

MALUTI-A-PHONG MUNICIPALITY



BID NUMBER: SCM/BID12/2022/2023

APPOINTMENT OF A PANEL OF THREE (3) SERVICE PROVIDERS:
SUPPLY AND DELIVERY OF ELECTRICAL MATERIAL AND
EQUIPMENT FOR A PERIOD OF ONE (1) YEAR

CLOSING DATE: 04 MAY 2023 AT 10H00

PREPARED FOR:	MALUTI-A-PHONG MUNICIPALITY
PRIVATE BAG X 805	WITSIESHOEK
9870	CONTACT PERSON: MR. H. W. UNGERER
9870	CEL: 076 538 1722
E-mail: pjhcc@lanitic.net	
PREPARED BY:	SUPPLY CHAIN MANAGEMENT UNIT
MALUTI-A-PHONG MUNICIPALITY	PRIVATE BAG X 805
WITSIESHOEK	9870
9870	
TEL: (058) 718 3871/3863	FAX: (058) 713 0459

NAME OF BIDDER

BID AMOUNT: EXCL/INCL VAT

CSD NUMBER:

NOTE: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF
THE STATE

MALUTI-A-PHOFUNG MUNICIPALITY



NOTICE NUMBER: 07/2023
BID NO SCM/BID12/2022/23

APPOINTMENT OF A PANEL OF THREE (3) SERVICE PROVIDERS: SUPPLY AND DELIVERY OF ELECTRICAL MATERIAL AND EQUIPMENT FOR A PERIOD OF ONE (1) YEAR

Maluti-a-Phofung Municipality hereby invites bids for Supply and Delivery of Electrical Material and Equipment for a Period of One (1) year

Requirements:

- Company tax clearance certificate must be attached.
- Copy of company registration certificate reflecting active members (Except for some traders and partnerships) must be attached.
- All supplementary forms including municipal rates and taxes clearance certificate form contained in the bid documents must be completed in full or (submit a proof that the municipal rates and taxes are not in arrears for more than three months)
- Supplier must be registered with Central Supplier Database (CSD)
- Copy of company profile must be attached
- Sealed Bids should clearly indicate: **APPOINTMENT OF A PANEL OF THREE (3) SERVICE PROVIDERS: SUPPLY AND DELIVERY OF ELECTRICAL MATERIAL AND EQUIPMENT FOR A PERIOD OF ONE (1) YEAR. SCM/BID12/2022/23**

Closing date:

04 MAY 2023

Bid Box:

Bid Box No. "A"

Maluti-a-Phofung Municipality

Setsing Business Centre

C/O Moremoholo & Motloung streets

Phuthaditjhaba

Supply chain enquiries

(058) 718 3871 / (058) 718 3863 – thabisot@map.fs.gov.za

lebohanga@map.fs.gov.za

Technical Enquiries Mr. H.W. UNGERER @ 076 538 1722- pjhcc@lanitic.ne

Please note:

1. No bids will be accepted from persons in the service of the state.
2. Bid documents will be obtainable as from Tuesday the 04 of April 2023 after 10h00 am from the cashiers point , Phuthaditjhaba offices upon payment of a R198.00. non-refundable fee (cash or bank guaranteed in favor of Maluti-a-Phofung Municipality) or can be downloaded on E-tender portal.
3. No telegraphic, telefaxes and late Bids will be accepted.
4. Municipality is not bound to accept the lowest Bid.
5. Municipality reserve the right not to award the bid.
6. Municipal Supply Chain Management Policy and Preferential Procurement Policy Framework Act No 5 of 2000 (80/20 preferential points allocation system in line with revised Procurement Regulations of 2023 by using the balance scorecard methodology) will be applied
7. Empowerment goals as per the Municipality Preferential Procurement Policy will be allocated as follows:
 - Historically Disadvantaged Persons (any person who had no franchise in National elections prior to the introduction of the constitution of the Republic of South Africa and discriminated on a basis of disability) – 5 points
 - Gender (woman owned enterprises) – 5 points
 - Rural Based Businesses (enterprise located and operated by persons from rural areas) – 5 points
 - Location Based (Points for locality, etc.)
 - ❖ Within Maluti-A-Phofung Municipality– 5 points
 - ❖ Within Thabo Mofutsanyane District – 3 points
 - ❖ Outside Thabo Mofutsanyane District – 1 point
8. Only one submission for this bid will be considered from the bidder.
9. Failure to comply with the above mentioned conditions may invalidate your bid.
10. Should you not receive any correspondence from us within 120 days, regard your bid as unsuccessful.
11. Communication will be limited to the successful bidder.

M.C SEPHEKA

ACTING MUNICIPAL MANAGER



Functionality:

Reference letters that service providers was appointed as supply of electrical materials and equipment	Service providers to provide quality statement	Bidders who score 60 points and above will be further evaluated	Total 100 Points
		Bidders who score above 60 points will be further evaluated.	
Five letters	50 Points	Quality statement produced	50 Points
Four letters	40 Points	No Quality Statement	0 Points
Three letters	30 Points		
Two letters	20 Points		
One letter	10 Points		
No letters	0 Points		

Electricity Material list Harris Smith, Kestell and Tshame: Procurement of a panel of Service Providers for the Supply and Delivery.



Category	Description	Units	Quantity
	11m wood poles	each	750
	1.5m cross arms	each	450
	20mm thread rod	each	450
	20mm spindles	each	450
	Silicone long rod insulators	each	450
	Porcelain stay insulators	each	240
	Disc insulators	each	360
	Thimble clevis	each	360
	P.G. Clamps EBM 619/3	each	6000
	P.G. Clamps EBM 6/2x	each	6000
	Line taps EMB 6	each	6000
	Line taps EBM 0	each	6000
	Line taps EMB ¾	each	6000
	Bracing Strap 701x50x6	each	1500
	Insulator pole I bracket EBM 3046	each	540
	Pigtail bolts	each	360
	Adjustable stay rods M20x2.4m adj.	each	360
	H.V. Stay complete – Eskom Standard	each	300
	L.V. Stay complete – Eskom Standard	each	300
	Base plate 450x450x6	each	240
	Transformer platform	each	60
	MV Joslyn lightning arrester	each	680
	MV Dropout Fuses Complete 22KV	each	1800
	Fuses – 5amp, 8amp, 10amp, 15amp, 20amp, 40amp, 50amp, 80amp, 100amp (each)	Box	60 Boxes each
	Pre-Formed Dead Ends – Fox (ADE 330), Mink (ADE 432) Magpie (DGDE 250)	Box	60 Boxes each
	Wrap lock Ties – Magpie (AWT 250), Fox (AWT 330), Mink (AWT 432)	Box	15
	Side Ties = Magpie (GSST 250), Fox (GSST 330), Mink (GSST 432)	Box	15
	PVC Spiral Vibration Dampers – Magpie (SVD 32),	Box	15

	Lux 16x8, 25x12, 35x12, 50x12, 70x12, 95x12, 150x12	box	600 each
	PVC tape	pack	1500
	23 rubber tape	pack	1500
	BICC Putty	pack	1500
LV Line Equipment / MCB	LV Strain Assembly Type EAS 54-10	each	540
	LV Suspension Assembly Type ES 54-14	each	270
	LV Suspension Clamp (Pigtail Type) Type PS 54-50-	each	270
	'S'-hook	each	270
	M16 Pigtail Bolts	each	270
	Pigtail Screw	each	270
	Insulating piercing Connectors Type PC1WP1F	pack	360
	Insulating Piercing Connectors Type PC2-1	pack	360
	Insulating Piercing Connectors Type PC3WP2F	pack	360
	Insulating Piercing Connectors Type PC6WP2CF	pack	360
	Aluminium 4 Core lugs 70x12, 95x12, 120x12, 150x12, 185x12, 240x12	each	300 each
	Aluminium 4 Core Ferrules 70, 95, 120, 150, 185, 240	each	1000
	Aluminium Ferrule Solid Centre up to 11kv 25, 35, 50, 70, 95, 120, 150, 185, 240	each	1000
	Aluminium Lugs Type XD8 25x13, 35x13, 50x13, 70x13, 95x13, 120x13, 150x13, 185x13, 240x13	each	1000
	Aluminium to Copper Ferrules XGX-25A, XGX-35A, XGX-50A, XGX-70A, XGX-95A, XGX-120A, XGX-150A, XGX-185A, XGX-240A	each	1000
	Aluminium to Copper Lugs XCX-25A, XCX-35A, XCX-50, XCX-70A, XCX-95A, XCX-120A, XCX-150A, XCX-185A, XCX-140A	each	1000
	Single phase MCB 60AMP	box	120
	Single phase MCB 80AMP	box	120
	Single phase MCB 100AMP	box	120
	Three phase MCB 60AMP	box	120
	Three phase MCB 80AMP	box	120
	Three phase MCB 100AMP	box	120
	Three phase MCB 150AMP	each	60
	Three phase MCB 250AMP	each	20
	Three phase MCB 300AMP	each	20
	Three phase MCB 400AMP	each	20
	Three phase MCB 800AMP	each	12

Three phase MCB 1000AMP	each	4	
Overhead Line			
Tools and Accessories			
Ratchet Lever Hoist ¾ ton		24	
Ratchet Lever Hoist ½ ton	each	24	
LV & MV ABC Stringing Pulley 250mm	each	60	
HV & MV ABC Stringing Pulley 600mm	each	60	
Comealangs Clamps for A,B,C. and Overhead Conductors Type 1672-10	each	24	
Comealangs Clamps for A,B,C. and Overhead Conductors Type 1656-20	each	24	
9 mm² x 3 core XLPE 11 kv joints	each	90	
120 mm² x 3 core XLPE 11 kv joints	each	90	
185 mm² x 3 core XLPE 11 kv joints	each	90	
240 mm² x 3 core XLPE 11 kv joints	each	90	
300 mm² x 3 core XLPE 11 kv joints	each	90	
95 mm² x 3 core PILC 11 kv joints	each	90	
185 mm² x 3 core PILC 11 kv joints	each	90	
240 mm² x 3 core PILC 11 kv joints	each	90	
95 mm² x 3 core XLPE 11 kv Termination	each	150	
185 mm² x 3 core XLPE 11 kv Termination	each	60	
240 mm² x 3 core XLPE 11 kv Termination	each	60	
300 mm² x 3 core XLPE 11 kv Termination	each	60	
16 mm² x 4 core joints	each	300	
25 mm² x 4 core joints	each	300	
50 mm² x 4 core joints	each	300	
70 mm² x 4 core joints	each	300	
95 mm² x 4 core joints	each	300	
Cedica Jel			
Transformer oil			15000 L
TID linetoline PC			15000

36	Drill bits from 4,5mm to 32mm set	6
37	Traffic lights controller box	8
38	400 amp breakers 300 amp	6
39	Timers 420v, 220v coil	
40	Striker pin fuses – short (10A)	300
41	Striker pin fuses – long (10A)	300
42	13m wooden poles	200
43	11m wooden poles	200
44	6m wooden poles	200
45	2,5m cross arms	600
46	Mink conductor	10 000m
47	Fox conductor	10 000m
48	Hare conductor	10 000m
49	Airdac 10mm ² (1000v)	20 000m
50	70mm ² ABC bundle conductor 4 core (1000v)	20 000m
51	35mm ² ABC bundle conductor 4 core (1000v)	20 000m
52	95mm ² x 4 core PVC cable (1000v)	5000m
53	95mm ² x 3 core XLPE 11kv cable	3000m
54	400 A LV breakers	100
55	300 A LV breakers	100

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (MALUTI-A-PHOFUNG MUNICIPALITY)

BID NUMBER: SCM/BID11/2022/2023 CLOSING DATE: 04 MAY 2023 CLOSING TIME: 10H00

APPOINTMENT OF A PANEL OF THREE (3) SERVICE PROVIDER: SUPPLY AND DELIVERY OF ELECTRICAL MATERIA AND EQUIPMENT FOR A PERIOD OF ONE (01) YEAR

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

BID DOCUMENTS MAY BE POSTED TO:

**SUPPLY CHAIN MANAGEMENT UNIT
MALUTI-A-PHOFUNG MUNICIPALITY
PRIVATE BAG X805
WITSIESHOEK
9870**

OR

DEPOSITED IN THE BID BOX SITUATED AT:

**MALUTI-A-PHOFUNG MUNICIPALITY
CNR MOREMOHOLO & MOTLOUNG STREETS
SETSING BUSINESS CENTRE
PHUTHADITJHABA
9870
BID BOX "A"**

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is generally open 24 hours a day, 7 days a week.

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

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)

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

NAME OF BIDDER

POSTAL ADDRESS

STREET ADDRESS

TELEPHONE NUMBER

CODE

NUMBER

CELLPHONE NUMBER

FACSIMILE NUMBER

CODE

NUMBER

E-MAIL ADDRESS

VAT REGISTRATION NUMBER

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED? (MBD 2)

YES/NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1)

YES/NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)

☐

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)

☐

A REGISTERED AUDITOR

☐

(Tick applicable box)

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)

ARE YOU THE ACCREDITED REPRESENTATIVE

YES/NO

IN SOUTH AFRICA FOR THE GOODS/SERVICES/WORKS OFFERED
(ENCLOSE PROOF)

SIGNATURE OF BIDDER

DATE

CAPACITY UNDER WHICH THIS BID IS SIGNED

TOTAL BID PRICE

TOTAL NUMBER OF ITEMS OFFERED

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Municipality / Municipal Entity: Maluti-A-Phofung Municipality
Department: Finance (Supply Chain Management Unit)

Contact person Mr T Thobala

Tel: 058 718 3871/ 3863

Fax: 058 713 0459

E-mail: thabisot@map.fs.gov.za

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Contact Person: Mr. H.W. UNGERER
Tel: 076 538 1722
E-mail: pjhcc@lanitic.ne

TAX CLEARANCE REQUIREMENTS

IT IS A CONDITION OF BIDDING THAT -

1. The taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with the Receiver of Revenue to meet his / her tax obligations.

2. The attached form "Application for Tax Clearance Certificate (in respect of bidders)", must be completed in all respects and submitted to the Receiver of Revenue where the bidder is registered for tax purposes. The Receiver of Revenue will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of twelve (12) months from date of issue. This Tax Clearance Certificate must be submitted in the original together with the bid. Failure to submit the original and valid Tax Clearance Certificate may invalidate the bid.

3. In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate Tax Clearance Certificate. Copies of the Application for Tax Clearance Certificates are available at any Receiver's Office.

APPLICATION FOR TAX CLEARANCE CERTIFICATE
(IN RESPECT OF BIDDERS)

- | | | |
|----|--|----------------------|
| 1. | Name of taxpayer / bidder: | |
| 2. | Trade name: | |
| 3. | Identification number: | <input type="text"/> |
| 4. | Company / Close Corporation registration number: | <input type="text"/> |
| 5. | Income tax reference number: | <input type="text"/> |
| 6. | VAT registration number (if applicable): | <input type="text"/> |
| 7. | PAYE employer's registration number (if applicable): | <input type="text"/> |

..... Signature of contact person requiring Tax Clearance Certificate:

Name:

Telephone number: Code: Number:

Address:

DATE: 20____/____/____

PLEASE NOTE THAT THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE (SARS) WILL NOT EXERCISE HIS DISCRETIONARY POWERS IN FAVOUR OF ANY PERSON WITH REGARD TO ANY INTEREST, PENALTIES AND / OR ADDITIONAL TAX LEVIABLE DUE TO THE LATE- OR UNDERPAYMENT OF TAXES, DUTIES OR LEVIES OR THE RENDITION RETURNS BY ANY PERSON AS A RESULT OF ANY SYSTEM NOT BEING YEAR 2000 COMPLIANT.

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

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

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, shareholder?):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

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

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

3.8.1 If yes, furnish particulars.

¹MSCM Regulations: "in the service of the state" means to be –
(a) a member of –
(i) any municipal council;
(ii) any provincial legislature; or
(iii) the national Assembly or the national Council of provinces;

- (b) a member of the board of directors of any municipal entity;
 - (c) an official of any municipality or municipal entity;
 - (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
 - (e) a member of the accounting authority of any national or provincial public entity; or
 - (f) an employee of Parliament or a provincial legislature.
- Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

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

3.9.1 If yes, furnish particulars.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with

the evaluation and or adjudication of this bid? YES / NO

3.10.1 If yes, furnish particulars.

.....
.....

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

3.11.1 If yes, furnish particulars

.....
.....

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

3.12.1 If yes, furnish particulars.

.....
.....

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

3.13.1 If yes, furnish particulars.

.....
.....

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

3.14.1 If yes, furnish particulars:

.....
.....

4.

Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

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

NB: BEFORE COMPLETING THIS FORM, BIDDERS 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 all bids:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
 - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).
- 1.2 a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or
- 1.3 Points for this bid shall be awarded for:
- (a) Price; and
 - (b) Specific goals
- 1.4 The maximum points for this bid are allocated as follows:
- 1.5

POINTS	PRICE	SPECIFIC GOALS	Total points for Price and Specific Goals must not exceed
80			
20			
100			

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

2. DEFINITIONS

The words in this policy shall bear a meaning as prescribed and/or ascribed by applicable legislation, and in the event of a conflict, the meaning attached thereto by National Legislation shall prevail:

- (a) "Act" means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).
- (b) "Black people" as defined in the Broad-Based Black Economic Empowerment Act, 2003 (Act No 53 of 2003), is a generic term which means Africans, Coloured and Indians.

(c) "Tender" means a written offer or bid in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services or goods.

(d) "price" means an amount of money tendered for good or services, and includes all applicable taxes less all unconditional discounts;

(e) "rand value" means the total estimated value of a contract in rand, calculated at the time of bid tender invitation, and includes all applicable taxes and

(f) "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 auction.

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1 POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$P_s = 80 \left(1 - \frac{P_{\min}}{P_t - P_{\min}} \right)$$

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which

states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

The specific goals allocated in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points allocated (90/10 system) (To be completed by the tenderer)	Number of points allocated (80/20 system) (To be completed by the tenderer)
Historically disadvantaged personal				
Gender (Woman owned enterprises)			05	
Rural Based Businesses			05	
Location Based			05	
Total Allocated Points			20	

DECLARATION WITH REGARD TO COMPANY/FIRM

- 4.1 Name of company/firm:.....
- 4.2 VAT registration number:.....
- 4.3 Company registration number:.....
- 4.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
☐ One person business/sole propriety
☐ Close corporation
☐ Company
☐ (Pty) Limited

[TICK APPLICABLE BOX]

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 audit/audit report is issued; and
 (e) forward the matter for criminal prosecution, if deemed necessary.

Signature(s) of Tenderer(s): _____ Date: _____

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	<input type="checkbox"/>	<input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	<input type="checkbox"/>	<input type="checkbox"/>
4.2.1	If so, furnish particulars:		

4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item Question			
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

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

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

Signature
 Position
 Date
 Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1	This Municipal Bidding Document (MBD) must form part of all bids ¹ invited.
2	Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging). ² Collusive bidding is a <i>pe se</i> prohibition meaning that it cannot be justified under any grounds.
3	Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to: <ol style="list-style-type: none"> take all reasonable steps to prevent such abuse; reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
4	This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
5	In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:
	¹ Includes price quotations, advertised competitive bids, limited bids and proposals.
	² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

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

- (a) has been requested to submit a bid in response to this bid invitation;
- (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid;

- (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

Signature	Position
.....
Date	Name of Bidder
.....

Maluti-a-Phofung Municipality



Private Bag X805
Witsieshoek
9870
Tel: 058 718 3700
Fax: 058 713 0459

Seting Business Centre
C/o Moremoholo & Motloun Streets
Phuthaditjhaba
9866

Enquiries: Supply Chain Management Unit

MUNICIPAL SERVICES, RATES AND TAXES CLEARANCE CERTIFICATE FOR SUPPLY CHAIN MANAGEMENT PURPOSE

The purpose of this form is to obtain prove that municipal services, rates and taxes of the service provider are not more than three months in arrears with the relevant municipality / landlord in the municipal area where the service provider conduct his / her business. **This form is to be completed only if the service provider's rates and taxes are not in arrears for more than three months.**

PART A – to be completed by the relevant municipality in the case where the service provider is the registered owner of the site / owner pays for municipal services / tenant pays for municipal services

OR

PART B – to be completed by the landlord in the case where the service provider is renting the premises / rental paid by tenant include municipal services.

PART A (TO BE COMPLETED BY THE RELEVANT MUNICIPALITY)

Name of the Municipality:	
Property Physical Address:	
Registered Name:	
Official's Name:	
Signature :	
Date:	
Please tick whether in arrears or up-to-date	
Rates and taxes : Up-to-date / in arrears for more than 3 months	
Water: Up-to-date / in arrears for more than 3 months	

Municipality Stamp Here

<div>Electricity: Up-to-date / in arrears for more than 3 months</div> <div>Refuse : Up-to-date / in arrears for more than 3 months</div> <div>Other services: Up-to-date / in arrears for more than 3 months</div>		PART B (TO BE COMPLETED BY THE LANDLORD)	
Name of the Landlord:			
Property Physical Address:			
Landlord Signature:			
Date: _____		<div>Landlord's business stamp here</div> <div>Or an Affidavit from SAPS And Lease Agreement</div> <div>(in the event the landlord does not have a business stamp)</div> <div>Please tick whether up-to-date or in arrears</div> <div>Rental: Up-to-date / in arrears for more than 3 months</div> <div>Municipal services: Up-to-date / in arrears for more than 3 months</div> <div>NB: MALUTI-A-PHOFUNG LOCAL MUNICIPALITY BASED SUPPLIERS/ BUSINESSES SHOULD ATTACH THEIR ELECTRICITY PURCHASE PATTERN.</div>	

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General Conditions of Contract

1. Definitions

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

GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

- 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 goods 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

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- supply of the goods such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract
- 1.25 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 "Tort" means in breach of contract.
- 1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.28 "Written" or "in writing" means hand-written in ink or any form of electronic or mechanical writing.
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3.1 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 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 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
- 5. Use of contract documents and information inspection**
- 4. Standards**
- 3. General**
- 2. Application**

extend only so far as may be necessary for purposes of such performance.

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

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

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

6. Patent Rights

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

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

7. Performance security

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

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

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

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

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 goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 8.3 If there are no inspection requirements indicated in the 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 goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.
- 9.1 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

9. Packing

weights shall take into consideration where appropriate the remoteness of the goods final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

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

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

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

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

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

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

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

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and;

(b) in the event of termination of production of the spare parts:

- (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
- (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

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

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

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

16. Payment

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

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

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 or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

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

19. Assignment

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

20. Subcontracts

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract, 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 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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 supplier as having no objection and proceed with the restriction.

23.5 . Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercises 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 purchaser 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

GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

- 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 Notwithstanding any reference to mediation and/or court proceedings herein.
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.
- 28.1 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.
- 29.1 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.
- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified.
- 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.
- 32.1 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. Taxes and duties