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MPUMALANGA PROVINCIAL GOVERNMENT



**DEPARTMENT OF AGRICULTURE, RURAL
DEVELOPMENT, LAND AND ENVIRONMENTAL
AFFAIRS**

BID NUMBER: ALA/565/23/MP

**LEASE OFFICE ACCOMMODATION FOR
DEPARTMENT OF AGRICULTURAL, RURAL
DEVELOPMENT, LAND AND ENVIRONMENTAL
AFFAIRS (DARDLEA), MBOMBELA FOR A
PERIOD OF TEN (10) YEARS**

ISSUED BY:

Department of Agriculture, Rural Development, Land and Environmental Affairs
Private Bag X11219
Mbombela
1200

NAME OF BIDDER:

TOTAL BID PRICE (all inclusive) :

(Also in words):

.....

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND & ENVIRONMENTAL AFFAIRS					
BID NUMBER:	ALA/565/23/MP	CLOSING DATE:	10 MARCH 2023	CLOSING TIME:	12h00
DESCRIPTION	LEASE OFFICE ACCOMMODATION FOR DEPARTMENT OF AGRICULTURAL, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA), MBOMBELA FOR A PERIOD OF TEN (10) YEARS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
MBOMBELA, Riverside Government Complex, Building No 9, Government Boulevard, Mbombela, 1200, PIET RETIEF, No. 11 Measroch Street, Piet Retief Office, KWAMHLANGA, KwaMhlanga Government Complex, Department of Finance, Building No. 12, Computer Centre EVANDER, 10 Cornell Road (previously occupied by Evander Home Affairs Offices), Evander, 2280, BUSHBUCKRIDGE, Bushbuckridge Advice Centre, Department of Finance, Protea building (old Telkom building), MIDDELBURG, Department of Public Works, Cnr. Lillian Ngoyi and Dr Beyers Naudé Streets – Old TPA Building, Upper ground floor, Office numbers A20, 21 and 25, MALELANE, 24 Air Street, Malelane, ELUKWATINI, Elukwatini Sub Regional offices, Office numbers A49 and A50 (opposite Elukwatini Community Hall) Stand number 12 Extension A, Elukwatini.					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr. SG Mavuso		CONTACT PERSON	Ms. Z Masia	
TELEPHONE NUMBER	013 749 4000		TELEPHONE NUMBER	013 766 6323	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	mavusosg@mpg.gov.za		E-MAIL ADDRESS	zmasia@mpg.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED—(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

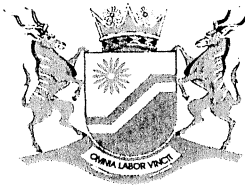
NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

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

DATE:

MPUMALANGA PROVINCIAL GOVERNMENT



**DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL
AFFAIRS**

BID DOCUMENT

**LEASE OFFICE ACCOMMODATION FOR DEPARTMENT OF AGRICULTURE, RURAL
DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA), MBOMBELA
FOR A PERIOD OF TEN (10) YEARS**

BID NUMBER: AS PER BID BULLETIN



NAME OF BIDDER: _____

BID AMOUNT: _____

COMPLETION PERIOD: _____

TEL NUMBER: _____

FAX NUMBER: _____

PREPARED FOR:	PREPARED BY:
 HEAD OF DEPARTMENT MPUMALANGA DEPT. OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS PRIVATE BAG X11219 NELSPRUIT 1200	 ASSET MANAGEMENT AND FACILITIES MPUMALANGA DEPT. OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS PRIVATE BAG X11219 NELSPRUIT 1200

**CLOSING DATE: AS PER BID BULLETIN 2023 at 12:00
THIS BID IS VALID FOR 90 DAYS**

LEASE OF OFFICE ACCOMMODATION FOR THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT,
LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA), MBOMBELA FOR A PERIOD OF TEN (10) YEARS.

**LEASE OFFICE ACCOMMODATION FOR DEPARTMENT OF AGRICULTURE, RURAL
DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA), MBOMBELA FOR
A PERIOD OF TEN (10) YEARS**

DETAILS of BIDDER

NAME OF BIDDER

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

PHYSICAL ADDRESS

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

POSTAL ADDRESS

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

CONTACT PERSON (NAME)

.....

(SURNAME)

.....

(PHONE No)

.....

(CELL No)

.....

(FAX No)

.....

(E-MAIL)

.....

LEASE OF OFFICE ACCOMMODATION FOR THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA), MBOMBELA FOR A PERIOD OF TEN (10) YEARS.



**MPUMALANGA PROVINCIAL GOVERNMENT
DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL
AFFAIRS**

BID NO: AS PER BID BULLETIN

The Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs invites bids for the **LEASE OF OFFICE ACCOMMODATION FOR THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA), MBOMBELA, FOR A PERIOD OF TEN (10) YEARS**

BID documents will be obtainable from the following supply chain management offices **Mbombela Riverside Government Complex, Malelane 24 Air Street, Siyabuswa Old Parliament Building, Middleburg Department of Public Works, KwaMhlanga Government Complex Department of Finance, Piet Retief no. 11 Mearsorch Street, Evander 10 Cornell Road, Elukwatini Sub-Regional Offices and Bushbuckridge Advice Centre, Department of Finance**, on payment of a non-refundable levy of **R200.00** or can be downloaded at <http://www.etenders.gov.za/content/advertised-tenders>. Only bank guaranteed cheques or cash will be accepted and document can be collected between 7:45 and 16:00 Cheques shall be made payable to Mpumalanga Provincial Government.

The closing date for receipt of bids is: **AS PER BID BULLETIN 2023 at 12h00**

Duly completed BIDs enclosed in a sealed envelope marked **“LEASE OF OFFICE ACCOMMODATION FOR THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA), MBOMBELA, FOR A PERIOD OF TEN (10) YEARS”** with the name of the Bidder, shall be deposited in the clearly marked BID boxes provided **at the following** Supply Chain Offices: Mbombela, Malelane, Bushbuckridge, KwaMhlanga, Middleburg, Piet Retief and Evander. **The BIDs will be opened in public.**

A Compulsory Briefing will be conducted on **as per bid bulletin 2023** and prospective service providers are requested to meet the Employer / Representative as stipulated on the Bid Bulletin at **01 Aqua Street, Cycad Building (Building 4), Agricultural Offices, 3rd Floor Main Boardroom (opposite Audi Nelspruit, across the street from The Grove shopping centre) (GPS Coordinates: 25°26'21.07"S, 30°57'43.96"E)**. Bidders are advised to acquaint themselves with the directions to site at least 24hrs before the briefing session.

Telegraphic, telephonic, telex, facsimile, e-mail and late bids **WILL NOT** be accepted.

Bidders should ensure that bids are delivered on time to the correct address. If the bid is late, it will not be accepted for consideration. All documentation submitted in response to this bid must be in English, unless otherwise indicated under technical specification.

NB: COMPULSORY BRIEFING SESSION will be held as follows:

Date and Time	Venue	Location
As per Bid Bulletin	Cycad Building, Riverside Park, Ehlanzeni Office	Mbombela

1. BACKGROUND

The Department of Agriculture Rural Development, Land and Environmental Affairs based in Mpumalanga Province has nine programmes through which it executes its core mandate in delivering key service delivery objectives to ensure agricultural development and support. In order to succeed therefore, sufficient resources are required in a form of human capital, adequate funding and assets.

Accordingly, office space is one of the key assets in which, other important resources of the department are accommodated in creating a conducive environment in pursuit of reaching targets linked to crucial service delivery objectives.

It is against the above background that prospective bidders are invited to provide Lease Office Accommodation required by DARDLEA for a period of ten (10) years.

2. PURPOSE

The purpose is to appoint a suitable service provider to provide Lease Office Accommodation for DARDLEA at Mbombela for a period of ten (10) years.

3. SCOPE OF WORK

DARDLEA is seeking information relating to office accommodation solutions from prospective bidders to offer **3284** square meters and **142** parking bays of a lettable area at Mbombela.

3.1 DETAILED SCOPE OF WORK

3.1.1 Respondents are required to provide DARDLEA with office space for individual offices, open plan, and communal spaces as per 3.4.1 and 3.4.2 table below.

3.1.2 the land and building must be easily accessible to/from road transport, public transport, etc.

3.1.3 The land and building must be in a safe and secure environment that does not present a security risk to DARDLEA staff members who work after hours.

3.2 Legislative building requirements

The land and building “must” comply with all the applicable laws and by-laws and at least the following specifications, laws, or local authority requirements:

3.2.1 The building must comply with the Occupational Health and Safety Act 85 of 1993 as amended.

3.2.2 The National Building Regulations and Building Standards Act 103 of 1977 as amended.

3.2.3 The Municipal by-laws and any special requirements of the local authority.

LEASE OF OFFICE ACCOMMODATION FOR THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA), MBOMBELA FOR A PERIOD OF TEN (10) YEARS.

3.2.4 Department of labour and the local fire regulations and requirements.

3.2.5 The building must have a standby generator.

SIZE OF THE BUILDING	SIZE OF THE GENERATOR
201-1000m ²	50KVA
1001-2000m ²	100KVA
2001-3000m ²	150KVA
3001-4000m ²	200KVA
4001-5000m ²	250KVA

3.2.6 Electrical Certificate of Compliance (CoC).

3.2.7 Valid Certificate of Occupation.

3.2.8 Valid Fire Clearance Certificate.

3.2.9 Certified and approved plans by the municipal building controller clearly indicating the following:

- All floor partitioning
- Layout plan of ablutions
- Layout plan showing parking

In the event that documents listed in points 3.2.6 to 3.2.9 cannot be submitted by the property owner/ agent, there must be an exemption letter from the department of labour or municipality.

3.3 **Note:** copies of certificates proving compliance with the aforementioned regulations must be provided as part of the bidders' proposal.

3.4 Respondents must provide information and costing against the detailed specification below and consider the required information on the table.

Building/Structure Specifications

The required building is required to occupy all head office staff members at full capacity. The office space must accommodate the following offices and facilities:

3.4.1 Individual Offices

Positions	Number of employees to accommodate	Square Meter	Total Square Meter Required
Chief Director	4	28	112
Director	10	24	240
Deputy Director	20	20	400
Assistant Director	30	16	480
Secretaries	14	16	224
Senior Admin Officer [Open Plan]	08	12	96
Admin Officer [Open Plan]	40	12	480
SUB-TOTAL	126	128	2032

3.4.2 Communal Spaces

Facility	Number	Size (m ²)	Total (m ²)
Boardroom	2	80	160
Boardroom	2	40	80
Storeroom	10	30	300
Registry Room	01	150	150
Strong room type 1 with lockable filling shelves/cabinet	02	60	120
Strong room type 2	03	20	60
Server room	01	12	12
Photocopier room	10	06	60
Kitchen with Hydro boiler, plugs for fridge and microwave	05	06	30
Cleaners room	05	08	40
Cafeteria area (Kitchen) to cater for 10	05	12	60
Ablution Male [Tiled]	05	10	50
Ablution Female [Tiled]	05	10	50
Ablution, People with disability	04	10	40
Reception(Air-conditioned)	01	08	08
Waiting Area	01	16	16
Showers	02	08	16
SUB-TOTAL	64		1252
TOTAL OFFICES AND COMMUNAL			3284
Lock up garages	120	12	1440
Covered parking bays	20	12	240
Wash Bay	01	12	12
Mini Bus Parking Bay	01	20	20
TOTAL PARKING BAYS	142		1712

3.5 Proposed Property Information Required

3.5.1 Property street address

3.5.2 Telephone, fax numbers or email address

4 DELIVERABLES

Specifications	Requirements
Facility description	A building should meet all relevant Occupational Health & Safety and Building regulatory (Air Conditioning) requirements, including facilities for people with disabilities.

LEASE OF OFFICE ACCOMMODATION FOR THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA), MBOMBELA FOR A PERIOD OF TEN (10) YEARS.

	Must be clean and ready for occupancy; permission to be granted to customize according to DARDLEA specifications
Facility occupancy timeline	The building must be ready for occupancy by 01 May 2023.
Accessibility	The premises must be easily accessible and be close to amenities, public transport or along a public transport route
Disability user friendly	The premises must be able to cater for people with disabilities.
Ablution facility	<p>Ablution for men, urinals and hand wash basins to accommodate 5 people (minimum 2x ablution, 3x urinals and 2x hand wash basins)</p> <p>Ablution for women and hand wash basins to accommodate 5 people (minimum 4x ablution and 2x hand wash basins)</p> <p>Ablution for a person with disabilities with wash basins to accommodate 1 person (minimum 1x ablution and 1x hand wash basins)</p>
Parking space	121 parking with biometric access control
Responsibilities of lessor	<p>The bidder must provide a proof of the maintenance contract regarding his responsibility in terms of the lease agreement after the tender has been awarded.</p> <p>The bidder will be responsible for the below at his own cost:</p> <p>Maintenance: Internal and External Maintenance</p> <ol style="list-style-type: none"> Gardening (if applicable) If the office space has any carpet space coverage, it must be deep cleaned twice a year. Air conditioning Lifts Floor covering: Normal wear and Tear Fire equipment systems and standby generator. Security services for all communal areas Ensuring that all COVID 19 protocols are adhered to at main entrances or communal areas Municipal rates and taxes and its increases. Insurance of the building. Cylinder locks on all doors.
Installation requirements	<p>The area listed below shall be installed with the following:</p> <ol style="list-style-type: none"> Motor Server room with fully functional Air Conditioning system, Tested and Safe Electrical conduits and quality electrical wiring, read plugs and fire suppression in records management. Reception area (Air Conditioned) The boardrooms must be fitted with wireless access points and one wireless access point per floor.

LEASE OF OFFICE ACCOMMODATION FOR THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA), MBOMBELA FOR A PERIOD OF TEN (10) YEARS.

	iv. Each toilet must have hygiene products or sanitary equipment (hand dryer, She-bin, no touch paper towel holder, hand soap dispenser, toilet roll locker, wall mounted air freshener spray)
Pricing schedule	Provide a quotation indicating ten (10) years lease agreement with the market-related price escalations. The required/attached pricing schedule must be completed in full. The pricing indicated on the pricing schedule must be inclusive of VAT. Bidder provide year-on-year pricing including annual escalation with a clear percentage and value of partitioning (according to the institution's specifications), any all-applicable deposits including a percentage interest against the said deposit. The total contract prices will be used for comparative price analysis as a total cost of ownership imperative.

5 SPECIAL CONDITION OF CONTRACT

- The successful bidder shall at its own cost maintain public liability insurance for its own personnel against accidents, injury, or death etc.
- Should DARDLEA intend to renew or terminate the contract, a three (03) month written notice will be given to the service provider.
- The DARDLEA must be able to occupy the offices two weeks before the actual date of occupation without incurring additional costs from the service provider.
- Green building certification will be an added advantage.
- It is the responsibility of the service provider to provide facility manager and facility maintenance at their own cost.

6 RETURNABLE DOCUMENTS

Bidders are required to submit the following documents with their Bids. Failure to submit will lead to disqualification of the Bid:

- All SBD forms should be fully, and correctly completed and signed.
- Attendance of compulsory briefing session and signing of attendance register.
- The Bill of Quantities (BoQ) must be fully completed and signed by the bidder.
- Signed Joint Venture Agreement and Power of Attorney in case of Joint Ventures;
- Company Profile, including previous contract work done and contactable references per contract.
- Electrical Certificate of Compliance (CoC).
- Valid Certificate of Occupation
- Valid Fire Clearance Certificate
- Certified and approved plans by the municipal building controller clearly indicating the following:
 - All floor partitioning
 - Lay out plan of ablutions

- Lay out plan showing parking

The bidder is required to submit with his/her bid the following documents;

- Evidence to claim preferential points.
- In case of a Joint Venture, the average score of the joint venture companies will be regarded as the score for a specific goal

All bidders must be registered with the Central Supplier Database (CSD) failure to do so will be disqualified.

NB: It is the responsibility of the bidder to ensure that the following key information is in order to avoid any disqualification during the bid evaluations:

- Tax compliance status
- The Business registration status
- Bid restrictions and defaulters status
- Bank Account information
- Identification number and the service of the state status

7 COMPLETION PERIOD

The successful Bidder(s) will be expected to offer the services as and when required for a period of 120 months (10 years).

8 MONITORING

Bidders are to note that the Department will monitor and evaluate the offices through its Asset Management and Facilities. All payment claims are to be certified by the delegated official, before payment can be effected.

9 TAXES

Value Added Tax at 15% must be included in the agency fees. If a bidder is not registered with SARS for VAT purposes and is awarded a bid that is above the threshold required for registration, proof for VAT registration application must be submitted within 14 days of the signing of the contract with the Department. **Failure to submit the above-stated shall result in the VAT not been paid to the Bidder.**

10 RIGHT OF DARDLEA TO INVESTIGATE AND SEEK CLARIFICATION

The Department may, in its sole discretion, seek clarification, during the process. In the process of clarification, no change in the substance of the Technical Section or in the Financial Section shall be sought, offered or permitted.

The Department shall, seek all clarifications in writing and the Bidders responses shall also be in writing.

Without limiting the information above, the Department may, in its sole discretion;

- Investigate evidence of the ability and experience of a Bidder under consideration, including joint venture partners, proposed sub-contractors, and parties otherwise related to the Bidder or the Bidder's Proposal; and
- Require or seek out confirmation from other parties of information furnished by a Bidder.

11 PRICES AND TERMS OF CONTRACT

- The DARDLEA does not bind itself to accept the lowest or any bid submitted, nor shall it be responsible for or pay any expenses or losses which may be incurred by the bidder in the preparation and delivery of his bid submission.
- The DARDLEA also reserves the right to withdraw or cancel the bid at any stage.
- DARDLEA reserves the right to:
 - Not evaluate and award a bid that does not comply strictly with this bid document.
 - Make a selection solely on the information received in the bid document and enter into negotiations with any one or more of the preferred bidder(s) based on the criteria specified in the terms of reference.
 - Contact any bidder during the evaluation process, in order to clarify any information,
 - without informing any other bidders. During the evaluation process, no change in the content of the bid shall be sought, offered or permitted.
 - Call for best and final offers from short-listed bidders before final selection.
 - Negotiate the price with the preferred bidder.
 - Cancel the lease agreement in six months.

- Should bidder(s) be selected for further negotiations, they will be chosen on the basis of cost-effectiveness and the principle of value for money not necessarily on the basis of the lowest costs.

12 SIGNATURE OF AUTHORITY.

Only persons duly authorized by a company shall sign the documents that are to be submitted to the Department. A letter of authorization must accompany bid documents. In terms of joint ventures, a document of establishment of the venture must accompany bid documents. Representatives of all the parties in the joint venture shall sign the establishment document.

13 ACCEPTANCE AND REJECTION

The Department may reject any bid document if it deviates from the set criteria and reserves the right to accept or reject any bid if it does not meet the necessary requirements. The acceptance of any proposal is only valid upon the conclusion of a written Service Level Agreement (SLA) between the DARDLEA and the successful Service Provider, in terms of which the rights and duties of the parties are recorded, which agreement shall regulate the relationship between the DARDLEA and the successful Service provider.

Until such time that an appropriate SLA has been concluded between the DARDLEA and the successful Service Provider, no rights shall be conferred, nor shall any legitimate expectations be conferred to the successful service provider to carry out the works or services provided for in this document.

This document is not to be edited or altered as it forms part of the contract. Any contract amendments are to be raised with the DARDLEA for legal consideration.

14 TIME SCHEDULE

All bids will be valid for **90 days** after closing date as per the bid bulletin. In cases where the bidder fails to sign the contract of agreement or produce the required security within the required time, be unable to undertake work given or withdraw during the appointment period,

The bidder shall repay the full expenses of re-advertising and preparing of new bids. This shall not apply if the Department accepts another bidder from the list.

15 NOTICE TO THE BIDDER

Due diligence to be conducted by DARDLEA prior to the award of the contract.

16 JURISDICTION

The applicable legislation of the Republic of South Africa shall apply to each contract on its acceptance as *domicilium citandi et executandi*, where any legal process may be resumed on the contractor.

Each bidder binds itself to the jurisdiction and the stipulated laws of the Republic of South Africa.

17 PAYMENTS

Payments shall be as stipulated in the Service Level Agreement entered into between the department and the successful bidder.

18 MEDIATION AND ARBITRATION

Mediation and Arbitration proceedings shall be in terms of rules laid by the Law Society of South Africa.

19 EVALUATION CRITERIA

Phase I: Initial screening process

Bidders are required to submit the following documents with their Bids. Failure to submit will lead to disqualification of the Bid:

- All SBD forms should be fully, and correctly completed and signed.
- Attendance of compulsory briefing session and signing of attendance register.
- The Bill of Quantities (BoQ) must be fully completed and signed by the bidder.
- Signed Joint Venture Agreement and Power of Attorney in case of Joint Ventures;
- Company Profile, including previous contract work done and contactable references per contract.
- Electrical Certificate of Compliance (CoC).
- Valid Certificate of Occupation
- Valid Fire Clearance Certificate
- Certified and approved plans by the municipal building controller clearly indicating the following:
 - All floor partitioning
 - Lay out plan of ablutions
 - Lay out plan showing parking

Should a bidder not comply with any one of these criteria points, the bidder shall be disqualified. No exceptions shall be allowed.

Phase II: Functionality evaluation as per the Terms of Reference/ Scope

- a) Bids will be evaluated strictly according to the bid evaluation criteria stipulated in the terms of reference

- b) Bidders must as part of their bid documents, submit supportive documentation for all technical requirements as indicated hereunder. The panel responsible for scoring for the respective bids will evaluate and score all bids based on their submissions and the information provided.
- c) Bidders will not rate themselves, but need to ensure that all information is supplied as required. The Bid Evaluation committee (BEC) will evaluate and score all responsive bids and will verify all documents submitted by the bidders.
- d) The panel members will individually evaluate the responses received against the following criteria as set out below:

20 FUNCTIONALITY, PRICE AND PREFERENCE

This Bid is estimated to exceed R50 000 000.00, therefore the 90/10 system will be used. Financial offer (90) and Preferences (10) will be used for the evaluation. Bidders will submit **one** envelope.

The procedure for evaluation of responsive Bid Offers will be Method 4: Financial Offer, Quality (Functionality) and Preferences. The Bids will first be evaluated on quality. Only bids higher than the minimum quality score will be evaluated. The responsive Bid with the highest combined total points for Financial Offer and Preferences is the preferred Bidder

PREQUALIFICATION EVALUATION – FUNCTIONALITY

All bidders will be subjected to a prequalification evaluation on Functionality.

The bids will be evaluated as follows:

A. MANDATORY REQUIREMENTS		
Evaluation criteria	Deliverables	Points
A1. LOCATION of building The building should preferably be located within a business district, within a 10km radius from the Regional Government Complex (Government Boulevard, Riverside Park, Extension 2, Mbombela) and public transport route respectively.	A letter from the Local Municipality confirming requirement. Key: <i>5 = within 10km from Regional Government Complex and within 6km of a business district</i> <i>4 = within 10km from the Regional Government Complex outside a business district</i> <i>3 = outside the radius of 10km outside the Regional Government Complex in a business district</i> <i>2 = over 10km from the Regional Government Complex and outside business district</i> <i>1 = letter not attached</i>	15
A2. EXTENT of space offered Provisions of 3 284 square metres (assignable) and area offered (non-assignable 20% maximum)	A layout plan must be developed and signed off by a qualified professional architect based on the needs of the Department and the specification of minimal requirements. The plan should be in colour and distinguish between assignable and non-assignable areas. A clear tabulation of assignable and non-assignable square areas (in m ²) to be included on the plans. The plan must include precise deadlines that can be measured for any necessary refurbishments. Key: <i>5 = bidder meets requirements and has attached a layout plan with all the necessities</i> <i>4 = attached layout plan prepared and signed off by a professional architect that distinguishes between assignable and non-assignable areas and without a clear tabulation of square areas</i> <i>3 = attached layout plan prepared and signed off by a professional architect without distinguishing between</i>	10

LEASE OF OFFICE ACCOMMODATION FOR THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA), MBOMBELA FOR A PERIOD OF TEN (10) YEARS.

A. MANDATORY REQUIREMENTS		
Evaluation criteria	Deliverables	Points
	<p><i>assignable and non-assignable areas and without a clear tabulation of square areas</i></p> <p><i>2 = layout plan attached, but not signed off by professional architect</i></p> <p><i>1 = bidder does not meet the requirements or no layout plan attached</i></p>	
<p>A3. PARKING</p> <p>Provision of adequate safe secure on-site parking as per requirements (Total: 142 bays).</p> <p>Indicate number of bays and categories</p> <p>1.1. Lock-up garages</p> <p>1.2. Secure on-site undercover parking bays</p> <p>1.3. Secure on-site open bays</p> <p>1.4. 2 Secure disabled on-site parking bays (closest to entrance)</p> <p>If offered premises cannot provide for all onsite parking, a plan must be submitted with the bid indicating provision of remaining parking (remaining parking should make up no more than 20% of the total required parking and should not be more than 100 metres from the offered premises). Proof of lease/ownership of such property to be furnished.</p>	<p>Attach drawings for proposed parking layout and site plan to confirm number of bays prepared and signed off by registered Professional Architect. Layout to clearly show parking bays, circulation, ingress and egress and access control</p> <p>Key:</p> <p><i>5 = All bays on site as specified</i></p> <p><i>4 = Parking onsite and offsite</i></p> <p><i>3 = Parking offsite</i></p> <p><i>2 = parking not meeting any of the above requirements</i></p> <p><i>1 = no parking and no drawings/layout attached</i></p>	10
<p>A4. LAYOUT of the building</p> <p>Building is available for total occupancy or partial occupancy.</p> <p>If the building is shared then the space offered must be dedicated space on contiguous floors either from highest level coming down or lowest level going up (no points will be allocated for space offered between floors and between floors and</p>	<p>Draft layout plan based on the Department's needs and specification of minimum requirements must be prepared and signed off by registered professional architect and attached to this bid.</p> <p>Submit a list of all tenants with bid</p> <p>Key:</p> <p><i>5 = attached draft layout plan for total occupancy meeting all other criteria</i></p>	10

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A. MANDATORY REQUIREMENTS		
Evaluation criteria	Deliverables	Points
<p>between other tenants) except for common areas like foyer, etc.</p> <p>If the building is shared, then it may be shared only with other corporate/government tenants and it must have its own separate entrance.</p>	<p>4 = attached draft layout plan prepared and signed off by a professional architect for partial occupancy with list of tenants</p> <p>3 = attached draft layout plan prepared and signed off by a professional architect for partial occupancy without list of tenants</p> <p>2 = attached draft layout plan not prepared and signed off by a professional architect</p> <p>1 = draft layout plan not attached</p>	
<p>A5. DISABILITY COMPLIANCE of building walking surfaces, doors & doorways, ramps, kerb ramps, stair ways, handrails, elevator; parking and toilets i.e. building above one floor must have provision for full wheelchair access.</p>	<p>Letter from professional architect together with relevant drawings/plans indicating unrestricted accessibility for persons with disabilities throughout the building, provision of toilets, ramps and lifts for persons with disabilities.</p> <p>Key:</p> <p>5 = attached letter from professional architect meeting all other criteria</p> <p>3 = attached letter from professional architect without relevant drawings/plans</p> <p>1 = letter from professional architect not attached or building is not disability compliant</p>	10
<p>A6. ZONING of premises</p> <p>Buildings must be zoned either Commercial; Office or Public Buildings</p> <p>If building needs to be re- zoned to meet the above criteria, the bidder must comply with a re-zoning application</p>	<p>Town planning Zoning Certificate from the Local Municipality confirming the zoning without any onerous conditions</p> <p>Re-zoning application must be attached to the bid (where applicable)</p> <p>Key:</p> <p>5 = If property is zoned either commercial, office or public building</p> <p>3 = If property needs to be rezoned and bidder has provided proof</p>	10

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A. MANDATORY REQUIREMENTS		
Evaluation criteria	Deliverables	Points
	1 = If property is not for commercial use and no rezoning planned or if there is no attachment	

B. TECHNICAL & ENVIRONMENTAL COMPLIANCE		
Evaluation criteria	Deliverables	Points
B1. Rational assessments of the stipulated professions in relation to the building offered "as is"; these should not be older than 12 months	<ol style="list-style-type: none"> 1. electrical engineers report; 2. mechanical engineer's report; 3. architectural report; 4. structural engineer's report (to cover both building structure and parking); 5. fire consultant's report cover an evacuation plan and demarcated assembly points); 6. Plumbing report; and 7. Occupation certificate <p>COMPLAINEE LETTERS / CERTIFICATES MUST ACCOMPANY EACH OF THE ABOVE REPORTS.</p> <p>Key: 5 = all required reports and compliance letters/certificates are attached</p> <p>1 = none of the required reports and compliance letters/certificates attached or if</p>	15
B2. GREEN BUILDING ELEMENTS. The building should demonstrate effective and efficient utilization of natural resources and environmentally friendly measure which incorporates operational practices that significantly reduce or eliminate negative impact on the environment and its occupants.	Bidder to submit a full proposal outlining sustainable measures in respect of; <ol style="list-style-type: none"> 1. Rainwater harvesting; 2. Reduction of electricity consumption; 3. Waste reduction; 4. Use of natural lighting; and 5. Provision of back-up power <p>Key: 5 = bidder submitted proposal outlining all stipulated sustainable measures</p>	5

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B. TECHNICAL & ENVIRONMENTAL COMPLIANCE		
Evaluation criteria	Deliverables	Points
	<p>4 = bidder submitted proposal with measures for reduction of electricity consumption, use of natural lighting, rainwater harvesting and provision of back-up power</p> <p>3 = bidder submitted proposal with measures for reduction of electricity consumption, use of natural lighting and provision of back-up power</p> <p>2 = bidder submitted proposal with measures for provision of back-up power</p> <p>1 = If bidder cannot put a plan in place</p>	
B3. Compliance with OCCUPATIONAL HEALTH AND SAFETY	<p>Fire safety certificate, fire equipment service records and fire plan depicting evacuation routes and demarcated assembly points with areas of refuge.</p> <p>Key: 5 = bidder attached fire safety plan complaint with all requirements</p> <p>4 = bidder attached fire safety certificate with no fire equipment service records</p> <p>3 = bidder attached fire safety certificate with no fire equipment service records and no fire plan</p> <p>2 = bidder attached documents that are not related to the property offered</p> <p>1 = no fire safety compliance or no attachment</p>	10
B4. GRADING OF BUILDING A- Grade building B- Grade building	<p>Letter, not older than 12 months, issued by Municipality confirming the grading as defined by SAPOA.</p> <p>Key: 5 = bidder attached a letter not older than 12 months and A grading</p> <p>4 = bidder attached a letter not older than 12 months with in B grading</p> <p>3 = bidder attached a letter that is older than 12 months</p> <p>2 = bidder attached letter that is not related to the property offered</p>	5

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B. TECHNICAL & ENVIRONMENTAL COMPLIANCE		
Evaluation criteria	Deliverables	Points
	1 = no letter attached	
TOTAL		100

In order to be considered for further evaluation on Price and Preference, bidders should obtain a minimum of 70 points for Functionality.

- e) Each panel member will rate each individual criterion on the score sheet using the following scale:
1 - Poor, 2 - Average, 3 - Good, 4 - Very Good, 5 - Excellent
- f) Individual value scores will be multiplied with the specified weighting for the criterion to obtain the marks scored for all elements. These marks will be added and expressed as a fraction of the best possible score for all criteria. This score will be converted to a percentage and only bidders that have met or exceeded the minimum threshold of 70% for functionality will be evaluated and scored in terms of pricing and socio-economic goals as indicated hereunder.
- g) The value scored for each criterion will be multiplied with the specified with weighting for the relevant criterion to obtain the marks scored for each criterion. These marks will be added and expressed as a fraction of the best possible score for all criteria.
- h) This score will be converted to a percentage and only bidders that have met or exceeded the minimum threshold of 70 percent for functionality will be evaluated and scored in terms of pricing and socio economic goals as indicated hereunder.
- i) Any proposal not meeting a minimum score of 70 percent functionality proposal will be disqualified.
- j) The price will not be evaluated as this stage

Phase II: Price / Financial stage

- a) Price / Financial proposal must be submitted in South African Rand.
- b) The following formula will be used to calculate the points for price in respect of this bid:

$$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid

- c) The responsive bids will be adjudicated by the State on the 90/10-preference point system based on price points and preference point:
 - The bid price (maximum 90 points)
 - Specific goals (maximum 10 points)
- d) The department reserves the right to arrange contracts with more than one contractor.
- e) The Preferential Procurement Policy Framework Act 2000 (PPPFA) Preferential Procurement Regulations 2022, Regulations were gazetted on 4 November 2022 (No. 47552) Vol.689 and effective from 16 January 2023. These bid will be evaluated as per above mentioned regulations. Bidders are required to submit evidence by which preference points can be claimed based on the specific goals determined by the Department. In case of a Joint Venture, the average score of the joint companies will be considered for determining preference point score. Sub-contracting will only be allowed for up to 25% of the value of the contract to a company that possess the same or a higher preference point score in terms of specific goals.
- f) A maximum of 10 points may be awarded to a bidder for full complying with specific goals requirements stipulated in the table below. For this bid the maximum number preference points that could be allocated to a bidder are indicated below:

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Specific Goal	Maximum Preference Points Allocated	Minimum Proof required for claiming preference points
An Enterprise owned by at least 51% black people	2	CIPC enterprise registration certificate and certified ID copies of company owners
An Enterprise owned by at least 51% black people who are youth (35 years or younger)	2	CIPC enterprise registration certificate and certified ID copies of company owners
An Enterprise owned by at least 51% black people who are women	2	CIPC enterprise registration certificate and certified ID copies of company owners
An Enterprise owned by at least 51% black people with a disability	2	CIPC enterprise registration certificate, certified ID copies of company owners and Proof of disability (Certificate from a medical doctor that specifies the nature of the disability)
The promotion of South African owned enterprises	1	CIPC enterprise registration certificate, certified ID copies of company owners and proof of residence
The promotion of enterprises located in Mpumalanga province for work to be done or services to be rendered in the province	1	CIPC enterprise registration certificate, certified ID copies of company owners and proof of residence

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TOTAL	10 POINTS	
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Failure to submit the required evidence will lead to allocation of zero (0) preference points

- g) The points scored by a bidder in respect of the preference points indicated above will be added to the points scored for price.
- h) Bidders are requested to complete SBD 6.1 in order to claim preference points and attach relevant evidence as stipulated on the table above.
- i) Only a bidder who has completed and signed the declaration part of the preference claim form will be considered for preference points.
- j) Supply Chain Management may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to claims regarding preference points.
- k) Points scored will be rounded off to the nearest 2 decimals.
- l) In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points. Should two or more bids be equal in all respects, the award shall be decided by drawing of lots.
- m) A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points. The bidder must submit copies of identity documents of all directors or shareholders of the company with the bid documents at the closing date and time of the bid.

21 PHASE IV: VETTING

Shortlisted bidders will be required to undergo the vetting procedure to verify the authenticity of the submitted documents during the submission period and bidder can be eliminated if discovered that false information was submitted. The vetting process doesn't mean that the bidder will be automatically awarded the contract.

22 CLIENT BASE

Bidders are required to have specific experience and are encouraged to submit at least four recent references, in writing on the company's letter head. The references must include the names of relevant persons as well as their phone numbers, fax numbers and email addresses.

DARDLEA may utilize this data to obtain information during the evaluation and/or adjudication process

23. COMMUNICATION

Supply Chain Management will communicate with bidders for, among others. Where bid clarity is sought, to obtain information or to extend the validity period. Any communication either by facsimile, letter or electronic mail or any other form of correspondence to any government official, department or representative of a testing institution or a person acting in an advisory capacity for DARDLEA in respect of this bid between the closing date and the award of the bid by the bidder is prohibited.

24. FRONTING

DARDLEA supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conduction themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background DARDLEA condemns any form of fronting.

DARDLEA, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and industry be established during such enquiry/investigation, the onus will be on the bidder / contractor to prove that fronting does not exist.

Failure to do so within a period of 14 days from date of notification may invalidate the bid/contract and may also result in the restriction of the bidder/contractor to conduct business with public sector for a period not exceeding ten years, in addition on any other remedies DARDLEA may have against the bidder/contractor concerned.

25 PRESENTATION

DARDLEA may require presentations/interviews from short-listed bidders as part of the bid process including site visits.

26 PRICE NEGOTIATIONS

- a) Rates will be negotiated whereby a standard rate will apply to all successful bidder(s) in terms of the market related price.
- b) If the price offered by the bidder scoring the highest points is not market related, the department will negotiate a market related price with the bidder scoring the highest points or cancel the bid.
- c) If the bidder scoring the highest points does not agree to a market related price the department shall negotiate a market related price with second bidder, if the bidder scoring the second highest points does not agree to a market related price the department shall negotiate a market related price with the bidder scoring the third highest points.
- d) If the market related price is not agreed to as envisaged by the first, second and third bidder the department shall cancel the bid.

27 ENQUIRIES

Technical and administration enquiries in connection with this request for proposal should be directed to Mr Mavuso SG, Email; mavusosg@mpg.gov.za at Tel No: 013 759 4000, Ms FT Mdluli at Cell No. 083 413 4160, Email: faith.lugo@gmail.com and Ms Z Masia at Tel No: (013) 766 6323, Email; zmasia@mpg.gov.za respectively. No visit to the respective persons will be entertained to ensure fairness to all prospective bidders and for audit ability purposes.

28. PRICING SCHEDULE

The pricing proposal must clearly indicate the following in a company letterhead and signed:

- R / m²
- Parking cost per bay and the number of parking bays available
- Deposit costs
- Operational costs
- Any Tenant Installation costs
- Reflect any price escalation within the lease period

Operating Expenses:

The landlord shall be responsible for providing all utilities and building services including:

- Repairs and Maintenance
- Landscaping
- Air conditioning
- Security services
- Pest control, and refuse removal
- Cleaning staff
- Generator and clean water backup costs

PRICING DETAIL:

Bidder must submit total price for the services with applicable taxes

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

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID. (DARDLEA will only accept rate per square meter of the usable office space beside the none usable space as

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per the regulation, if the bidder proposed a higher square meter floor size, DARDLEA is not entitled to pay for additional office space).

The bidder must provide the total price of the accommodation and service for a ten (10) year lease including the escalation rate.

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NB: SUM TOTAL AGGREGATE FULL COST OF TEN-YEAR LEASE CONTRACT

All-inclusive cost-to-company Gross Rental inclusive of:	Monthly Gross Rental (Excluding VAT)	Value Added Tax (VAT)	Monthly Gross Rental (Including VAT)	Annual Gross Rental (Including VAT)
A. Basic Rental for Office Space B. Basic Rental for storage space C. Parking Space rental D. Basic Rental for Communal Spaces E. Operating Costs and Expenses				
YEAR 1	R	R	R	R
YEAR 2	R	R	R	R
YEAR 3	R	R	R	R
YEAR 4	R	R	R	R
YEAR 5	R	R	R	R
YEAR 6	R	R	R	R
YEAR 7	R	R	R	R
YEAR 8	R	R	R	R
YEAR 9	R	R	R	R
YEAR 10	R	R	R	R
BIDDER'S TOTAL CONTRACT PRICE				R

BIDDER'S NAME: _____

SIGNATURE: _____

DATE: _____

ALL-INCLUSIVE COST-TO-COMPANY GROSS RENTAL (VANT INCLUSIVE), WHICH COMPRISES OF THE FOLLOWING							
A: OFFICE SPACE (2 032 Square metres)							
Basic Rental for Grade "A/B" office space	Rate per m ² (Excluding VAT)	Area expressed in m ²	Monthly Basic Rental for the full area (Excluding VAT)	Value Added Tax (VAT)	Monthly Basic Rental for the full area (Including VAT)	Annual Basic Rental for full area (including VAT)	
Year 1	R		R	R	R	R	
Annual rate of escalation after the first year							
Year 2	R		R	R	R	R	%
Annual rate of escalation after the second year							
Year 3	R		R	R	R	R	%
Annual rate of escalation after the third year							
Year 4	R		R	R	R	R	%
Annual rate of escalation after the fourth year							
Year 5	R		R	R	R	R	%
Annual rate of escalation after the fifth year							
Year 6	R		R	R	R	R	%
Annual rate of escalation after the sixth year							
Year 7	R		R	R	R	R	%
Annual rate of escalation after the seventh year							
Year 8	R		R	R	R	R	%
Annual rate of escalation after the eighth year							
Year 9	R		R	R	R	R	%
Annual rate of escalation after the ninth year							
Year 10	R		R	R	R	R	%
Total Amount for Office Space						R	

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ALL-INCLUSIVE COST-TO-COMPANY GROSS RENTAL (VANT INCLUSIVE), WHICH COMPRISES OF THE FOLLOWING						
B: STORAGE SPACE (Storeroom: 300 square metres, Strong room Type 1: 120 square metres, Strong room Type 2: 60 square metres)						
Basic Rental for storage space	Rate per m ² (Excluding VAT)	Area expressed in m ²	Monthly Basic Rental for the full area (Excluding VAT)	Value Added Tax (VAT)	Monthly Basic Rental for the full area (Including VAT)	Annual Basic Rental for full area (including VAT)
Year 1	R		R	R	R	R
Annual rate of escalation after the first year						
Year 2	R		R	R	R	R
Annual rate of escalation after the second year						
Year 3	R		R	R	R	R
Annual rate of escalation after the third year						
Year 4	R		R	R	R	R
Annual rate of escalation after the fourth year						
Year 5	R		R	R	R	R
Annual rate of escalation after the fifth year						
Year 6	R		R	R	R	R
Annual rate of escalation after the sixth year						
Year 7	R		R	R	R	R
Annual rate of escalation after the seventh year						
Year 8	R		R	R	R	R
Annual rate of escalation after the eighth year						

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Year 9	R		R		R		R		R
Annual rate of escalation after the ninth year									
Year 10	R		R		R		R		R
Total Amount for Storage Space									
R									

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ALL-INCLUSIVE COST-TO-COMPANY GROSS RENTAL (VANT INCLUSIVE), WHICH COMPRISES OF THE FOLLOWING						
C: PARKING BAYS (120 Lock up garages, 20 Covered parking bays, 1 Wash Bay, 1 Mini Bus Parking Bay)						
Parking Space rental	Rate per m ² (Excluding VAT)	Area expressed in m ²	Monthly Basic Rental for the full area (Excluding VAT)	Value Added Tax (VAT)	Monthly Basic Rental for the full area (Including VAT)	Annual Basic Rental for full area (including VAT)
Year 1	R		R	R	R	R
Annual rate of escalation after the first year						
Year 2	R		R	R	R	R
Annual rate of escalation after the second year						
Year 3	R		R	R	R	R
Annual rate of escalation after the third year						
Year 4	R		R	R	R	R
Annual rate of escalation after the fourth year						
Year 5	R		R	R	R	R
Annual rate of escalation after the fifth year						
Year 6	R		R	R	R	R
Annual rate of escalation after the sixth year						
Year 7	R		R	R	R	R
Annual rate of escalation after the seventh year						
Year 8	R		R	R	R	R
Annual rate of escalation after the eighth year						
Year 9	R		R	R	R	R

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Annual rate of escalation after the ninth year					%
Year 10	R		R	R	
Total Amount for Parking Space					
					R

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MBOMBELA FOR A PERIOD OF TEN (10) YEARS.**

ALL-INCLUSIVE COST-TO-COMPANY GROSS RENTAL (VANT INCLUSIVE), WHICH COMPRISES OF THE FOLLOWING							
D: COMMUNAL SPACES, excluding parking and storage spaces							
Basic Rental for <u>Communal Spaces</u>	Rate per m ² (Excluding VAT)	Area expressed in m ²	Monthly Basic Rental for the full area (Excluding VAT)	Value Added Tax (VAT)	Monthly Basic Rental for the full area (Including VAT)	Annual Basic Rental for full area (including VAT)	
Year 1	R		R	R	R	R	
Annual rate of escalation after the first year							
Year 2	R		R	R	R	R	%
Annual rate of escalation after the second year							
Year 3	R		R	R	R	R	%
Annual rate of escalation after the third year							
Year 4	R		R	R	R	R	%
Annual rate of escalation after the fourth year							
Year 5	R		R	R	R	R	%
Annual rate of escalation after the fifth year							
Year 6	R		R	R	R	R	%
Annual rate of escalation after the sixth year							
Year 7	R		R	R	R	R	%
Annual rate of escalation after the seventh year							
Year 8	R		R	R	R	R	%
Annual rate of escalation after the eighth year							
Year 9	R		R	R	R	R	%

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Annual rate of escalation after the ninth year					R	R	R	R	R	%
Year 10	R		R							
Total Amount for Communal Spaces									R	

E: OPERATING COSTS AND EXPENSES

LEASE OF OFFICE ACCOMMODATION FOR THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA), MBOMBELA FOR A PERIOD OF TEN (10) YEARS.

All- inclusive Contribution to Operating Costs & expense	Rate per m ² (Excluding VAT)	Area expressed in m ²	Monthly operating costs for the full area upon which operating costs & expenses are levied (Excluding VAT)	Value Added Tax (VAT)	Monthly operating costs & expenses for the full area upon which operating costs & expenses are levied (including VAT)	Annual operating costs & expenses for the full area upon which operating costs & expenses are levied (including VAT)
Year 1	R		R	R	R	R
Annual rate of escalation after the first year						
Year 2	R		R	R	R	R
Annual rate of escalation after the second year						
Year 3	R		R	R	R	R
Annual rate of escalation after the third year						
Year 4	R		R	R	R	R
Annual rate of escalation after the fourth year						
Year 5	R		R	R	R	R
Annual rate of escalation after the fifth year						
Year 6	R		R	R	R	R
Annual rate of escalation after the sixth year						
Year 7	R		R	R	R	R
Annual rate of escalation after the seventh year						
Year 8	R		R	R	R	R
Annual rate of escalation after the eighth year						
Year 9	R		R	R	R	R

LEASE OF OFFICE ACCOMMODATION FOR THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA),
MBOMBELA FOR A PERIOD OF TEN (10) YEARS.

Annual rate of escalation after the ninth year					%
Year 10	R	R	R	R	

LEASE OF OFFICE ACCOMMODATION FOR THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA), MBOMBELA FOR A PERIOD OF TEN (10) YEARS.

Provide a full list of all applicable items that are included in the All-inclusive Operating Costs & expenses	
Description of Costs	Rate per Square Metre (including VAT)
Escalator and lift repair and upkeep and the regular servicing thereof	R
Air-conditioning maintenance and upkeep	R
Fire prevention, detection and extinguishing equipment and/or services and the regular servicing thereof	R
Garden services	R
Security services	R
Water, fuel/gas and/or electrical usage in the common areas	R
Refuse removal	R
Sanitary fees	R
Domestic or industrial effluent fees	R
Corporate or body corporate or property owners association levies	R
Property, building, glass and/or third party liability insurance	R
Charges for the installation and/or reading of gas, water and/or electrical meters to the property, the building and sub-meters to the premises	R
Rates, Taxes and Levies Maintenance	R
Any other matters, fees, charges, costs or expenses, as envisaged as per the ToR above, or otherwise not yet referred to. Please specify below	R
	R
	R
	R
	R

LEASE OF OFFICE ACCOMMODATION FOR THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (DARDLEA),
MBOMBELA FOR A PERIOD OF TEN (10) YEARS.

	R	
	R	
	R	
	R	

PROXY FOR LEASE OF PROPERTY

I the undersigned

Name/s in full : _____
Identity Number : _____

Description of property : _____
(Hereinafter referred to as the **Owner of property**)

OR

Name of Juristic Entity : _____
Represented herein by : _____
in his/her capacity as : _____
duly authorised thereto by resolution no. _____ dated _____
Description of property : _____
(Hereinafter referred to as the **Owner**),

and a certified copy of the title deed hereunto annexed; hereby grant a proxy to

Name/s in full : _____
Identity Number : _____

OR

Name of Juristic Entity : _____
Registration Number : _____
Represented herein by : _____
in his/her capacity as : _____
duly authorised thereto by resolution no. _____ dated _____

to lease the aforesaid property in his/her/company's name and to perform the following acts:

1. To execute a lease. To sign and deliver to the Lessee, his agents, executors, administrators and assigns, a valid lease of the aforesaid property for the period of _____ years from the commencement date of the lease and/or any extension of the period thereof.
2. Notarial execution of lease. To appear before any Notary in the Province of Mpumalanga or any other place to execute such lease.
3. Registration of lease. To cause or permit such lease to be registered against the title deeds of the property.
4. To litigate on any matter arising from the said lease.

And I declare this proxy to be irrevocable for the period of _____ years from
commencement date of the lease and/or any extension of the period thereof.

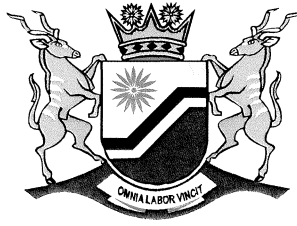
Sign at _____ on this _____ day of _____ 20__.

SIGNATURE OF OWNER OR PERSON ACTING ON BEHALF OF JURISTIC PERSON

Witnesses

1. _____
FULL NAMES, SURNAME AND SIGNATURE

2. _____
FULL NAMES, SURNAME AND SIGNATURE



**STANDARD TO THE LEASE AGREEMENT
BETWEEN**

AND

**MPUMALANGA DEPARTMENT OF PUBLIC WORKS,
ROADS AND TRANSPORT**

FOR OFFICE ACCOMMODATION



EXPANDED PUBLIC WORKS PROGRAMME

LEASE AGREEMENT: _____



AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

LEASE

1. PARTIES

The parties to this agreement are:

Company Reg. no: _____
represented by _____
in her capacity as _____, duly authorized as
per the attached resolution, hereinafter referred to as the Lessor.

AND

Mpumalanga Provincial Government represented by

in his/her capacity as the _____,
duly authorized, hereinafter referred to as the Lessee.

2. DEFINITIONS AND INTERPRETATION

- 2.1 In this agreement, unless the context indicates otherwise, the following words have the meaning assigned to them hereunder:

"commencement date" - the date stipulated in Item 6 of Schedule 1 on which the lease commences;

"commencement rental"- the monthly rental payable in respect of the first year of the lease or, in the event of the first fixed period of the lease being less than one year, the rental determined for that period, the amount of which is stipulated in Item 7 of Schedule 1;

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

Common areas" means all amenities provided by the Lessor for the general use of the Lessee and other Lessees (and/or their employees, clients, customers and other persons as may be agreed upon by the Parties, from time to time) on the Surrounding Property, including (but not limited to) the foyers, malls, arcades, passages, parking areas, entrances, exits, loading areas, landscape areas, interior and exterior stairways, toilets, yards, sidewalks, driveways, ramps and other amenities (as may be applicable) having regard to the nature of the Surrounding Property;

"escalation date" - the anniversary date of the lease agreement; mentioned in Item 4 of Schedule 1 on which the escalation rate comes into operation;

"escalation rate"- the percentage per annum which adjusts the rental on every escalation date stipulated in Item 5 of schedule 1;

"Lessee"- Mpumalanga Provincial Government, herein represented by Senior General Manager: Public Infrastructure of Department of Public Works, Roads and Transport of his delegate duly authorised;

"Lessor" - the owner of the premises (or a sub Lessor who warrants his authority to enter into this lease agreement with the Lessee and attaches such authorisation hereto) who, if he does not sign personally, is herein represented by the person mentioned in Schedule 1 who by his signature hereto warrants that he is authorised to sign this agreement on behalf of the Lessor;

"Occupant"- The Department occupying the premises mentioned in Item 13 of Schedule 1, which forms the subject of this lease

"premises" -the building and/or the structure and/or the land, or portions thereof, mentioned in Item 2 of Schedule 1, which forms the subject of this lease; and

LEASE AGREEMENT:_____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

"termination date" -the date stipulated in Item 11 of Schedule 1 on which the lease terminates;

- 2.2 The clause headings of this agreement have been inserted for reference purposes only and shall not be taken into account in its interpretation. Unless the context indicates otherwise, words importing the singular shall include the plural, words importing persons shall include bodies corporate, and, in each instance, also the opposite thereof.
- 2.3 If a provision in a definition is a substantive provision conferring rights or imposing obligations on any party, effect shall be given to it as if it were a substantive provision in the body of the agreement, notwithstanding that it is in the definitions clause.

3. **THE LEASE**

The Lessor hereby leases the premises to the Lessee who hires the premises on the terms and conditions of this agreement, which incorporates the Schedules.

4. **THE PERIOD**

- 4.1 Notwithstanding the date of the signatures to this agreement, this agreement shall be deemed to have commenced on _____ and terminates on _____ as mentioned in Item 08 of Schedule 1. Each party to the agreement may give one month written notice, which shall run from the first day of the month to terminate the agreement in the event that it is necessary to terminate the agreement before the termination date.
- 4.2 Should the Lessee remains in occupation of the premises after the termination date of the Lease due to whatsoever reason, the agreement shall continue on month to month and . Each party to the agreement may give one month written

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

notice, which shall run from the first day of the month to terminate the agreement in the event that it is necessary to terminate the agreement before the termination date.

5. **RIGHT TO RENEW**

5.1 The Lessee has the right to renew the lease for a further period commencing on the first day after the expiration of the contract of lease and on terms and conditions agreed to by the parties.

5.2 In the event of the Lessee exercising its right of renewal, he shall be obliged to give the Lessor written notice thereof as provided in 5.3 hereunder.

5.3 At least thirty days prior to the expiry of the lease period the Lessee shall notify the Lessor in writing of its intention to exercise the right to renew and the lease renewal period. Should the parties fail to reach an agreement on the terms and conditions of the new lease, the original lease will be terminated at the normal expiry period.

6. **THE RENTAL**

6.1 The lease commences with the commencement rental of
R_____ (in figures) (_____
_____(in words))
VAT Inclusive/Exclusive/Not payable per month.

6.2 The lease commences with the commencement rental.

6.3 The rental shall be payable from the commencement date monthly in advance on or before the seventh day of each month into Lessor's bank account.
Should the rental not be paid by the due date, interest shall be calculated at the National Treasury rate (as may be applicable at the time) from the first date after

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

the 7th day until date of payment.

6.4 Parties agree that all rental payable in terms of this agreement shall include value-added tax where such tax is payable. The Lessor shall specify such tax for record and tax-purposes separately from the basic rental.

6.5 The Lessor shall be liable to pay all rates, taxes and levies in respect of the premises to the concerned authority as well as any and all increases therein.

7. USE OF THE PREMISES

7.1 The Lessee records that the premises shall be used for the purpose specified in Item 12 of Schedule 1 and for no other purpose, except with the written consent of the Lessor, which consent shall not be withheld unreasonably.

7.2 The Lessor shall be obliged to obtain such consents and authorisations (excluding trade and other licences) as may be required by competent authorities or title conditions to enable the Lessee to use the premises for the purpose referred to in 7.1.

8. OCCUPATION OF THE PREMISES

8.1 The Lessor warrants the Lessee's right to free and undisturbed possession of the premises from the commencement date until termination of the contract and subject thereto that any delay in taking possession due to actions of the Lessor, shall not be regarded as a delay on the part of the Lessee.

8.2 Should the Lessor causes any delay in handover of the premises to the Lessee due failure fail to comply with specification floor plan or fitting of installations as required, the Lessee may remind the Lessor in writing, and should the Lessor still be in default fourteen days after receipt of such reminder (or such longer period

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

which the parties may have agreed upon) the Lessee shall be entitled to demand specific performance or to pay such expenses and to recover the amounts thus disbursed from the rental due to the Lessor by set off or by legal action or terminate the Agreement. A certificate by the Lessee of such expenses shall be *prima facie* proof thereof.

9. **CONDITION OF THE PREMISES AT THE COMMENCEMENT DATE AND AT THE TERMINATION DATE**

9.1 Schedule 2 contains details of the installations required by the Lessee, the party responsible for effecting those installations and the party who bears the costs in respect thereof. Schedule 2 also contains the obligations, if any, of the Lessee in regard to the removal thereof at the termination of the contract.

9.2 An initial inspection (on commencement or occupation date whichever comes first) shall jointly be done by the Lessee ,Lessor and occupant so as to ascertain any damages or defects in the premises and the general condition of the premises and to record them in a list which all three parties shall sign.

The Lessee shall, within five (5) working days of occupation, furnish the Lessor the three (3) dates and times, which dates must be within twenty-one (21) days of occupation, to convene a verification meeting to inspect the premises. The Lessor shall accept a date, from those furnished, that is suitable to him. At such meeting the parties, including the occupant, shall jointly inspect the premises, so as to amend and add any damage or defects in the premises and record such items to the list which all parties shall sign.

9.3 The Lessor shall within fourteen (14) days of such inspection repair the defect(s).

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

9.4 Should the Lessor fail to comply with his obligations in respect of installations required by the Lessee, if any, or fail to repair the defect(s), the Lessee shall notify the Lessor of such failure and unless the Lessor so complies within fourteen (14) days, save in emergencies, the Lessee shall be entitled to rectify those matters at his own expense and to recover the costs thus incurred from the Lessor by deducting from the monthly rental.

9.5 The Lessor shall furnish the dates and times at least fourteen working (14) days prior to the expiry of the lease for the inspection of the premises after termination of the lease. Within fourteen (14) days after the expiry of the lease, the Lessor shall ensure that the following lists are compiled:

9.5.1 A list of all the items where both parties agree that such items are damaged or defective and that the Lessee is liable; and

9.5.2 A list of the items, which are damaged, or defective and which in the opinion of the Lessor the Lessee is liable for, whereas the Lessee denies liability.

9.6 The items recorded in the list contemplated in clause 9.5.2 shall be replaced as per agreement between the parties. Should the parties fail to reach such an agreement, the dispute may by agreement between the parties be referred to an independent professional who shall act as a mediator.

9.7 The Lessee shall not be responsible for the payment of rent or damages during the month when the damages caused to the premises are being repaired.

10. **FIXTURES**

10.1 The parties agree that for the purposes of the interpretation of this clause and of
LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

this lease, fixtures shall refer to movable or immovable fittings installed by the Lessee and required for his purposes, such as computer cables and telephone systems. The Lessee shall be entitled, at his expense and with the written consent of the Lessor, which consent shall not be unreasonably withheld (alternatively, as arranged in Schedule 2), to install fixtures (which shall remain the property of the Lessee) on the premises: Provided that, after the termination of this lease -

10.1.1 fixtures may be removed by the Lessee on condition that the premises are restored to the condition in which they were before the installation of the fixtures, fair wear and tear excepted; or

10.1.2 the Lessor may demand that fixtures which have not been thus removed, be removed by the Lessee, in which event the same requirements regarding the restoration of the premises shall apply.

11. **EXPENSES, MAINTENANCE AND REPAIRS**

11.1 For the purpose of the interpretation of this clause and of the lease, the parties agree that the words in the heading bear meanings assigned to them hereunder:

11.1.1 "**expenses**" - those disbursements in respect of the premises which are occasioned by the ownership or the operation thereof, e.g. assessment rates, municipal levies, and insurance premiums, etc.;

11.1.2 "**maintenance**" - everything which is required to be done in order to enable the Lessee to return the premises to the Lessor on the termination date in the condition they were in at the commencement

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

date, fair wear and tear excepted;

11.1.3 **"repairs"** - everything which is required to be done in order to achieve the same goal as that envisaged in the definition of "maintenance", but which requires more labour and more expense than maintenance, such as the replacement of cables, taps, locks, floor tiles, geysers and the like. The parties hereby agree that normal wear and tear can through time require repairs.

11.2 Responsibilities of the Lessor: -

11.2.1 Assessment rates and fixed municipal levies including all related increases;

11.2.2 Any related insurance of the premises and the increase thereof;

11.2.3 Maintenance and repairs (including painting) of interior and exterior of the premises, including cleaning of interior and exterior windows in a high rise building and common areas;

11.2.4 Municipal rates (existing and future) levied on ownership (including rates increases);

11.2.5 Installation, maintenance and repairs of the air conditioners, lifts and generators;

11.2.6 Installation, maintenance and repairs of fire extinguishers, fire alert and fire detection equipment ;

11.2.7 Water and electricity consumption to the extent of space not occupied by the Lessee. The rates shall be determined as provided in clause 11.4 below;

11.2.8 Partitioning of the building at its own costs as per Lessee's specification in
LEASE AGREEMENT: _____ **AND PWR&T**

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

the tender document or on request ;

11.2.9 Fitting all installations at own costs as per Lessee's specification in the tender document or on request;

11.2.10 The costs of garden services including the maintenance thereof;

11.2.11 Submission of monthly invoices to the Office of the Chief Financial Officer of the Occupant on the 15th of each and every month;

11.2.12 Alterations or improvements of building shall be negotiated directly with the Lessee not with the Occupant of the building;

11.2.13 Any negotiations regarding the terms and conditions of this agreement shall be done with the Lessee ;

11.2.14 The replacement of carpeting at the expiry of their agreed lifetime.

11.3 Responsibilities of the Lessee: -

11.3.1 Domestic cleaning of the interior of the premises;

11.3.2 The domestic services such as the provision of toilet paper, soap, towels, etc,

11.3.3 The costs of water and electricity consumption to the extent of space occupied;

11.3.4 Any cost of refuse removal and sanitary services;

11.3.5 Any security services as may be required by the Lessee.

11.4 In the event of the premises being a portion of a building and it consequently being necessary to determine the Lessee's *pro rata* share in respect of

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

maintenance or consumption of necessary services, the *pro rata* share of the Lessee, for the purpose of this agreement, shall be determined by calculating the area of the premises as a fraction of the total area of the building. For the purpose of such calculation areas shall be determined from time to time by the SAPOA - method for the calculation of rentable areas. Where the *pro rata* share or portion thereof is payable to the Lessor, the Lessee shall pay on receipt of a properly substantiated account. The parties agree that the Lessee's *prorata* share (as contemplated in this clause) is the percentage as indicated in Schedule 1

11.5 Should the Lessor fail to pay expenses or to undertake repairs the Lessee may remind the Lessor in writing, and should the Lessor still be in default fourteen days after receipt of such reminder (or such longer period which the parties may have agreed upon) the Lessee shall be entitled to demand specific performance or to pay such expenses or to undertake such repairs and to recover the amounts thus disbursed from the rental due to the Lessor by set off or by legal action. A certificate by the Lessee of such expenses shall be *prima facie* proof thereof.

11.6 Should the Lessee cause damage and fail to pay expenses or to undertake repairs the Lessor may remind the Lessee in writing and should the Lessee still be in fault thirty days after receipt of such reminder (or such longer period which the parties may have agreed upon) the Lessor shall be entitled to demand specific performance or to pay such expenses or to undertake such repairs and to recover the amounts thus invoicing the Lessee and demand immediate payment. A certificate by the Lessor of such expenses shall be *prima facie* proof thereof.

12. LIMITATION OF THE LIABILITY OF THE LESSOR

12.1 The Lessor shall insure the building and shall maintain such insurance throughout the currency of the lease and any extension thereof. The Lessee may not after the commencement of the lease do, or allow anything that is contrary to the

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

provisions of the insurance policy, which shall cause an increase in the premiums of any insurance policy held by the Lessor over the property.

- 12.2 Should the Lessee do or cause to be done anything that causes an increase in the premiums of such policy, the Lessee will be liable for the increase in the premiums occasioned by the actions of the Lessee. The Lessor shall furnish to the Lessee proof from the insurer.
- 12.3 The Lessor shall not be liable for any damage which the Lessee may suffer as a consequence of rain, wind, hail, lightning, fire, earthquake, storm, riots, strikes, actions by enemies of the State or in consequence of the interruption of any facility or service supplies to the premises by third parties, unless such damage is caused by the intent or negligence of the Lessor, his employees or agents.
- 12.4 The Lessor shall not be liable for any accident, injury or damage incurred by the Lessee, his employees, agents or visitors, in or near the premises, unless it is the result of intent or negligence on the part of the Lessor, his employees or agents.

13. **THE BUILDING, FIRE FIGHTING EQUIPMENT AND LIFTS**

- 13.1 The Lessor shall be obliged to ensure that the building is complying with the National Building Regulations and Building Standards Act (Act No 103 of 1977) as amended, Occupational Health and Safety Act (Act No 85 of 1993) as amended and /or other applicable legislation.
- 13.2 The Lessor shall be obliged to install, maintain and operate on the premises fire extinguishing and fire detection equipment complying with the National Building Regulations and Building Standards Act (Act No 103 of 1977) as amended, and /or other applicable legislation.
- 13.3 The Lessor shall be obliged to maintain the lifts and ensure that regular checks are done in accordance with the Occupational Health and Safety Act (Act No 85

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

of 1993) as amended and /or any other applicable legislation.

14. **DAMAGE TO OR DESTRUCTION OF THE PREMISES**

14.1 In the event of the premises being destroyed and therefore rendered totally unfit for occupation, this lease shall be terminated automatically.

14.2 In the event of the premises being damaged and remaining partially suitable for the purposes of the Lessee, the parties shall have the right to terminate the agreement forthwith. Should the parties continue with the agreement, the Lessee shall be entitled to a reduction in rental to the extent to which the Lessee is deprived of the full use of the premises

15. **BREACH**

15.1 In the event of either one of the parties committing a material breach of any of the terms of this agreement, and failing to remedy such material breach within a period of thirty (30) days, after receipt of a written notice from the other party calling upon the defaulting party to remedy the material breach complained of, then: -

15.1.1 the grievied party will be entitled, as may be deemed fair, and without prejudice to any of his rights in law and/or in terms of this agreement, either to:

- (a) claim specific performance and/or
- (b) cancel the agreement and/or
- (c) claim damages from the defaulting party

16. **MANAGEMENT RULES**

The Lessor will furnish the Lessee with all Management Rules, if any, prior to entering into this agreement.

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

17. **OWNERSHIP/ SHAREHOLDING**

17.1 The Lessor shall sustain the equity shareholding and / or ownership to the leased property as claimed in the tender documents /proposal and/or conditions of

tender for the duration of the lease period. Failure/Neglect or omission on the part of the Lessor to sustain the equity shareholding and or ownership to the leased property will constitute a material breach of the agreement.

17.2. In the event that the percentage of such equity ownership and or shareholding decreases, the Lessor shall be responsible to notify the Lessee thereof, in writing, within 14 days of such change of shareholding percentage, failing which the Lessor shall be in material breach of this contract.

17.3 Notwithstanding any recourse as contained in the breach clause of this contract, the Lessee may, in addition to any other remedy it may have:

17.3.1 cancel the contract and claim the all costs losses and/or damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

17.3.2.restrict the Lessor, from obtaining property leasing business from Lessee or any government department for a period not exceeding 5 years.

18. **REASONABLE ACCESS**

The Lessor shall, after reasonable prior written notification to the Lessee, entitled to reasonable admission to the leased premises in order to carry out inspections, maintenance and repairs and to show the premises to prospective new Lessees.

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

19. **CESSION, ASSIGNMENT AND SUB-LETTING**

19.1 The Lessee shall not, except with the prior written consent of the Lessor, which shall not be unreasonably withheld;

18.1.1 cede or assign all or any of the rights and obligations of the Lessee under this lease; or

18.1.2 sublet the premises in whole or in part; or

18.1.3 giveup possession of the premises or any portion thereof to any third party; it being an explicit provision of this agreement that the Lessee may substitute one occupant with another at its own discretion taking into consideration the preferences (if any) of the Lessor.

19. **NON-WAIVER**

19.1 Neither party shall be regarded as having waived, or be precluded in any way from exercising, any right under or arising from this lease by reason of such party having at any time granted any extension of time for or having shown any indulgence to, the other party with reference to any payment or performance hereunder, or having failed to enforce, or delayed in the enforcement of, any right of action against the other party.

19.2 The failure of either party to comply with any non-material provision of this lease shall not excuse the other party from performing that party's obligations hereunder fully and timeously.

20. **SALE OF PREMISES**

20.1 Transfer of the premises from the Lessor pursuant to a sale thereof shall not in any way affect the validity of this lease. It shall accordingly, upon registration of transfer of the premises into the name of the purchaser, remain of full force and

LEASE AGREEMENT: _____ **AND PWR&T**

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

effect save that the purchaser shall be substituted as Lessor and acquire all rights and be liable to fulfil all the obligations which the Lessor, as Lessor, enjoyed against or was liable to fulfil in favour of the Lessee in terms of the lease.

20.1.2 Nothing shall prevent the Lessor from advertising the premises as “for sale” or as “to let” as long as it does not disturb the Lessee in its use and enjoyment of the premises.

21 WHOLE AGREEMENT

21.1 This is the entire agreement between the parties.

21.2 Neither party relies, in entering into this agreement, on any warranties, representations, disclosures or expressions of opinion, which have not been incorporated into this agreement as warranties or undertakings.

21.3 No variation or consensual cancellation of this agreement shall be of any force or effect unless reduced to writing and signed by the duly authorised representatives of both parties.

22. DOMICILIUM CITANDI ET EXECUTANDI

22.1 The parties respectively choose as domicilium citandi et executandi and as the address for the serving of notices the address appearing opposite their names in Item 1 of Schedule 1.

22.2 Any notice given by one of the parties to the other (“the addressee”) which: -

22.2.1 is delivered by hand to the addressee’s domicilium citandi et executandi shall be presumed to have been received by the addressee on the date of the delivery, until the contrary is proved;

22.2.2 is posted by prepaid registered post from an address within the Republic of South Africa to the addressee at the addressee’s domicilium citandi

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

etexecutandi, shall be presumed until the contrary is proved, to have been received by the addressee on the fifth day of the date of posting; or

22.2.3 is faxed to the chosen fax number, will be presumed to be received unless the other party proves the contrary: -

22.2.3.1 within four (4) hours after being faxed during normal business hours; or

22.2.3.2 if not faxed within normal business hours, at twelve o'clock on the first day of business that follows the day on which it was faxed.

22.3 Either party shall be entitled, on seven (7) days notice to the other, to change the address of his domicilium citandi *etexecutandi*.

23. JURISDICTION

The Magistrate's Courts of South Africa shall have jurisdiction in respect of any legal proceedings arising from this agreement irrespective of the amount of the claim.

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

THUS DONE AND SIGNED AT _____

THIS _____ DAY OF _____ 20__.

FULL NAMES AND SURNAME OF PERSON SIGNING ON
BEHALF OF CUSTODIAN

SIGNATURE

AS WITNESSES

1. _____
FULL NAMES AND SURNAME

SIGNATURE

2. _____
FULL NAMES AND SURNAME

SIGNATURE

THUS DONE AND SIGNED AT _____

THIS _____ DAY OF _____ 20__

FULL NAMES AND SURNAME OF PERSON SIGNING ON
BEHALF OF USER

SIGNATURE

1. _____
FULL NAMES AND SURNAME

SIGNATURE

2. _____
FULL NAMES AND SURNAME

SIGNATURE

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

SCHEDULE 1

1. Addresses of the : _____
 LESSOR: (Physical) _____

 (Postal) _____

 LESSEE :Mpumalanga Department of Public Works, Roads
 and Transport
 Building no 7
 Government Boulevard
 Riverside Park
 Nelspruit
 1200

 Postal :Private Bag X 11302
 Nelspruit
 1200

2. Premises Leased : _____

3. Floor Area Leased : _____

4. Escalation date : _____

5. Escalation rate : _____

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

6. Commencement date : _____
7. Commencement rental : _____
8. Lease period : _____
9. Lessor : _____
 Lessee's representative : _____
10. VAT Registration No. : _____
11. Termination date : _____
12. Use of premises : _____
13. Occupant : _____
14. Bank details of the Lessor
 Name of the Bank : _____
 Name of branch : _____
 Branch code : _____
 Account number : _____

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X

SCHEDULE 2

1. Details of installations required by Lessee:

INSTALLATIONS:	PARTY TO EFFECT:	PARTY TO PAY:

LEASE AGREEMENT: _____

AND PWR&T

INITIALS LESSOR	INITIALS LESSEE
X	X
X	X
X	X



TAX CLEARANCE

TCC 001**Application for a Tax Clearance Certificate****Purpose**Select the applicable optionTenders ☐ Good standing ☐

If "Good standing", please state the purpose of this application

Particulars of applicant

Name/Legal name (Initials & Surname or registered name)											
Trading name (if applicable)											
ID/Passport no						Company/Close Corp. registered no					
Income Tax ref no						PAYE ref no	7				
VAT registration no	4					SDL ref no	L				
Customs code						UIF ref no	U				
Telephone no						Fax no					
E-mail address											
Physical address											
Postal address											

Particulars of representative (Public Officer/Trustee/Partner)

Surname											
First names											
ID/Passport no						Income Tax ref no					
Telephone no						Fax no					
E-mail address											
Physical address											

Particulars of tender (If applicable)Tender number Estimated Tender amount R , Expected duration of the tender year(s)**Particulars of the 3 largest contracts previously awarded**

Date started	Date finalised	Principal	Contact person	Telephone number	Amount
--------------	----------------	-----------	----------------	------------------	--------

Audit

Are you currently aware of any Audit investigation against you/the company?..... YES NO

If "YES" provide details

Appointment of representative/agent (Power of Attorney)I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding.I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

Date

Name of representative/agent **Declaration**

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer

Date

Name of applicant/Public Officer **Notes:**

- It is a serious offence to make a false declaration.
- Section 75 of the Income Tax Act, 1962, states: Any person who
 - fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - without just cause shown by him, refuses or neglects to-
 - furnish, produce or make available any information, documents or things;
 - reply to or answer truly and fully, any questions put to him ...

As and when required in terms of this Act ... shall be guilty of an offence ...

3. SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

- 2.2 Do you, or any person connected with the bidder, have a relationship

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

with any person who is employed by the procuring institution? YES/NO

2.2.1 If so, furnish particulars:

.....
 ...

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

² Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....

.....

Signature

Date

.....

.....

...

Position

Name of bidder

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL
PROCUREMENT REGULATIONS 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).

- a) The applicable preference point system for this tender is the 80/20 preference point system.
- b) 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.

1.2 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.

1.3 The maximum points for this tender are allocated as follows:

	POINTS
PRICE	90
SPECIFIC GOALS	10
Total points for Price and SPECIFIC GOALS	100

1.3 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.

1.4 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; and
- (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:

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

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:

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

Where

P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{max} = 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.

The applicable preference point system for this tender is the 90/10 preference point system.

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

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 claimed (90/10 system) (To be completed by the tenderer)
An Enterprise owned by at least 51% black people	2	
An Enterprise owned by at least 51% black people who are youth (35 years or younger)	2	
An Enterprise owned by at least 51% black people who are women	2	
An Enterprise owned by at least 51% black people with a disability	2	
The promotion of South African owned enterprises	1	
The promotion of enterprises located in Mpumalanga province for work to be done or services to be rendered in the province	1	
TOTAL	20 points	

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:

.....

.....

.....

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

3. Does any portion of the goods or services offered have any imported content?

(Tick applicable box)

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

3.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Institution):

.....

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of(name of bidder
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
 - (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.

The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017

promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
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5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
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22. Penalties
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31. Notices
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34. Prohibition of restrictive practices

General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

16. Payment

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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

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