

ADDENDUM 1

Tender IDS (R&T) 20/2025

TENDERS ARE HEREBY INVITED FROM CONTRACTORS WITH A CIDB GRADING OF 2CE OR HIGHER FOR ROAD SURFACE REJUVENATION, ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF THREE (3) YEARS. MORE THAN ONE BIDDER MAY BE APPOINTED.

CIDB Clauses/Sub-Clauses not applicable to the tender document for: IDS (R&T) 20/2025

Bidders are hereby notified of amendments on the CIDB clauses/sub-clauses that are not applicable to this tender.

The following variations and additions to the **General Conditions of Contract for Construction Works, Third Edition (2015)**, shall **NOT** apply to this contract:

C1.2.2 VARIATIONS AND ADDITIONS TO THE CONDITIONS OF CONTRACT

CLAUSE / SUB-CLAUSE	DESCRIPTION	INFORMATION
6.2	Contract Guarantee	<p>Within 14 days of Appointment – at time of Site Handover</p> <p>NOT APPLICABLE</p> <p>Contract may be awarded to a Subsidiary Company on the condition that the Holding Company shall in addition to the Surety specified, assume responsibility for the due and proper performance of the Works and the fulfilment of the contract, should the Subsidiary Company be unable to do so."</p> <p>NOT APPLICABLE</p> <p>10 % of contract amount excluding Contingencies, VAT for the full construction period.</p>

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6.2.4	Security	As an alternative to a performance guarantee, the Contractor may deposit with the Employer a cash amount in a sum equal to the amount stated in the Data provided by the Employer. All the provisions in respect of the guarantee shall mutatis mutandis to the cash deposit apply. The amount deposited will be repaid to the Contractor within 30 (thirty) days after the issue of the Certificate or Certificates of Completion in respect of the completion of the permanent works.
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C1.2.3 DATA PROVIDED BY THE EMPLOYER

CLAUSE/OPTION		DATA				
5.13.1	The penalty for delay	N/A				
6.2.1	Type of security for due performance:	<div>NOT APPLICABLE</div> <ul style="list-style-type: none">Fixed Performance Guarantee from approved financial institution or Cash Deposit.The forms for performance guarantees is to contain the wording of the proforma document included in the tender C1.4 contains the following:				
	Liability of performance guarantee/cash deposit	The liability of the guarantee shall be R100.00.				
6.2.2	Retention money guarantee	Not permitted				
6.8.2	Adjustment in rates and/or prices	<div>NOT APPLICABLE</div> <ul style="list-style-type: none">The value of the rates issued shall be adjusted in accordance with the Contract Price Adjustment Schedule with the following values: <table><tr><th>Description</th><th>Value</th></tr><tr><td>Portion not subject to adjustment</td><td>0.10</td></tr></table>	Description	Value	Portion not subject to adjustment	0.10
Description	Value					
Portion not subject to adjustment	0.10					

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CLAUSE/OPTION		DATA														
		<table><tr><td>A</td><td>Labour</td><td>0.21</td></tr><tr><td>B</td><td>Civil Engineering Plant</td><td>0.27</td></tr><tr><td>C</td><td>Engineering Materials</td><td>0.42</td></tr><tr><td>D</td><td></td><td>0.10</td></tr></table> <p>(The sum of the percentages a, b, c and d must sum to one)</p> <p>The area nearest the Site is Mogale City Local Municipality</p> <p>The base month is <u>the month and year prior to the closing of the tender.</u></p>			A	Labour	0.21	B	Civil Engineering Plant	0.27	C	Engineering Materials	0.42	D		0.10
A	Labour	0.21														
B	Civil Engineering Plant	0.27														
C	Engineering Materials	0.42														
D		0.10														
6.8.3	Price adjustment for variations in the cost of special materials	NOT APPLICABLE														

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C1.2.4 DATA PROVIDED BY THE CONTRACTOR

CLAUSE/OPTION		DATA	
6.2.1	The security to be provided by the Contractor shall be one of the following:	Type of Security	Contractor's choice (Indicate "Yes" or "No")
		Performance guarantee (R300 000 (Three Hundred Thousand Rand))	
		Contract value (R300 000.00 (Three Hundred Thousand Rand))	
6.8.3	Price adjustments for variations in the cost of special materials	The variation in cost of special materials is:	
		Type of material	Base Rate or Price

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C1.3 PERFORMANCE GUARANTEE

For use with the General Conditions of Contract for Construction Works, T (2015).

GUARANTOR DETAILS AND DEFINITIONS

Guarantor means: **State Guarantor legal name**

Physical address: **State physical address**

Employer means: Mogale City Local Municipality

Contractor means: **State Contractor's legal name**

Employers Agent means: **State name of Employer's Agent**

Works mean: **State tender reference and description**

Site means: **State site and address**

Contract means: The Agreement in terms of the Form of Offer and Acceptance and any amendments or additions to the *Contract* as may be made in writing between the parties.

Contract Sum means The amount inclusive of tax of **R** _____

Amount in words: _____

Guaranteed Sum means The maximum aggregate amount of **R** _____

Amount in words: _____

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Type of Performance **Fixed**

Guarantee:

Expiry Date means: **Three (3) years from the date of ap**

CONTRACT DETAILS

Employer's Agent issues: Interim Payment Certificate, Payment Certificate and the Certificate of Completion of the *Works* as defined in the

1. VARIABLE PERFORMANCE GUARANTEE

1.1 Where a Variable Performance Guarantee has been selected, the *Guarantor's* liability shall be limited during the following diminishing amount of the *Guaranteed Sum* as follows:

1.1.1 From and including the date of the issue by the *Employer's Agent* of the Performance Guarantee up to and including the date of the interim payment certificate certifying, for the first time, more than 50% of the *Contract Sum*:

R _____

(Amount in words) _____

1.1.2 From the day of the said interim payment certificate up to and including the *Expiry Date* or the date of the issue by the *Employer's Agent* of the Certificate of Completion of the *Works*, whichever occurs first:

R _____

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(Amount in words): _____

- 1.2 The *Employer's Agent* and/or the *Employer* shall advise the *Guarantor* in writing of the date on which the interim certificate certifying, for more than 50% of the *Contract Sum*, has been issued and the date on which the Certificate of Completion of the *Works* has been issued.

2. FIXED PERFORMANCE GUARANTEE

- 2.1 Where a Fixed Performance Guarantee is selected, the *Guarantor's* liability shall be limited to the *Guaranteed Sum*.
- 2.2 The *Guarantor's* period of liability shall include the date on which the Performance Guarantee is signed, including the *Expiry Date*, or the date of issue by the *Employer's Agent* of the Certificate of Completion of the *Works*, or the date of payment in full of the *Guarantee*, whichever occurs first.
- 2.3 The *Employer's Agent* and/or the *Employer* shall advise the *Guarantor* in writing of the date on which the Certificate of Completion of the *Works* has been issued.

3. CONDITIONS APPLICABLE TO VARIABLE AND FIXED PERFORMANCE GUARANTEES

- 3.1 The *Guarantor* hereby agrees that:
- 3.1.1 Any reference to the Performance Guarantee to the *Contract* is made for the purpose of convenience and shall not be construed as any intention whatsoever to create an accessory or any intention whatsoever to create a suretyship.
- 3.1.2 Its obligation under this Performance Guarantee is restricted to payment of the money.
- 3.2 Subject to the *Guarantor's* maximum liability referred to in 1.1 or 2.1, the *Guarantor* hereby undertakes to the *Employer* the sum certified upon receipt of the documents identified in 1.3:

- 3.2.1 A copy of a first written demand issued by the *Employer* to the *Contractor* stating that payment of a sum certified by the *Employer's Agent* for Interim or Final Payment Certificate has not been made in terms of the *Contract* within such payment within in seven (7) calendar days, the *Employer* intends to call on the *Guarantor* to make payment in terms of 3.2.2;
- 3.2.2 A first written demand issued by the *Employer* to the *Guarantor* at the *Guarantor's* physical address with a copy to the *Contractor* stating that a period of seven (7) days has elapsed since the first written demand in terms 3.2.1 and the sum certified has not been paid;
- 3.2.3 A copy of the aforesaid payment certificate shall entitle the *Employer* to receive payment in terms of the *Contract* of the sum certified.
- 3.3 Subject to the *Guarantor's* maximum liability referred to in 1.1 or 2.1, the *Guarantor* undertakes to pay to the *Employer* the *Guaranteed Sum* or the full outstanding balance upon receipt of a first written demand from the *Employer* to the *Guarantor* at the *Guarantor's* physical address to call up this Performance Guarantee, such demand stating that:
- 3.3.1 the *Contract* has been terminated due to the *Contractor's* default and that this Performance Guarantee is called up in terms of 3.3; or
- 3.3.2 a provisional or final order of liquidation court order has been granted against the *Contractor* and the Performance Guarantee is called up in terms of 3.3; and
- 3.3.3 the aforesaid written demand is accompanied by a copy of the notice of termination and/or the provisional liquidation and/or the provisional liquidation court order.
- 3.4 It is required that the aggregate amount of payments required to be made by the *Guarantor* in terms of 3.2 and 3.3 shall not exceed the *Guarantor's* maximum liability in terms of 1.1.
- 3.5 Upon the *Guarantor* has made payment in terms of 3.3, the *Employer* shall upon the date of receipt of the Final Payment Certificate submit an expense account to the *Guarantor* showing how all monies received in terms of this Performance Guarantee have been

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expended and shall refund to the *Guarantor* any resulting surplus. All amounts refunded to the *Guarantor* in terms of this Performance Guarantee shall bear interest at the prime overdraft rate of the *Employer's* bank compounded monthly and from the date payment was made by the *Guarantor* to the *Employer* until the amount is refunded.

3.6 Payment by the *Guarantor* in terms of 3.2 or 3.3 shall be made within (7) calendar days upon receipt of the first written demand to the *Guarantor*.

3.7 Payment by the *Guarantor* in terms of 3.3 will only be made against the return of the original Performance Guarantee by the *Employer*.

3.8 The *Employer* shall have the absolute right to administer the affairs with the *Contractor* in any manner which the *Employer* may deem fit. The *Guarantor* shall not have the right to claim his release from this Performance Guarantee on account of any conduct alleged to be prejudicial to the *Guarantor*.

3.9 The *Guarantor* chooses the physical address specified above for the service of all notices for all purposes in connection herewith.

3.10 This Performance Guarantee is not assignable nor transferable and shall expire in terms of 1.1.2 or 2.2, where after it will be considered by the *Guarantor*. The original of this Guarantee shall be returned to the *Guarantor* after it has expired.

3.11 This Performance Guarantee and required demand notices in terms of 3.2 or 3.3, shall be regarded as liquidated damages for the purposes of obtaining a court order.

3.12 Where this Performance Guarantee is issued in the Republic of South Africa the *Guarantor* hereby confirms that it is subject to the jurisdiction of the Magistrate's Court of any district having jurisdiction in terms of section 28 of the said Act, notwithstanding that the amount of the claim may exceed the jurisdiction of the Magistrate's Court.

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Signed at

Date

Guarantor's signatory (1)

Capacity

Guarantor's signatory (2)

Capacity

Witness signatory (1)

Witness signatory (2)

NOT APPLICABLE

ANNEXURE

List of institutions from which contract /deposit guarantees can be accepted. Other accredited institutions might be considered, subject to the approval of the (name of department)

1. ABSA Bank
2. Credit Agricole Indosuez (South Africa Branch)
3. Development Bank of South Africa
4. FirstRand Bank
5. ING Bank N.V. (South Africa Branch)
6. Investec Bank
7. Landbank
8. National Housing Finance Co.
9. Nedcor Bank
10. South African Reserve Bank
11. Standard Bank
12. AIG South Africa
13. Credit Guarantee Insurance Co
14. Emerald Insurance Company
15. Federated Employers Mutual Assurance Co
16. Global Insurance Company
17. Guardrisk Insurance Company
18. Hannover Re:
19. Home Loan Guarantee Company
20. Lion of Africa Insurance Company
21. Metropolitan Life
22. Metropolitan Odyssey Ltd
23. MUA Insurance
24. Mutual & Federal Insurance Company
25. Rand Mutual Assurance Company
26. Regent Insurance Company
27. SA Eagle Insurance Company
28. Lombard Insurance.

C1.4 CASH DEPOSIT GUARANTEE

Contract:

Description of
Contract:

Employer:

Contractor:

I/We, the undersigned, deposit herewith ¹cash / a bank certificate / cheque, in the amount of

as surety for the due performance of the Contract by the abovementioned Contractor, and for all losses, damages and expenses that may be incurred or incurred by the Employer as a result of non-performance of the Contract by the Contractor.

The amount thus deposited shall at the sole discretion of the above Employer be utilised and appropriated in the manner it deems fit, which shall include but not be limited to the set off of claims upon occurrence of any one or more of the following events:

- (a) the Contractor being placed under provisional liquidation or committing any one or more of the acts of insolvency as provided for in the Insolvency Act, 1936 (Act 24 of 1936);
- (b) failure to comply with the conditions of the contract by the contractor; or

¹ Delete which is not applicable

(c) if the contract is terminated.

A letter received from the Employer stating that any one or more of the above mentioned has occurred shall be sufficient notice to effect appropriation of such deposit. A certificate under the hand of the Employer's Agent as defined under the contract described above reflecting the amount of damages shall for all purposes be deemed to be sufficient to proof to the Contractor off of claims

The deposit shall, subject to the above, be returned to the Contractor on the issue of the Completion Certificate in terms of the Contract, unless the Employer has utilised and / or appropriated the monies as provided for above.

NOT APPLICABLE

FOR AND ON BEHALF OF THE CONTRACTOR:

NAME:

(in BLOCK letters)

CAPACITY:

(of authorized agent)

SIGNATURE:

(of authorized agent)

SIGNED

at

on

this

day of

WITNESSES:

(Full name in BLOCK letters
and signature)

1.

2.