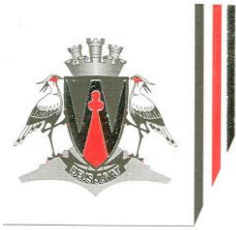




FORMAL WRITTEN QUOTATION:
SCM003 – 2021/2022
Provision of services for the appointment of a section 57:
Director Finance

BIDDERS NAME:	
BBBEE STATUS LEVEL	
CSD REGISTRATION NR MAAA NUMBER	
TOTAL BID AMOUNT:	R _____ (Inclusive of VAT)



CENTRAL KAROO DISTRICT MUNICIPALITY

FORMAL WRITTEN QUOTATION: SCM003 – 2021/2022

Provision of services for the appointment process of a Section 57: Director Finance

The Central Karoo District Municipality is seeking the assistance of a highly skilled and experienced service provider for the appointment process of a Director Finance.

This bid is subject to functionality criteria evaluation on relevant experience of the bidder and similar successful project completed by the bidder as set out below.

Bidders must score a minimum of 60 out of 80 points (75%) for functionality to be evaluated further.

The quotation must be submitted on the pricing schedule provided and must be returned via the following means of communication:

1. Email: manager@skdm.co.za (no other email address should be used)

Suppliers must be registered on the Central Supplier Database. Proof of registration must be provided.

The completed document and quotation must reach Supply Chain Office by no later than at **12H00 on 15 October 2021**.

Queries relating specifications: Gerda van Zyl – 023 449 1013 or sent email to manager@skdm.co.za

Contact Person for the document: Dormenia Swartz– 023 449 1000 / 1051 or sent an email to manager@skdm.co.za requesting the document.

The following conditions will apply:

1. Price(s) quoted must be valid for ninety (90) days from date of offer;
2. Price(s) quoted must be firm and must be inclusive of VAT
3. A delivery period / commencement date must be indicated
4. This quotation will be evaluated in terms of the 80/20 Preference Points system as prescribed in the Preferential Procurement Regulations 2017, if the quote is above R30 000.00 and for this purpose the enclosed forms must be scrutinized, completed and submitted together with your quotation.
5. Only those suppliers who complies to specifications will be eligible for points.
6. Enclose valid Tax Clearance Certificate / Pin with the quotation.
7. Enclose valid B-BBEE certificate.
8. Enclose latest Municipal Rates and Taxes Account or lease agreements of the company and all the directors.
9. Please ensure that all pages of this document are read, completed, signed off and submitted on or before the closing date and time.
10. This Bid is subject to the General Conditions of Tender and if applicable, any other Special Conditions of Tender.
11. Bids may only be submitted on the tender document that is issued.
12. Document MUST be completed in non-erasable black ink.

Council reserves the right not to necessarily accept the lowest, only or any quotation.

Dr S W Vatala
Municipal Manager
Central Karoo District Municipality
63 Donkin Street / Private Bag X560, BEAUFORT WEST, 6970

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Evaluation Criteria for the Bid

Only quotation which are completely responsive to the terms of the bid documents will qualify for evaluation. The following tests for responsiveness shall be performed: Ensure that all documents below are attached. Bidder must ensure that all requested documents are submitted.

	Item	Responsiveness Test	Attached Yes/No	Official Purposes
1	Central Supplier Database	Registration Compulsory, attach proof of registration		
2	Quotation / Price Schedule	Compulsory		
3	Bidder's Tax Clearance Certificate / PIN	Attachment Compulsory		
4	Proof of Payment of Municipal Rates and Taxes or lease agreement of company	Copy of latest Municipal Rates & Taxes / lease agreement account attached.		
5	Proof of Payment of Municipal Rates or lease agreements And Taxes of all directors	Copy of latest Municipal Rates / lease agreement & Taxes account attached.		
6	BBBEE Certificate	Valid certified copy of the document is compulsory.		
7	Company Details	Completion compulsory		
8	Certificate of Authority for Signatory	Completion or Attachment of Resolution Compulsory		
9	Declaration of interest (MBD4)	Completion Compulsory		
10	Preference points claim form (MBD6.1)	Completion Compulsory		
11	Declaration i.t.o Bidder Past SCM Practices (MBD8)	Completion Compulsory		
12	Certificate of Independent Bid Determination (MBD9)	Completion Compulsory		
13	Proof of Registration of Company (CIPC)	Attachment Compulsory		
14	All information (CV's etc as requested under scope of work	Attachment Compulsory		

Non-Compliance with anyone of these minimum requirements will lead to immediate disqualification.

A	CATEGORY	WEIGHT	SCORE
	PRICE: < R 50 000 000 = 80/20 > R 50 000 000 = 90/10	80	
B	BBBEE Certificate	20	
	Level contributor.		
	TOTAL.	100	



TERMS OF REFERENCE/

SCOPE OF WORKS 1. INTRODUCTION / BACKGROUND

- 1.1. The Central Karoo District Municipality requires the service of a professional, experienced and competent consultant for the selection and appointment of a **Section 57 Director Finance** post.
- 1.2. The advertisement for the position has been placed in newspapers circulating on a National level as well as locally.

2. SCOPE

- 2.1. The successful bidder will be responsible for the entire recruitment and selection process to appoint the **Director Finance** in compliance with the Local Government: Regulations on Appointment and Conditions of Employment of Senior Management (GN 21 dated 17 January 2014).
- 2.2. The project manager for this assignment will be **Ms Gerda van Zyl**

3. GENERAL

3.1. Compulsory clarification meeting/information session

N/A.

3.2. Delivery address

63 Donkin Street, Beaufort West, 6970

3.3. Contract period

The contract will commence on the date of signing the contract and end on completion of the recruitment process to a maximum period of 6 months.

3.4. Validity period of quotation

- 3.4.1. The tender/quotation must be valid, irrevocable and open for acceptance for a minimum period of 90 days after closing date.
- 3.4.2. Notwithstanding the minimum period for validity of bids as set out in paragraph 3.4.1 above, bids shall be deemed to remain valid until formal acceptance by the municipality of an offer at any time after the minimum validity period, unless the municipality is notified in writing of anything to the contrary by the bidder.

3.6. Submission of quotation

- 3.6.1. The duly completed document must be emailed to manager@skdm.co.za
- 3.6.2. No late submissions will be considered.

4. EVALUATION AND ADJUDICATION

- 4.1. All items will be evaluated and awarded individually where applicable.
- 4.2. The estimated quantities will be used for evaluation purposes only and must not be seen as actual quantities to be awarded.
- 4.3. The Municipality reserves the right to award a portion, or the whole of the contract to one successful bidder.

5. FUNCTIONALITY CRITERIA

- 5.1. This bid is subject to functionality criteria evaluation on relevant experience of the bidder and similar successful projects completed by the bidder as set out below.
- 5.2. Bidders must score a minimum of 60 out of 80 points (75%) for functionality to be evaluated further.
- 5.3. The functionality criteria will be evaluated independently by at least **one (1) person** and the average scores will be awarded.
- 5.4. Bidders must submit all information in order to be allocated points
- 5.5. Unclear or incomplete information provided will result in no points being allocated
- 5.6. The bidder shall set out in the Schedule of Experience included in the bid document details of the relevant experience in terms of projects completed or relevant working experience in the appointment process of employees in terms of Local Government: Regulations on Appointment and Conditions of Employment of Senior Management positions of the person's identified for the completion of this project based upon which up to 40 points for functionality will be awarded to the bidder.
- 5.7. It must be noted that should the person(s) identified not be available for the position which they are indicated for, then a suitable candidate with equal or superior tertiary qualification and/or relevant experience than that of the person which he/she replaces shall be used for every such position

FUNCTIONALITY CRITERIA				
	Description	Points attainable	Maximum points attainable	Points Awarded
A	BIDDER/ COMPANY EXPERIENCE			
Experience of consultants to be directly involved with this contract (if awarded) will be based on the Information supplied by the Bidder. CV's of the relevant consultant that will be involved in the project				
i	3 or more years experienced	40	Max 40 points	
ii	Between 1 and 3 years experienced	20		
iii	Less than1 year experienced	10		
B	SIMILAR COMPLETED PROJECTS			
Proof of experience in the appointment process of employees in terms of Local Government: Regulations on Appointment and Conditions of Employment of Senior Management positions other than Central Karoo District Municipality. Bidder/Company must demonstrate experience in providing successful completed projects in the recruitment/appointment process				
i	4 or more similar completed projects	40	Max 40 points	
ii	Between 2 and 4 similar completed projects	20		
iii	Less than 2 similar completed projects	10		
TOTAL POINTS			80	

6. ELIGIBILITY CRITERIA

N/A

7. TECHNICAL REQUIREMENTS

Bidders are required to complete the following table and must comply with all the requirements in order to be evaluated further:

Description of requirements		Please indicate with an "X" whether the offer complies with the requirements.		
		Yes	No	Comment
7.1	The Consultant must compile a detailed, summarised long list for all applications received from the Central Karoo District Municipality			
7.2.	The Consultant must attend a meeting with the Interview Panel, to discuss the long list and finalise the shortlist.			
7.3.	The Consultant is responsible to arrange suitable dates for shortlisting, assessment and interviews, with the shortlisted candidates.			
7.4.	To do reference checking, including criminal and credit record checking, as well as verification of qualifications and verification for dismissals for misconduct or poor performance by other employers for all short-listed candidates as per the applicable Regulations.			
7.5.	To conduct assessments on the core competencies as prescribed by the applicable Regulations.			
7.6.	To compile interview questions in conjunction with the Municipal Manager.			
7.7.	Conduct competency- based assessments as prescribed by the applicable Regulation			
7.8.	To draft a report with recommendation to the Interview Panel for discussion and compilation of a final report for submission.			
7.9.	To ensure that the appointment process complies with the applicable Regulations.			
7.10.	To inform all unsuccessful candidates after the appointment is finalised			
7.11.	Provide the Director Corporate Services with the appointment documentations for record keeping and submission to MEC for final approval of appointment within 14 days of appointment decision.			
7.12.	In the event of an appeal, to compile a response to the appellant			
7.13.	Bidder to submit methodology with timeframe schedules			
7.14	Draft appointment contract in consultation with Municipal Manager.			

8. INFORMATION TO BE PROVIDED BY THE BIDDER

- 8.1. Completed schedules included in tender document.
- 8.2. Proposal with detailed methodology and proposed timeframes schedules.
- 8.3. CV's to be submitted for consultants with proof of qualifications, assigned to this project.

9. PRICING

Provide any information specific to pricing, for example:

- 9.1. The successful bidder should be able to provide a detailed breakdown of rates as per the pricing schedule on request.
- 9.2. The tendered price must include VAT. If the bidder is not a registered VAT vendor, it must be indicated as such on the Pricing Schedule.
- 9.3. The prices tendered will be fixed and firm and no escalation will be applicable for the contract period.
- 9.4. No interim payments will be made and only on completion of the project.
- 9.5. Payments will occur depending on the date invoices were handed in for processing.
- 9.6. Payments will be based on completion of outputs as per agreed work plan (timeframes). Only work completed will be paid for.
- 9.7. Subsistence and Transport must be included in the tender price for the duration of the project.
- 9.8. Evaluation will be done on the Total amount in the Pricing Schedule

Any tender submitted that do not meet ALL of the requirements in this document will automatically be discarded from the evaluation process.

Please note:

- 1. **No upfront payment/deposit will be made to any bidder.**
- 2. Please clearly state any deviation from minimum specification.
- 3. By signing this page, I declare that I have read and understand the specifications

.....
Name of bidder

.....
Company Name

.....
Signature of bidder

.....
Date

PRICING SCHEDULE

PLEASE NOTE

- Document MUST be completed in non-erasable black ink
- The Bidder MUST indicate whether he/she/the entity is a registered VAT Vendor or not.
- In the case of the Bidder not being a registered VAT Vendor, both columns (amount/rate excluding AND including VAT) must reflect the same amount.

	INDICATE WITH AN „X“							
Are you/is the firm a registered VAT Vendor	YES				NO			
If “YES”, please provide VAT number								

I / We _____

(full name of Bidder) the undersigned in my capacity as _____

of the firm _____

hereby offer to Central Karoo District Municipality to render the services as described, in accordance with the specification and conditions of contract to the entire satisfaction of the Central Karoo District Municipality and subject to the conditions of tender, for the amounts indicated hereunder:

PRICING SCHEDULE

Item	Description	Estimated Qty	Unit Price (incl VAT)	Total (Incl VAT)
1	Provide summarized long list electronically to Division Head: Human Resources for distribution to members of Interview Panel to arrange a suitable date for the shortlisting meeting.	1		
2	The Consultant to meet with the Interview Panel in Beaufort West to finalise the shortlist and arrange suitable dates for assessment and interviews.	1		
3	Do reference checking, including criminal and credit record checking, as well as verification of qualifications and verification for dismissals for misconduct or poor performance by other employers for all shortlisted candidates as per the applicable Regulations, - Based on a maximum of 5 candidates (for purpose of determine pricing).	5		
4	Contacting candidates for assessment and interviews.	5		
5	Compile interview questions in consultation with the Executive Mayor	1		
6	Conduct assessments on the core competencies as prescribed by the applicable Regulations in Beaufort West with 5 possible candidates.	5		
7	Conduct interview on an alternative day in Beaufort West (Central Karoo District Municipality) with 5 possible candidates	5		
8	Compile a draft report with recommendation by the Consultant and to meet with the Interview Panel in Beaufort West for discussion and compilation of a final report for submission to Council for approval and appointment of candidate.	1		
9	Inform all unsuccessful candidates after the appointment is finalized. The total cost will be based on the actual applications received. For evaluation purposes, an approximate of 4 candidates will be used.	4		

10	Draft an appointment contract in consultation with the Municipal Manager	1		
			TOTAL (INCL OF 15% VAT)	

Delivery period after official order : _____ (days/weeks/months)

Signed

Date

Name

Position

1. COMPANY'S DETAILS

The following details schedule must be completed to ensure that the prerequisite requirements to tendering are met.

Registered Company Name:			
Central Supplier Database Number (MAAA number)			
Contact Person:			
Cell phone number:		Office Number	
Fax number:		e-mail address	
Company Physical Address:			
Company Postal Address:			
Company Registration Number:			
VAT Number: (if registered)			
Bank Name and Branch:			
Bank Account Number:			
Name of Account Holder:			

Name of Bidder:			
Position:			
Signature:		Date:	

2. AUTHORITY FOR SIGNATORY

Details of person responsible for process

Name

Contact number ..(.....).....

Address of office submitting the
Tender

Telephone no ..(.....).....

Fax no ..(.....).....

E-mail address

Signatories for close corporations and companies shall confirm their authority by attaching to this form a **duly signed and dated original or certified copy** of the relevant resolution of their members or their board of directors, as the case may be.

"By resolution of the board of directors passed on (date)

Mr.

has been duly authorized to sign all documents in connection with the bid for Contract Numberand any Contract which may arise there from on behalf of

(BLOCK CAPITALS)

SIGNED ON BEHALF OF THE COMPANY

IN HIS CAPACITY AS

DATE

FULL NAMES OF SIGNATORY

AS WITNESSES 1.

2.

3. DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state*.
2. Any legal person, having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. 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 the service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.

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

- 3.1 Full Name
- 3.2 Identity number.....
- 3.3 Company Registration Number.....
- 3.4 Tax Reference Number.....
- 3.5 VAT Registration Number.....
- 3.6 CIDB Registration Numbern/a.....Grading:.....n/a

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

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

- 3.8.1 If so, furnish particulars.

.....

.....

- *MSCM 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 **YES / NO**

twelve months?

3.9.1 If so, 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 adjudication with this bid?
YES / NO

3.10.1 If so, state particulars.

Full Name of Director/Trustee/Manager/ Shareholder	Relationship	Related Party's Name	State Organisation

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 so, state particulars.

.....
.....

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

3.12.1 If so, furnish particulars.

.....
.....

3.13 Are any spouse, child or parent of the company's
YES / NO

directors, managers, principle shareholders or stakeholders in service of the state?

3.13.1 If so, furnish particulars.

Full Name of Director/Trustee/Manager Shareholder	Relationship	Related Party's Name	State Organisation	Capacity of related party

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:

Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	Capacity in company

DECLARATION

I, THE UNDERSIGNED (NAME)

.....

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

4. TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

1	A copy of a Tax Compliance Status pin and a Tax Compliance Certificate, printed from the South African Revenue Service (SARS) website, must accompany the bid documents. The onus is on the bidder to ensure that their tax matter with SARS are in order.
2	In the case of a Consortium/Joint Venture every member must submit a separate Tax Compliance Status Pin and Tax Compliance Certificate, printed from the SARS website, with the bid documents.
3	If a bid is not supported by a Tax Compliance Status Pin and a Tax Compliance Certificate as an attachment to the bid documents, the Municipality reserves the right to obtain such documents after the closing date to verify that the bidder's tax matters are in order. If no such document can be obtained within a period as specified by the Municipality, the bid will be disqualified.
4	The Tax Compliance Status Pin will be verified by the Municipality on the SARS website.

5. PROOF OF PAYMENT OF MUNICIPAL RATES AND TAXES

In terms of Council's Supply Chain Management Policy, the Head of Department must check whether "any municipal rates and taxes or municipal service charges owed by a bidder or any of its directors to the municipality or municipal entity, or to any other municipality or municipal entity, are not in arrears.

PLEASE ATTACHED TO THIS FORM

The recent municipal account of the Company that is bidding as well as the municipal account of each Director on the CIPRO of the Company. Include a copy of the CIPRO then we can be sure all of the Directors accounts has been received.

Failing to include all of the above accounts will mean that your bid will not be considered as it will be regarded as non-compliant.

THIS IS COMPULSORY.

SIGNED ON BEHALF OF THE TENDERER

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

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

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

1. GENERAL CONDITIONS

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

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

1.2

- a) The value of this bid is estimated not to exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

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

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

80/20

or

90/10

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

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

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

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

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

5. BID DECLARATION

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

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

- 6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

- 7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

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

- 7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

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

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of
company/firm.....

8.2 VAT registration
number.....

8.3 Company registration
number.....

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
 - ☐ One-person business/sole propriety
 - ☐ Close corporation
 - ☐ Company
 - ☐ (Pty) Limited
- [TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
 - ☐ Supplier
 - ☐ Professional service provider
 - ☐ Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

8.7 MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account Number:

Stand Number.....

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

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

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

WITNESSES

1.

2.

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

DATE:

ADDRESS

.....
.....

7. 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 as a company or person 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 National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <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)? (To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court 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	Yes	No
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 municipality / 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

.....
Date

.....
Position

.....
Name of Bidder

8. CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
 2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
 3. 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:
 - a. take all reasonable steps to prevent such abuse;
 - b. 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
 - c. 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:
- ***Includes price quotations, advertised competitive bids, limited bids and proposals.***
 - ***Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to 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; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

.....
Signature

.....
Date

.....

.....

12. PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

TABLE OF CLAUSES

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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 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 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 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. Application

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. 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 nonrefundable 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. 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 as 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.
- 8.2 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. 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, 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	<p>The supplier may be required to provide any or all of the following services, including additional services, if any:</p> <ul style="list-style-type: none"> (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	<p>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:</p> <ul style="list-style-type: none"> (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: <ul style="list-style-type: none"> (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	<p>20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under these 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.</p>
21. Delays in the supplier's performance	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>
22. Penalties	<p>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.</p>
23. Termination	<p>23.1 The purchaser, without prejudice to any other remedy for for default breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:</p>

- (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 exercise or 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 on 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 has been 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 the 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. Antidumping and countervailing duties and rights	<p>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 supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods 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.</p>
25. Force Majeure	<p>25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure. 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.</p>
26. Termination for insolvency	<p>26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.</p>
27. Settlement of Disputes	<p>27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.</p> <p>27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party</p>

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.

28. Limitation of Liability	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, <ul style="list-style-type: none">(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 wilful misconduct, and in the case of infringement pursuant to Clause 6; <ul style="list-style-type: none">(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.
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 SARS must have certified that the tax matters of the preferred bidder are in order.
	32.4	No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.
33. Transfer of contracts	33.1	The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser
34. Amendment of contracts	34.1	No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.
35. Prohibition of of restrictive practices practice if it is	35.1	In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 1998, as amended, an agreement between, or concerted by, firms, or a decision by an association of firms, is prohibited is between parties in a horizontal relationship and if a bidder(s) / are or a contractor(s) was / were involved in collusive bidding.
	35.2	If a bidder(s) or contractor(s) based on a reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the of the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 of 1998.
	35.3	if a bidder(s) or contractors(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 a whole of 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.