methods to connect some of the remote sites. The balance of the sites uses other methods such as offline transactions to function.

2.2 Server Rooms

The server room hosts the local user applications such as financial systems and payroll applications. The storage and server racks are located within this server room. The server room infrastructure has biometric security doors, cooling and fire extinguisher provided.

The network equipment, LAN and WAN, is also hosted in this server room where the telco equipment terminates. Future changes to the environment will also need to host services in this room.

2.3 WAN, LAN and Network Management

The Local Area Network (LAN) components of this network are already running under one managed services contract and is included in the scope.

As discussed before the LAN devices deployed across the network are mainly Unifi switches. The wireless access points are also Unifi APs and they are installed in the different buildings across the municipality.

The existing cabling infrastructure runs on CAT6 UTP cabling and mostly single mode fibre. And the current setup also supports POE (Power over Ethernet).

The service provider will need to maintain and support the existing infrastructure and replace as and were identified and agreed.

2.4 Client Computing

The standard Municipality desktop computer is running mostly Windows 10 and various versions Microsoft Office 365, including Outlook, as the standard configuration. The Municipality uses the following systems:

- **HR and Payroll – PayDAY Software Systems**
- **Financial Management System (Solar)**
- **Microsoft 365**
- **ESET Antivirus**
- **Adobe Reader**

2.5 Connectivity

Currently Mqauassi Hills Local Municipality utilises a variety of WAN services. The Municipality plans to upgrade the current connection to an agreed Mbps, with an appropriate service level agreement with guaranteed Quality of Services, to cater for additional growth requirements. The successful bidder will be responsible for this requirement. This will be dedicated to internal business requirements.

The most important being the Internet link, which is the process of being upgrade to a fibre link. Although there are several sites that are part of the Municipality not all of them are directly connected to the main office environment, alternatives are in place, because of limitations on coverage in the area.

The service provider need to cater for additional connectivity as required when the coverage in these locations as amended from time to time. The service provider should be able to manage the Municipalities network edge routers and deal with the WAN providers if necessary.

Required Internet Services:

| Item No. | Quality | Description |
|----------|---------|---|
| 1 | 1 | X1 Fibre Internet Services Main Building <ul style="list-style-type: none"> • Data Restriction: None or Uncapped internet access • Bandwidth Speed: Download: 200Mbps Upload: 200Mbps • Location or Availability: MHLM Main Building 19 Kruger Street Wolmaransstad 2630 |
| 2 | 4 | X4 Fibre Internet Services Remote Sites |

| | | |
|--|--|--|
| | | <p>Traffic Department</p> <ul style="list-style-type: none"> • Data Restriction: None or Uncapped internet access • Bandwidth Speed: Download: 100Mbps Upload: 100Mbps <p>Technical Department</p> <ul style="list-style-type: none"> • Data Restriction: None or Uncapped internet access • Bandwidth Speed: Download: 100Mbps Upload: 100Mbps <p>Makwassi Municipal Office</p> <ul style="list-style-type: none"> • Data Restriction: None or Uncapped internet access • Bandwidth Speed: Download: 100Mbps Upload: 100Mbps <p>Leeudoringstad Municipal Office</p> <ul style="list-style-type: none"> • Data Restriction: None or Uncapped internet access • Bandwidth Speed: Download: 100Mbps Upload: 100Mbps <p>Tsweleng Youth Centre</p> <ul style="list-style-type: none"> • Data Restriction: None or Uncapped internet access • Bandwidth Speed: Download: 100Mbps Upload: 100Mbps |
|--|--|--|

Provide a valid ECN/ECNS license from ICASA to deliver telecommunication services in South Africa. (Where the license is not available, assigned agreement with a Party who has the required license).

2.6 Facilities and Cabling Infrastructure

The Municipality utilizes mostly external contractors for the CAT6 UTP cabling with Single and Multi-Mode fibre as the standard for aggregation. The service provider must incorporate and provide the cabling infrastructure and take full responsibility, migrating the infrastructure through upgrade projects to the agreed latest standard, as these are adopted across other environments.

2.7 Printing Infrastructure

The Municipality currently has multi-function printers for workgroup printing and Print solution printers to cater for high volume printing.

3. Scope of Services – Assessment Program

The Service Provider is required to conduct a complete assessment of the Municipality's ICT infrastructure and verify, amend and remove through a structured process.

The Assessment program include and electronic and physical audit and verification of all items, Network devices and configurations, including but not limited to the areas listed below. It further extends into the connectivity and telephony infrastructures. The results to be provided in an electronic database for acceptance by the Municipality management team.

4. Scope of Services – Network Management

This section describes the services that the Municipality is expecting to receive as part of the Network and LAN component of Managed Services. This service is the operations of the current managed LAN environments and associated infrastructure elements for all Users on managed LANs. As the managed LAN/WAN network is extended it will include all new buildings that are commissioned in the coming years.

4.1 Acquisition Services

The Service Provider shall provide suitable products and OEM support and warranties as a service to the Municipality as and when required based on business requirements.

4.2 Support Services

The Service Provider shall provide management, maintenance and support of the current operational LAN environments and associated infrastructure elements at all in-scope locations, including documentation by following ITIL Service Management processes and as per guidelines and policies as defined or agreed by the Municipality. The sub-services include, but are not limited to:

- Network Support and Maintenance
- Wireless and Microwave Networks
- LAN Administration
- Network Security
- Installation/De-installation
- Re
por
ting

4.2.1 Network Support and Maintenance

- The Service Provider shall perform the on-going support and delivery of all local networks, and ensure end-User and server connectivity to achieve the performance criteria specified for all Services.
- The Service Provider shall perform maintenance on all local network infrastructure components in line with the equipment manufacturers and/or the Municipality's guidelines and ensure that firmware is kept current and security patches are applied:
 - Network equipment components include but are not limited to, routers, firewall and load balancers, switches, hubs, modems and patch panels.
 - Other LAN components comprise the Traffic prioritization, Network Client Services, Network Monitoring servers, software and Scripts, networking protocols, address management, name resolution services.
- The Service Provider shall provide and administer the cable and patch panel management and perform patching to resolve problems or reconfigure the LAN. The Service Provider shall make recommendations on patches released by Manufacturers.

- The Service Provider shall ensure that any maintenance action leading to a Scheduled Outage or a noticeable degradation of service is planned via the appropriate Change and Release Process to minimize disruption to the service.

4.2.2 Wireless Networks

The Service Provider shall manage and support a wireless LAN for authorised Municipality staff around the entire precinct.

4.2.3 LAN Administration

- The Service Provider shall maintain the Municipality's IP addressing scheme and continuously support the implementation of optimal policy-based routing policies and architecture.
- The Service Provider shall allocate IP addresses when necessary and maintain the register of used and available IP addresses at the Municipality.
- The Service Provider shall provide simple rule-based and/or intelligent filtering of traffic between different network segments along the following principles:
 - Create an IP-enabled network infrastructure supporting the injection of all traffic over IP, IP encapsulation and IP tunneling.
 - Maintain clear physical and logical boundaries.
 - Limits complexity in top level routing.
 - Allow peering architecture and addressing hierarchy between the locations.
 - To include where appropriate traffic shaping and prioritization of IP based traffic.
 - To include, where appropriate, segmentation and implementation of networks using variable/fixed length subnet masks.
 - Maintenance and creation of Multi Link Trunks.
 - To create, where appropriate, multicast address and support for one to many network broadcasts.
- The Service Provider shall implement access and authentication controls relating to the management and configuration of all intelligent components of the network.
- The Service Provider shall support the creation of an IP-centric organization enabling the convergence of all traffic, including IP voice and video.
- Where appropriate maintenance and creation of Internet Protocol version 4 and 6 address spaces.

4.2.4 Network Security

- The Service Provider shall ensure that wherever the Municipality's Network connects to other networks, the Service Provider shall co-operate with the relevant parties to ensure that appropriate security measurements are implemented with a view to protecting the Network and its components from malicious attack and unauthorized access.
- The Service Provider shall also ensure that users on the Network are prevented from making malicious attacks on other networks.
- The Service Provider shall monitor the Network for any attempted or actual security breaches.

4.2.5 Installation/De-installation

Where installation/de-installation has been required and confirmed by the Municipality, the Service Provider shall be responsible for the complete set of associated works in line with Health and Safety (ISO45001) requirement, and shall liaise with appropriate teams within the Municipality to this effect.

The Service Provider shall manage the installation / De-installation and testing as needed of all LAN changes in accordance with the procedures in place, updating the relevant documentations to reflect the changes, and informing operational service desk of the impact of the change.

- Where works may be carried out by Third Parties appointed by the Service Provider, the end-delivery of the project remains the responsibility of the Service Provider. The Service Provider shall be responsible for the resolution of faults during installation and commissioning, and provide all necessary warranty and documentation.
- Where works may be carried out by Third Parties appointed by the Municipality, the Service Provider shall have the responsibility to provide an efficient service interface for the successful end delivery of the works. The Service Provider shall remain responsible for the Service Support functions post-installation and the Service Management aspects, e.g. Configuration and Capacity Management.
- An installation comprises any of the following elements:
 - Installation of structured cabling system, floor outlets and data points
 - Installation of equipment cabinets and active equipment in computer rooms and in the network
 - Installation of drop leads, patch cords, fibre patch cords for the connection of PCs, printers and server equipment and any other network peripheral connected to the structured cabling system
 - Installation of Network Interface Cards (NICs) and modems to networked equipment (physical and logical connection).
- All LAN (including both fixed wired and wireless networks) design, installation and testing works supplied by the Service Provider must comply with international standards (IEEE and ISO) including but not limited to:
 - Prevalent Standards specified the Municipality
 - Structured cabling utilising Category 6 or 6e standards
 - Fibre connectivity including single mode and multimode including FC and SC termination
- Provision of secure wireless networking operating 802. (B/G/N/AC) – utilizing WPA-2 and other approved security authentication

4.2.6 Reporting

- The Service Provider shall provide regular performance monitoring reports (frequency to be agreed) on network and LAN uptime, incidents, and other performance metrics agreed.
- The Service Provider shall provide input into the Capacity Planning exercise ensure that the networks are sized at the level required for the services to be provided.
- On request by the Municipality, the Service Provider shall produce ad-hoc reports related to network and LAN service management aspect.

4.3 Implementation of new Network and LAN Services

- The Service Provider is expected to be actively involved in the development of new network and LAN services.
- All service delivery will follow the agreed ICT Project and Governance process. The Service Provider would be expected to be involved in all aspects of the service development and to provide work and cost estimates as part of the approval process.

5. Scope of Services – IMAC Services

This section describes the services the Municipality is expecting to receive as part of the IMAC component of Managed Services. The scope of IMAC services covers all authorised users in all the Municipality's locations.

5.1 Implementation of new Network and LAN Services

The Service Provider shall provide IMAC services to all authorised users in the in-scope locations by following ITIL Service Management processes and as per guidelines and policies as defined or agreed by the Municipality. The sub-services include, but are not limited to:

- Installation, removal and disposal.
- Arrange power points.
- Install and configure network points.
- Move existing ICT equipment.
- Install, configure, de-install for on- and off-site conferences.

5.1.1 Installation, removal and disposal

The Service Provider shall be responsible for the installation of all of the Municipality's user workstations, ensuring that all installation components have been received and are available.

Installation items shall include, but are not limited to:

- Site requirements check, e.g., desk space, power, network availability, etc.
- All necessary User pre-requisites check.
- Complete installation within a single visit to the relevant location.
- Coordinated disposal for replacement if necessary.
- Performing preliminary and installation testing.
- Removal of all packaging materials.
- Feedback to the LAN services on any issues concerning capacity limits (including port, network sockets and network addresses) or associated performance issues.

All relevant Service Management activities, e.g. Change and Configuration Management (including asset management), Capacity Management, etc.

- User sign-off.

Installation items shall include but are not limited to:

- Associated peripherals as required.
- Network port activation.

- Assignment of a TCP/IP address.
- Access to all authorized applications (and data transfer if necessary).

Where specified by the Municipality, the Service Provider shall configure desktop machines with accessibility features to enable users with special needs to access their required desktop environment.

The Service Provider shall be responsible for the disposal process on request from the Municipality, via the Global Service Desk. Disposal shall comprise of, but not limited to:

- Removal of Desktop Equipment and Peripherals.
 - Network port deactivation.
 - De-assignment of IP addresses.
 - Feedback to the LAN services.
 - User sign-off.
- The Service Provider shall be responsible for checking security of installation in line with the Municipality's Security Policy and associated standards before commissioning.
- The Service Provider shall familiarize the User with new User equipment and gain their acceptance of the Installation.

5.1.2 Arrange power points

- The Service Provider shall:
 - Work in coordination with the relevant Municipality's (General Services) or other external teams to arrange the installation of any additional power points required to install new equipment.
 - Take responsibility for ensuring power points are installed in time for the equipment to be connected.

5.1.3 Install & configure network points

- The Service Provider shall:
 - Work in coordination with the relevant Municipality or other external teams to install new voice and data network points, including associated cabling and patching.
 - Configure live voice and data network points that are required to install ICT equipment, including necessary network and telephony cable patching.

5.1.4 Move existing ICT equipment

- The Service Provider shall:
 - Move ICT equipment from its current location to a new location and perform all work required to reconnect the equipment to the appropriate network.
 - Test the installation of the equipment and perform user acceptance for user equipment
 - Shall obtain a Sign-off from the User(s), once the activity is complete.

5.1.5 Install, configure, de-install for on- and off-site conferences

- The Service Provider shall perform all the above described activities including user sign off as necessary for setting up, configuring, operating and de-installing on- and off-site conferences. The equipment includes, but is not limited to:
 - Associated peripherals if requested
 - Network cabling
 - Network port activation
 - Assignment of a TCP/IP address
 - Access to all authorized applications (and data transfer if necessary).
 - Provide on-site support for the duration.

5.1.6 Maintain the Asset Management Register

- The Service Provider shall:
 - Ensure that all equipment movements are correctly reflected in the organisation's asset register.
 - Ensure that all disposals are carried out in accordance with established Municipality practices, are submitted to the Municipality Management Committee for approval prior to disposal, and that disposals are correctly reflected in the asset management register.

5.2 Implementation of new IMAC services

As new infrastructure services are introduced, the appropriate IMAC service will need to be included in the overall service offering.

6. Scope of Services – Server Management

This section describes the services that the Municipality is expecting to receive as part of the Server Room component of Managed Services. This section includes provision of support and administration services for all server room hardware, operating systems and other software products; systems monitoring and housekeeping; storage management and capacity planning; backup and recovery; business continuity and disaster recovery planning related to all servers located on the precinct. As the managed environment extend it will include new buildings and locations.

6.1 Acquisition Services

The Service Provider shall provide suitable products and OEM support and warranties as a service to the Municipality as and when required based on business requirements.

6.2 Support Services

The Service Provider shall provide support and administration services for all facilities, energy, generators, heating, cooling, cabinets, monitoring, server hardware, operating systems and other software products related to all servers in scope in Headquarters and Field Office locations, including documentation by following ITIL Service Management and processes and as per guidelines and policies as defined or agreed by the Municipality. The sub-services include, but are not limited to:

- Server and Maintenance;
- Systems monitoring;
- System hardware management and support;

- System software management and support;
- System Housekeeping Services;
- Storage Management and Capacity Planning;
- Backup and Restore Services;
- Reporting.

6.2.1 System hardware management and support

The Service Provider shall:

- Provide support and administration services for all server hardware including installation, maintenance and monitoring of the products including but not limited to:
- Patches for server hardware firmware.
- Be responsible for all upgrades to server hardware.
- Manage and liaise with third party suppliers of server hardware.
- Produce and maintain a Capacity Plan covering all systems and proactively inform the Municipality of the need for any changes.
- Perform a periodic health check on all hardware.
- Maintain a list of all users with system level privileges.

6.2.2 System software management and support

The Service Provider shall:

- Provide support and administration services for all operating systems including installation maintenance and monitoring of the products.
- Perform routine upgrades to the Operating Systems.
- Perform proactive maintenance of Server.
- Ensure that appropriate approval is obtained from the Municipality prior to application of any vendor patches and/or upgrades.
- Manage and liaise with 3rd party suppliers for provision of OS / application software.
- Deploy, configure and secure operating systems in use by the Municipality to vendor recommended best practice or other agreed standards.
- Ensure that any software security related patches for Operating Systems or ancillary software is deployed in an agreed timely manner.
- Implement monitoring of all Operating System.
- Maintain a list of all users with system level privileges.
- Ensure all application certificates are renewed and installed.

6.2.3 System Housekeeping Services

The Service Provider shall ensure that all system administration functions are periodically performed like:

- Preventative facility management.
- System / file clean-up.
- Server reboot as needed.

The Managed Service provider shall also:

- Maintain firewall rules and policies.

- Perform periodic intrusion detection testing and remediation.
- Monitor supplier websites for critical security alerts and patches.

6.2.4 Storage Management and Capacity Planning

The Service Provider shall provide managed storage area network and related storage services to include but not limited to:

- The creation and assignment of storage space to servers and services.
- Provision of storage connectivity including the installation of HBA, Switches, fibre connections.
- Replication, where necessary, of SAN storage Logical Unit Numbers to remote locations.
- Reallocation of Storage.
- Storage capacity monitoring including alerting when utilisation exceeds at prescribed levels.

6.2.5 Backup and Restore Services

- The Service Provider shall operate a data backup and recovery service for the Municipality Server Room in accordance with agreed backup and recovery policy and Performance Targets.
- Align with the Municipality Disaster Recovery and Business Continuity Policy – agree and maintain the backup policy and procedures in line with the Municipality's standards and Performance Targets.
- Back-up system per agreed Backup Schedule – once authorised by the Municipality, set up, schedule and carry out relevant back-ups of all User and system data that is held on the servers per agreed Backup Schedules with the Municipality.
- In the event of a backup failure, load and unload back-up media at the Server Room and in the backup storage devices in accordance with the backup policy and procedure, restore lost or damaged files and retain back-ups of standard PC system build data.
- Carry out replacements of backup media in line with the manufacturers' guidelines and/or diagnostic information produced because of backup and restore processes.
- Recycle media at end of agreed retention period and replace where operationally desirable (e.g. wear and tear) per policy agreed with the Municipality.
- Where possible, ensure that data restore is tested on a regular basis to verify integrity of backups and back-up media per an agreed schedule with the Municipality.

6.2.6 Reporting

- The Service Provider shall provide regular performance monitoring reports (frequency to be agreed) on server uptime, SAN usage, incidents, and other performance metrics agreed.

- Service Provider shall provide input into the Capacity Planning exercise to ensure that the Server Room is sized at the level required for the services to be provided.
- On request by the Municipality, the Service Provider shall produce ad-hoc reports related to server and Server Room service management aspects.

SERVICES PRICING SCHEDULE

| Pricing Requirements | | | | | |
|----------------------|--|------------------------------|--------|--------|--------|
| Ref | Task Description | | Year 1 | Year 2 | Year 3 |
| 1. | INFRASTRUCTURE SUPPORT AND MAINTENANCE SERVICES | | | | |
| | 1.1. | Server Room Services | | | |
| | 1.2. | Network Services | | | |
| | 1.3. | IMAC Services (fixed charge) | | | |
| | SUB-TOTAL 1 (Monthly Services) inclusive of all applicable overheads and taxes | | | | |

21. PRE-QUALIFICATION CRITERIA

Only the following tenderers are eligible to respond to this tender:

- Tenderers that is local to South Africa.
- Tenderers must be registered in Central Supplier database of National Treasury.
- Tenderers MUST NOT deviate from the scope and tenders with deviations will NOT be considered for evaluation.
- Tenders that fail to meet the pre-qualification criteria stated above is an unacceptable tenderer.

22. FUNCTIONALITY

22.1 First stage– Evaluation of Functionality

- Bids will be evaluated in terms of the evaluation criteria embodied in the bid document.
- The amendment of evaluation criteria, weights, applicable values and/or the minimum qualifying score for functionality after the closure of bids is not allowed as this may jeopardize the fairness of the process.
- A bid will be considered further if it achieves the prescribed minimum qualifying score for functionality.
- Bids that fail to achieve the minimum qualifying score for functionality will be disqualified.
- Score sheets will be prepared and provided to panel members to evaluate the bids.
- The score sheet will contain all the criteria and the weight for each criterion as well as the values to be applied for evaluation as indicated in the bid documents.
- As a pre-requisite, bids must comply with the requirements of the bid solicitation and meet the minimum threshold of the technical evaluation criteria to be declared responsive.
- of contract, design and specifications, scope of the contract, or a combination of these, before inviting new bids].

23. EVALUATION CRITERIA FOR THIS RFP.

23.1 STAGE 1

TECHNICAL: FUNCTIONALITY REVIEW

Detailed Functionality Criteria

| | Detailed Functionality Criteria | Points Allocation |
|-----|--|-------------------|
| 1 | Capacity and ability to execute and deliver on the scope of this contract The bidder is required to provide a motivation of their company's suitability with respect to its capacity/ability to execute and deliver on the project, based on the bidder's record of accomplishment, of same/similar (previous) work having been undertaken within the scope and scale of this project. Statements made in the motivation must be verifiable. | 35 |
| (a) | Bidder must attach a Letter of Completion for current or previous work on Provision of ICT Managed Services projects/contracts detailing the Value of the project, on appropriate letterhead and signed off by client, must be attached. Letter must detail the scope of work undertaken, project value undertaken, date of award and | 10 |

| | Detailed Functionality Criteria | | Points Allocation |
|-----|---|---|-------------------|
| | <p>completion, and location where work was carried out. Failure to attach the required documents shall lead to forfeiture of points.</p> <ul style="list-style-type: none"> No letter – 0 points 1 letter = 2 points 2 letters = 4 points 3 letters = 6 points 4 letters = 8 points 5 and above letters = 10 points | | |
| (b) | <p>Bidder must submit Service Provider must be an Authorized Reseller for OEM Product [certificate or letter to be supplied from OEM].</p> <p>10 points [utilising own authorised reseller certificate]</p> <p>5 points [utilising another authorised reseller certificate]</p> <p>NB: Failure to attach a copy of the certificate/required documents shall lead to forfeiture of points.</p> | | 10 |
| (c) | <p>For each of the services, the following information/ documentation must be submitted:</p> <ul style="list-style-type: none"> An Executive Summary that includes a demonstration of the capability of the vendor to provide the specific Fully Managed Service. A detailed description of the overall approach and strategy as well as the technical approach and the management approach and the rationale behind these. The detailed description should demonstrate a clear understanding of the requirements and include a description on how the service will be delivered including A project plan (i.e., implementation plan, methodology and risk mitigation strategy) for the take-over of the service at the start of the contract from the current service provider. The project plan should ensure minimal impact for the end-users and beneficiaries. A description on how the operation of the services are organized and the quality and availability of the services are guaranteed during the life of the contract, and A project plan on the handover at the end of the contract. The qualification level and experience of the personnel providing the service as well as an organizational chart The description on how the interaction with the Municipality will be organized | <p>Email and Collaboration Services: Demonstrates capacity to perform onsite Fully Managed Services for Email and Collaboration services</p> | 4 |
| | | <p>Service Desk Services: Demonstrates capacity to perform Fully Managed Services for Service Desk and Remote Management services</p> | 4 |
| | | <p>Server Room Services: Demonstrates capacity to perform Fully Managed Services for Server Room and Facility Services</p> | 4 |
| | | <p>Asset Finance services: Demonstrates capacity to perform an Integrated Asset Finance Service for administration services</p> | 4 |
| | | <p>LAN and WAN services: Demonstrates capacity to perform onsite Fully Managed Services for LAN, WAN, Wireless and connectivity services.</p> | 4 |
| | | <p>ICT Asset management: Demonstrates capacity to perform an integrated asset finance/rental and administration services for the infrastructure.</p> | 5 |
| 2 | Company Experience, Expertise & Ability | | 20 |

| | Detailed Functionality Criteria | Points Allocation |
|-----|--|-------------------|
| (b) | <p>A company profile depicting the entity's core business, goods sourced and its major suppliers, as well as previous and current major clients is required. The company profile must also contain the entity's organisational structure, a staff organogram, as well as a project resources plan for this project detailing key staff, their experience and achievements. NOTE: Proposed project resource schedule (please identify each resource, and specify role in the project). Failure to provide full details shall lead to forfeiture of points</p> <ul style="list-style-type: none"> Company profile including project organogram listing all resources allocated to the project Roles and responsibilities including the basis of engagement (e.g. If sub-contracted/ full/ part time) Proposals should make clear the relevant skills, experience, in respect of this particular RFP and propose the Resource Team to work on this project with brief CV's and ID copies must be submitted. Thus, a maximum of five points per resource, for up to a maximum of 5 resources). Total points 20. <p>Cyber Security Specialist (5 points): Cyber Security with a BSc Degree /B-Tech Diploma in Information technology and professional qualifications such as CISSP and CISA.</p> <ul style="list-style-type: none"> Less than 3 years – 0 points 3 years' experience – 1 points 4 years' experience – 3 points 5 years or more experience – 5 points <p>Senior Infrastructure/Network Specialist: (5 points): IT related BSc Degree in Computer Science / Diploma. CCNA/CCNP/JNCA/NSE equivalent in FortiGate /Cisco and vendor specific certification. Previous Experience working VOIP and Network Field.</p> <ul style="list-style-type: none"> Less than 3 years – 0 points 3 years' experience – 1 points 4 years' experience – 3 points 5 years or more experience – 5 points <p>Project Manager (5 points): Minimum of 3 years in Project Management & ICT governance with a Bachelor's Degree / Diploma in Information Technology and professional qualifications such as Prince 2 Practitioner</p> <ul style="list-style-type: none"> Less than 3 years – 0 points 3 years' experience – 1 points 4 years' experience – 3 points 5 years or more experience – 5 points <p>Desktop Support Engineer / Technician (5 points): Minimum of 3 years' in IT Network, Desktop support and cabling with a Degree / Diploma in Information Technology and professional qualifications such as MCSE & ITIL, N+, A+ Certifications.</p> <ul style="list-style-type: none"> Less than 3 years – 0 points 3 years' experience – 1 points 4 years' experience – 3 points 5 years or more experience – 5 points | 20 |
| 5 | ICT Hosting and Service Plan | 15 |

| | | |
|-----|---|--------------------------|
| (a) | <p>The bidder must clearly define service plan outlining the implementation of ICT hosting and support for the Municipality over a three (3) year period.</p> <p>The bidder must clearly indicate their Cloud strategy where preference will be given to local cloud hosted infrastructure.</p> <p>Bidder must show they have presence at local data centre within North West.</p> | 15 |
| 6 | Escalation Process | 5 |
| (a) | <p>Provide details of the escalation processes that should be followed to deal with:</p> <ul style="list-style-type: none"> Operational aspects of the services provided under this contract; Strategic and tactical aspects that will need to be addressed by senior management on both sides. | 5 |
| | Detailed Functionality Criteria | Points Allocation |
| | <ul style="list-style-type: none"> Process is inadequate or no information provided (0 points) Plan is poor or poorly demonstrated – generic overall (2 points) Plan is adequate, and is specifically prepared for the Municipality, specific solution (5 points) | |
| 7 | Change Management Process | 15 |
| (a) | <p>Bidders to provide an example of Change Management Process used at any of their site. Failure to attach copy of change management process, bidders will forfeit points in this category</p> <ul style="list-style-type: none"> Process is inadequate or no information provided (0 points) Plan is poor or poorly demonstrated – generic overall (5 points) Plan is adequate, and is specifically prepared for a site. (15 points) | 15 |

Bidders must score a minimum of 70 points on functionality. Bidders who score less than 70 points for functionality shall be disqualified and shall not be subjected to further evaluation. Bidders who failed to submit appropriate reference letters or other evidence required for this tender will not be scored for functionality criteria, where applicable.

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.

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General Conditions of Contract

1. Definitions

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

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| | may be due to him |
| 25. Force Majeure | <p>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.</p> <p>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.</p> |
| 26. Termination for insolvency | <p>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.</p> |
| 27. Settlement of Disputes | <p>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.</p> <p>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.</p> <p>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.</p> <p>27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.</p> <p>27.5 Notwithstanding any reference to mediation and/or court proceedings herein,</p> <p>(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and</p> <p>(b) the purchaser shall pay the supplier any monies due the supplier.</p> |
| 28. Limitation of liability | <p>28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;</p> <p>(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</p> |

- (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.

29.1 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.

29. Governing language

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 (NIP) Programme

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

34 Prohibition of Restrictive practices

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by 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.