



REQUEST FOR QUOTATION

Form No: RW SCM 00016 F

Revision No: 09

Effective Date: 31 Jan 2023

| | | | | | |
|--|--|-------------------------------|------------------|----------------------|------------|
| BID NUMBER: | 10407338 | CLOSING DATE: | 02 November 2023 | CLOSING TIME: | 23:59:59pm |
| DESCRIPTION: | Request for Quotation for the Supply, Installation, Configuration and Provision of MPLS Services at Rand Water for a Duration of Nine Months (9) Months. | | | | |
| NON-COMPULSORY BRIEFING SESSION DATE AND TIME | N/A | BRIEFING SESSION VENUE | N/A | | |
| ISSUE DATE | 30 October 2023 | | | | |

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:

| BUYER | | SOURCING MANAGER | |
|---|--|-------------------------|---|
| CONTACT PERSON | Khutso Ramafalo | CONTACT PERSON | Jabulile Molema |
| TELEPHONE NUMBER | SCM is currently not available on landline number since COVID - 19. Please submit correspondence via email | TELEPHONE NUMBER | SCM is currently not available on landline number since COVID -19. Please submit correspondence via email |
| E-MAIL ADDRESS (Submissions must be made to this address) | kramafal@randwater.co.za | E-MAIL ADDRESS | jmolema@randwater.co.za |

SUPPLIER INFORMATION

| | | | |
|---|-----------------------------------|-----------------------------|--|
| NAME OF BIDDER | | | |
| POSTAL ADDRESS | | | |
| STREET ADDRESS | | | |
| TELEPHONE NUMBER | CODE | | NUMBER |
| CELLPHONE NUMBER | | | |
| FACSIMILE NUMBER | CODE | | NUMBER |
| E-MAIL ADDRESS 1 | | | |
| E-MAIL ADDRESS 2 | | | |
| VAT REGISTRATION NUMBER | | | CIDB GRADING |
| SUPPLIER COMPLIANCE STATUS | TAX COMPLIANCE SYSTEM PIN: | | CENTRAL SUPPLIER DATABASE No: |
| B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE | [TICK APPLICABLE BOX] | | B-BBEE STATUS LEVEL SWORN AFFIDAVIT (EMEs and QSEs) |
| | <input type="checkbox"/> Yes | <input type="checkbox"/> No | [TICK APPLICABLE BOX] |
| | | | <input type="checkbox"/> Yes <input type="checkbox"/> No |

BID SUBMISSION:

- Bids must be submitted by the stipulated time to the email address stipulated above. Late bids will not be accepted for consideration.
- All bids must be submitted on the official forms provided (not to be re-typed) or in the manner prescribed in the bid document.

- No bids will be considered from persons in the service of the state, companies with directors who are persons in the service of the state, or close corporations with members / persons in the service of the state."
- *Rand Water will provide any clarifications / addenda / extension of closing date by no later than one (1) calendar day before the closing date.*

1. SCOPE OF WORK

1.1. DESCRIPTION

The purpose of this RFQ is obtain the services of service provider that will supply, installation, configuration, and provision of MPLS services at Rand Water for a duration of nine months (9) months.

1.1.1 Background

Rand Water is a bulk water utility that operates in the Gauteng region 24 x 7 x 365 to produce bulk water the water to its customers. The organization depends on the availability and functioning of the Wide Area Network Communication infrastructure to ensure Rand Water communicates securely, effectively, and reliably to execute its mandate. The WAN MPLS will cater for Data, Voice, and Video communication.

The successful bidder is expected to consult with the Rand Water IT to ensure an almost seamless assessment, installation, configuration, and provision the Wide Area Network MPLS from the current service provider to the newly provisioned WAN-MPLS

Below are the expected deliverables from the successful service provider:

Provide Fibre connectivity for Rietvlei office with bandwidth speed of 200Mbps.

Provide Fibre connectivity for Central Depot office with bandwidth speed of 200Mbps.

Provide Microwave connectivity with license spectrum for Eikenhof office with bandwidth throughput of 100Mbps.

Provide Microwave connectivity with license spectrum for Mapleton office with bandwidth throughput of 100Mbps.

Provide Microwave connectivity with license spectrum for Daleside office with bandwidth throughput of 100Mbps.

Provide Microwave connectivity with license spectrum for Zuikerbosch office with bandwidth throughput of 200Mbps.

Provide Microwave connectivity with license spectrum for Vereeniging office with bandwidth throughput of 200Mbps.

Provide Microwave connectivity with license spectrum for Lethabo office with bandwidth throughput of 100Mbps.

Security, Quality and Performance features:

The proposed WAN MPLS infrastructure should provide encryption to secure traffic.

The proposed system should have integrated Traffic Shaping / QoS functionality.

The WAN MPLS infrastructure should provide acceptable latency of not more than 6-7ms.

The WAN MPLS infrastructure should provide a Bit Error Rate (BER) in the range of 10 – 8 or better.

Provide a guaranteed link availability of 99.5% for each link specified above

SLA elements:

Notifying Rand Water of outages prior

Guarantee quality of service – minimum uptime 99.5% per month.

Four (4) hours response and resolution to problems

1% penalty fee of the monthly invoice amount for every hour that exceed the four (4) hours outage.

Expected deliverables from Rand Water:

Rand Water shall be responsible for the following tangible items in terms of the requirements:

Access to all Rand Water sites.

| # | Site Name | GPS COORDINATES | |
|---|-------------|-----------------|---------------|
| 1 | Rietvlei | 26°17'28.85"S | 28° 2'15.17"E |
| 2 | Zuikerbosch | 26°41'2.48"S | 28° 0'41.16"E |
| 3 | Vereeniging | 26°41'12.92"S | 27°55'2.00"E |
| 4 | Eikenhof | 26°18'33.84"S | 27°58'22.33"E |

| | | | |
|---|---------------|---------------|---------------|
| 5 | Mapleton | 26°21'29.95"S | 28°15'11.97"E |
| 6 | Central Depot | 26°20'44.14"S | 28° 4'12.10"E |
| 7 | Daleside | 26°30'30.29"S | 28° 2'2.07"E |
| 8 | Lethabo | 26°43'55.53"S | 27°59'30.10"E |

Service Level Components:

1 hour call to respond.

4 Hour call-to-repair proactive support.

Calls are to be logged automatically by the service provider in the event of equipment failure with the OEM.

Quarterly system health checks

Service providers shall provide and comprehensive call logging procedure.

2. AWARDING STRATEGY

The maximum number of suppliers to be awarded this RFQ is One.

3. EVALUATION CRITERIA

The RFQ will be evaluated based on the criterion below:

3.1. Test for Responsiveness/ Pre- qualification

1. A letter or certificate indicating that the bidder is a registered OEM network cabling infrastructure partner (letter must be on an OEM letterhead)
2. Proof of ICASA Licenses:
 - a. Individual Electronic Communications Network Service License.
 - b. Individual Electronic Communications Service License.
3. Proof of Internet Services Provider's Association (ISPA) membership.

Responses that fail to meet pre-qualifying criteria stipulated will not be further evaluated.

3.2. FUNCTIONALITY CRITERIA

3.2.1. The functionality evaluation criteria are as follows:

| ADJUDICATION CRITERIA | | WEIGHT |
|-----------------------|---|--------|
| 1. | <p>Previous Related Experience (Similar to current RFQ Scope/Work)</p> <p>Previous Related Experience relevant to the current scope/work (with contactable client reference (Similar to current RFQ Scope/Work).</p> <p>This is based on the service provider's history and implementing projects of a similar nature to RFQ. The reference must be a written letter/affirmation or affidavit from clients. Adjudicated based on the Bidders Track record for where WAN MPLS services were installed, configured, and provisioned (100Mbps Microwave connectivity with license spectrum).</p> <p>None = 0% - non-submission</p> <p>Weak = 33.3% - only one company reference with a minimum from a client or government customer to whom the project or service was delivered as per the scope.</p> <p>Moderate = 66.7% - Two or Three company references from clients or government customers to whom the projects or services were delivered as per the scope of work.</p> <p>Good = 100% - Four or more company references from clients or government customers to whom the projects or services were delivered as per the scope of work.</p> <p>Note: the below is applicable to all the above rating scales:</p> | 15 |

| ADJUDICATION CRITERIA | | | | WEIGHT | | | | | | | | | | | | |
|---|---|------------|--|--------|--|--------|------------|--|------------------------------------|--|--|--|---|--|--|--|
| | <p>a. Detailed company reference with the project name, description of the project and scope of work.</p> <p>b. Duration of the project and a number of resources used, and each letter/affirmation/affidavit must support projects mentioned on the company reference and be dated, signed and on a client/customer letterhead and this will be with the following indicated:</p> <ul style="list-style-type: none"> - (Client/Customer name and physical address - Customer contact person's name, telephone number and email address. - Project or service scope of work. Project start and end date | | | | | | | | | | | | | | | |
| 2. | <p>Human Resource Capacity:</p> <p>Adjudicated based on Human Resource Capacity Schedule (including company's team member list including CV's and Qualifications). The purpose is to establish an overall picture of the company's human resource capacity and ability to undertake the work. The Service Providers resources must have a minimum Three resources experience in the Server Infrastructure, Tape Library and Veritas NetBackup software installation and configuration. Please attach proof of qualifications and CVs for the said resources.</p> <p>1. Attach relevant Qualification or Certification 2. Attach CV of the assigned Resources.</p> <p>The rating of this item is based on a four-point scale:</p> <p>None = 0 % - No submission</p> <ul style="list-style-type: none"> - Minimum of Two CVs of resource with experience on MPLS provisioning and management with relevant qualifications or certification. - CVs of the account manager/project manager with experience on MPLS provisioning and management with relevant qualifications or certification. <p>Weak = 33.3%</p> <ul style="list-style-type: none"> - Minimum of three CVs of resource with experience on MPLS provisioning and management with relevant qualifications or certification. - CVs of the account manager/project manager with experience on MPLS provisioning and management with relevant qualifications or certification. <p>Moderate = 66.7%</p> <ul style="list-style-type: none"> - Minimum of Four CVs of resource with experience on MPLS provisioning and management with relevant qualifications or certification. - CVs of the account manager/project manager with experience on MPLS provisioning and management with relevant qualifications or certification. <p>Good = 100% -</p> <ul style="list-style-type: none"> - Minimum of Five CVs of resource with experience on MPLS provisioning and management with relevant qualifications or certification. - CVs of the account manager/project manager with experience on MPLS provisioning and management with relevant qualifications or certification. | | | | | | | | | | | | | | | |
| 3. | <p>Fit for purpose Solution.</p> <p>The bidder must comply with the hardware and software requirements under the scope of work by providing substantiating evidence in the form of documentation or information, failing which it will be regarded as "NOT COMPLIANT"</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;"></th> <th style="width: 15%; text-align: center;">Comply</th> <th style="width: 15%; text-align: center;">Not Comply</th> <th style="width: 20%; text-align: center;">Evidence reference (To be completed by bidder)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">MINIMUM SPECIFICATIONS FOR CABLING</td> <td style="text-align: center;"></td> <td style="text-align: center;"></td> <td style="text-align: center;"></td> </tr> <tr> <td style="text-align: center;">a. Rand Water requires all new cabling/maintenance work to deploy a minimum of CAT-6a inside the buildings.</td> <td style="text-align: center;"></td> <td style="text-align: center;"></td> <td style="text-align: center;"></td> </tr> </tbody> </table> | | | | | Comply | Not Comply | Evidence reference (To be completed by bidder) | MINIMUM SPECIFICATIONS FOR CABLING | | | | a. Rand Water requires all new cabling/maintenance work to deploy a minimum of CAT-6a inside the buildings. | | | |
| | Comply | Not Comply | Evidence reference (To be completed by bidder) | | | | | | | | | | | | | |
| MINIMUM SPECIFICATIONS FOR CABLING | | | | | | | | | | | | | | | | |
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| ADJUDICATION CRITERIA | | | | WEIGHT |
|-----------------------|--|--|--|--------|
| | <p>b. Rand Water requires high speed LAN environment; the underlying cabling infrastructure must be single mode fibre (G.652D or better standard)</p> <p>c. All cabling installations shall include cabinets; patch panels; cable trunks patch leads and fly leads and dedicated per network point installed.</p> <p>d. 1Gbps cabling will be installed in the user access layer of the network and 10, 20, 40, and 100 Gbps cabling may be required for the server farm environments and the network backbone.</p> <p>e. The bidder must provide cage nuts and screws for each cabinet installed to be used for other devices to be mounted in the cabinet.</p> <p>f. The bidder will be expected to supply and install fibre cabling for the backbone of the network. All fibre cabling shall be installed as per Rand Water requirements and depending on the distances, single- or multi-mode cabling shall be installed.</p> <p>g. multi-Mode HDD fibre 8 core data backbone between all Patch rooms and the computer room.</p> <p>g. Slice trays 24 port ST connector to be used.</p> <p>h. Patch cords ST to LC leads 3m.</p> | | | |
| | <p>Splicing</p> <p>a. All new and existing termination boxes must be fitted inside an equipment cabinet.</p> <p>b. Rack mountable splice termination trays must be used if more than one (1) fibre is to be spliced.</p> <p>c. Fibre organizers must be used inside termination boxes and splice trays.</p> <p>d. All cables and pigtailed must enter the enclosure through a dust free compression gland.</p> <p>e. Splice losses may not exceed the minimum standard set by OEM.</p> <p>f. Overall (end-to-end) attenuation of a total link may not exceed the minimum standard as set by OEM.</p> <p>g. Where a cable changes direction or changes a support medium, sufficient slack must be allowed. At least one (1) meter slack must be available at each end of the cable.</p> | | | |
| | <p>STANDARDS</p> <p>ISO/IEC 11801 2008 Edition 2.1: Generic cabling for customers premises.</p> <p>All components shall comply with ISO/IEC 11801.N36</p> <p>IEC = International Electro technical</p> | | | |

| ADJUDICATION CRITERIA | | | | WEIGHT |
|-----------------------|---|--|--|--------|
| | <p>Commission (Standard)</p> <p>TIA = Telecommunications Industry Association (Standard)</p> <p>ISO = International Organization for Standardization (Standard)</p> <p>General Labelling Rules</p> <ul style="list-style-type: none"> a. All cabling installations must be properly labelled in order to identify the connection points for easier and quicker troubleshooting. b. Different colour coded cables must be provided as required by Rand Water to identify different types and critical connections. c. All cables must be labelled using PVC heat shrink labels. d. Labels must be visible on every cable in the patch frames. e. Any labelling scheme must be tied in with all building documentation and supplied to Rand Water IT staff. f. All outlet plates and patch panels must be labelled in accordance with the cable labels indicating the room number, in such a way that cables need not be unplugged out to be able read labels on the plates or panels. g. The labelling scheme must be an easy-to-use system. h. Where computer cables are installed in rising shafts, they must be labelled at least once for every floor level. i. Fibre optic cable installed in the rising shaft must be clearly marked on each floor with red neon type marker, with the marked reading "fibre optic cable". j. All patch panels (MDF and IDFS) must be labelled with their identification name and number. In addition, the line and equipment sides of the panels must be clearly labelled and each cable termination on the MDF must be labelled. <p>TESTING</p> <p>OTDR testing of all fibre optic links shall be undertaken.</p> <p>OTDR test plots shall be included in the As Installed documentation.</p> <p>In addition, all optical fibre links shall be tested for propagation delay, optical attenuation of link 2 x wavelengths – 2 x</p> | | | |
| | | | | |

| ADJUDICATION CRITERIA | | | | | WEIGHT |
|-----------------------|---|--|--|----|------------|
| | direction and continuity and maintenance of polarity. All points must be tested by a standard approved minimum Level 3 cable tester. | | | | |
| | The bidder must provide a unique reference number (e.g., binder/folio, chapter, section, page) to locate substantiating evidence in the RFQ response. During evaluation, Rand Water reserves the right to treat substantiation evidence that cannot be in the RFQ response as "NOT COMPLIANT" | | | | |
| 4. | Work Breakdown / Schedule / Project Programme Aligned with Contractual requirements, credible and acceptable. The rating of this item is based on a four-point scale: <ul style="list-style-type: none"> • None = 0 % - No submission • Weak = 33.3% - The work breakdown/ schedule / project Programme is submitted but is unclear. • Moderate = 66.7% - The work breakdown/ schedule / project Programme is submitted and has some indication of the duration. • Good = 100% - The work breakdown/ schedule / project Programme is submitted and has a clear indication of the duration and delivery date. | | | 10 | |
| TOTAL | | | | | 100 |

Responses are required to meet a **minimum of 70 percent** to be further evaluated.

3.3. PREFERENTIAL POINT SYSTEM

The (80/20) Preferential Point System will be used to evaluate price and specific goal on received written price quotations. Where 80 will be allocated for Price and 20 for the Specific goals.

3.3.1. PRICING SCHEDULE

The Supplier must complete the following pricing schedule:

| | MILESTONES / LINE ITEMS | Estimated delivery period (where applicable) | UNIT PRICE (where applicable) | QUANTITY (where applicable) | COSTING |
|--------------|---|---|--------------------------------------|------------------------------------|----------------|
| 1. | Fibre connectivity for Rietvlei office with bandwidth speed of 200Mbps. | | | 1 | |
| 2. | Fibre connectivity for Central Depot office with bandwidth speed of 200Mbps. | | | 1 | |
| 3. | Microwave connectivity with license spectrum for Eikenhof office with bandwidth throughput of 100Mbps. | | | 1 | |
| 4 | Microwave connectivity with license spectrum for Mapleton office with bandwidth throughput of 100Mbps. | | | 1 | |
| 5 | Microwave connectivity with license spectrum for Daleside office with bandwidth throughput of 100Mbps. | | | 1 | |
| 6 | Provide Microwave connectivity with license spectrum for Zuikerbosch office with bandwidth throughput of 200Mbps. | | | 1 | |
| 7 | Microwave connectivity with license spectrum for Vereeniging office with bandwidth throughput of 200Mbps. | | | 1 | |
| 8 | Microwave connectivity with license spectrum for Lethabo office with bandwidth throughput of 100Mbps. | | | 1 | |
| TOTAL | | | | | |

| | MILESTONES / LINE ITEMS | <i>Estimated delivery period (where applicable)</i> | <i>UNIT PRICE (where applicable)</i> | <i>QUANTITY (where applicable)</i> | COSTING |
|-----------------------------|--------------------------------|---|--------------------------------------|------------------------------------|----------------|
| VAT | | | | | |
| TOTAL [VAT INCLUDED] | | | | | |

3.3.1. **SPECIFIC GOALS**

Rand Water specific goals is to empower previously disadvantaged designated groups. This specific goal will be evaluated and measured by using the SANAS accredited B-BBEE certificate or sworn affidavit for QSE or EME or the dtic B-BBEE certificate.

Points will 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 |
|---|-------------------------|
| 1 | 20 |
| 2 | 18 |
| 3 | 14 |
| 4 | 12 |
| 5 | 8 |
| 6 | 6 |
| 7 | 4 |
| 8 | 2 |
| Non-compliant contributor | 0 |

Bidders will not be disqualified from the bidding process for not submitting a SANAS accredited B-BBEE certificate or sworn affidavit for QSE or EME or the dtic B-BBEE certificate substantiating the B-BBEE status level of contribution or is a non-compliant contributor. Such a bidder will score zero (0) out of maximum of 20 for B-BBEE.

4. RETURNABLE DOCUMENTS

The following documents **must** be returned together with this RFQ:

Required for Evaluation

- 4.1. Functionality evaluation supporting documents.
- 4.2. A B-BBEE Status Level Verification Certificate (SANAS Approved) / Sworn Affidavit (For EMEs & QSEs) / the dtic B-BBEE certificate must be submitted in order to obtain preferential points. must be submitted in order to obtain preferential points.
- 4.3. Completed and signed SBD 4 Form (Declaration of Interest)
- 4.4. Company Resolution Letter (proof of authority).

Required for before award

- 4.5. Letter of good standing (COIDA).

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

| Full Name | Identity Number | Name of State institution |
|-----------|-----------------|---------------------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....

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

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

2.3.1 If so, furnish particulars:
.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

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

5. GENERAL TERMS AND CONDITIONS

The following terms and conditions shall apply to the award. The Supplier agrees to adhere to the terms and conditions.

5.1. DEFINITIONS

5.1.1. In the General Conditions of Purchase, the terms below shall have the following meanings, unless it is inconsistent with the context of the Purchase Order:

| | |
|-------------------------|--|
| "PURCHASE ORDER" | means the order between Rand Water and the Supplier; |
| "DELIVERY" | means delivery in accordance with the conditions of the Purchase Order at the stated delivery point; |
| "SUPPLIES" | means any services, equipment, goods, items or materials to be delivered by the Supplier in terms of the Purchase Order; |
| "SUPPLIER" | means the party appointed by Rand Water and with whom Rand Water places the Purchase Order. |

5.2. FIXED PRICE

The price stated in the Purchase Order shall be regarded as fixed and is invariable and not subject to adjustments unless otherwise agreed between the parties in writing.

5.3. DELIVERY TIME OR DATE

The delivery time or date stated in the Purchase Order shall be regarded as fixed and the Supplier shall adhere strictly thereto. Rand Water reserves the right to cancel any order issued if delivery is not made as agreed and the Supplier will not be entitled to any cancellation fees.

5.4. PURCHASE ORDER

5.4.1. In terms of this order Rand Water undertakes to procure, and the Supplier undertakes to supply the products and/or services as contained on the Purchase Order. This however, does not prohibit Rand Water to procure additional products/services, and or to procure the same/similar products/services, from any other Supplier.

5.4.2. The Purchase Order number stated in the Order shall be indicated clearly on all documentation to be issued by either party to the other.

5.5. CANCELLATION OF ORDER

5.5.1. Should the Supplier fail to deliver the goods at the time agreed to, or should it not comply with any other essential condition of the Purchase Order, Rand Water shall be entitled in writing to cancel the Purchase Order, without any adverse cost implications for Rand Water.

5.5.2. The aforesaid cancellation shall not prevent Rand Water from exercising any of its rights available in terms of the Purchase Order.

5.6. DISPATCH OF SUPPLIES

Rand Water shall not be responsible for any risk in and to the goods before delivery of such goods has taken place.

5.7. SPECIFICATIONS

5.7.1. The Supplier shall ensure that the service to be rendered shall in all respects be in accordance with the requirements and stipulations set out in the Purchase Order. All materials and consumable items if applicable shall be new and unused, unless otherwise agreed to in writing.

5.7.2. Rand Water shall be entitled to return any goods with defects or deviations from the agreed specification within 7 days after date of delivery and will not be liable for any cost.

5.8. GUARANTEE

Save for consumables, the Supplier guarantees the workmanship and materials and any components thereof will be free of any defects for a period of at least 12 (twelve) months after the acceptance

5.12. FORCE MAJEURE

Any Force Majeure event experienced by the Supplier that is likely to affect the timeous delivery of any items on the Purchase Order shall be communicated to Rand Water in writing within forty-eight (48) hours of the Supplier becoming aware of such circumstance. Force Majeure event means:

- a. natural disasters
- b. war, act of foreign enemies
- c. riot, civil commotion
- d. strike, lockout, other labour disturbance (including those involving the Supplier's employees) or any other circumstances beyond the control of the Supplier and which in the absence of this paragraph will operate to frustrate the timeous delivery of the item and/or service.

5.13. WARRANTY

5.13.1. The Supplier warrants that all goods and Services supplied under this Purchase Order will be in accordance with all contract requirements and free from defects or inferior materials, equipment, and workmanship for twelve (12) months after final acceptance of the goods or Services.

5.13.2. If Rand Water finds the warranted goods or Services need to be repaired, changed or re-performed, Rand Water shall so inform the Supplier in writing and the Supplier shall promptly and without expense to Rand Water replace or satisfactorily correct the goods or Services.

5.13.3. Any goods, services or parts thereof so corrected, shall also be subject to the provisions of this Clause, and the warranties for such goods, Services or part thereof shall be for twelve (12) months from the date of Rand Water's final acceptance of such corrected goods or Services.

5.13.4. The Supplier further warrants the goods/services will meet and are suitable for the purpose intended. These warranties shall survive inspection, acceptance, and payment. Goods/services that do not conform to the above warranties may, at any time within 12 months after delivery to Rand Water, be rejected and returned to the Supplier, and if Rand Water has incurred any expenses as a result thereof, Rand Water will be entitled to recover same from the Supplier.

5.14. TERMINATION FOR CONVENIENCE

Rand Water reserves the right, at any time, in its own best interest, and without liability, to terminate a Purchase Order in whole or in part, by written notice of termination for convenience to the Supplier. If the Purchase Order is so terminated, then, within thirty (30) days following the Supplier's receipt of the termination notice, the Supplier shall submit a claim for equitable adjustment. If the termination involves only services, Rand Water shall be obligated to pay only for services performed satisfactorily before the termination date.

5.15. TERMINATION FOR DEFAULT

Rand Water may, without liability, and in addition to any other rights or remedies provided herein or by law, terminate a Purchase Order in whole or in part by written notice of default if the Supplier:

- a) fails to deliver in terms of the Purchase Order or perform the services within the time specified;
- b) fails to make sufficient progress with the work, thereby endangering completion of performance within the time specified; or
- c) fails to comply with any of the other instructions, terms, or conditions. Rand Water's right to terminate for default may be exercised if the Supplier does not cure the failure within ten (10) days after receiving the notice of such failure.

5.16. AMENDMENT OF ORDER

5.16.1. No amendment or variations to the Purchase Order shall be permitted without the written approval of Rand Water.

5.16.2. No price adjustments shall be accepted unless stipulated in the quotation document received. The Supplier shall be obliged to supply the goods and services on the quoted prices, if the Purchase Order was placed within valid time of quotation.

5.17. CESSION OF CONTRACTS

The Supplier may not, cede, delegate, relinquish or transfer to anyone his rights and/or obligations without the prior written consent of Rand Water.

5.18. DISPUTE RESOLUTION

All disputes between the parties shall, when all efforts to resolve such dispute by negotiation have failed shall be resolved by way of arbitration under the auspices of the Arbitration Foundation of Southern Africa ("AFSA") as per AFSA's rules, in Sandton, Johannesburg. Either party shall however be entitled to proceed to the South Gauteng High Court (to which jurisdiction the parties hereby consent) for any urgent, interim or interdictory relief, as that

thereof by Rand Water, reasonable wear and tear will be accepted.

5.9. PAYMENT

Rand Water does not allow advance payments to the Supplier.

- 5.9.1. Payment of an invoice shall not prevent Rand Water from subsequently disputing all or any of the fees in good faith whether during or after the term of the Purchase Order.
- 5.9.2. Payments shall be effected within 30 days after submission of monthly statement.
- 5.9.3. Rand Water shall endeavour to make payment within 30 days from date of monthly statement, date of the aforesaid monthly statement should reflect the last day of the month wherein the services being invoiced were rendered.

5.10. LIABILITY FOR COSTS, DAMAGES OR EXPENSES

Rand Water may deduct all costs, damages or expenses, or any other amount for which the Supplier is liable in terms of the Purchase Order, from moneys due to or becoming due to the Supplier in terms of any subsequent Purchase Orders or the contract between the Supplier and Rand Water. Rand Water is herewith irrevocably and *in rem suam* authorized.

5.11. PENALTY AND PERFORMANCE CLAUSE

- 5.11.1. Should the Supplier fail to perform and make delivery in terms of the Purchase Order, exception of Force Majeure specified in Clause 8.13, Rand Water shall be entitled to impose a penalty, which shall be deducted from the payment statement. The imposition of such penalty shall no relieve the Supplier from its obligation to complete the services or from any of its obligations and liabilities under the Purchase Order.
- 5.11.2. Every day, following the day on which a Failure arose ("day 1"), that a Failure persists without being rectified, shall be deemed a new incidence of a Failure for which the Supplier shall incur a penalty deduction.

party may deem necessary in the circumstances in order to protect its rights or interests under a Purchase Order or these terms and conditions.

5.19. DOMICILIUM CITANDI ET EXECUTANDI AND NOTICES

- 5.19.1. The Parties hereto respectively choose as their *domicilium citandi et executandi* for all purposes of, and in connection with this Agreement, the physical addresses as they appear on the Purchase Order.
- 5.19.2. Any notice to be given hereunder shall be given in writing and may be given either personally (i.e. per hand or courier) or may be sent by registered post and addressed to the relevant party at its *domicilium* or to such other address as shall be notified in writing by either of the parties to the other from time to time. Any notice given by registered post shall be deemed to have been served on the expiry of 7 (seven) calendar days after same is posted. Any notice delivered personally shall be deemed to have been served at the time of delivery.

5.20. LAW

The Purchase Order shall be governed and interpreted in accordance with the law of the Republic of South Africa and shall be subject to the jurisdiction of the South African courts to which the Supplier hereby irrevocably submits but without prejudice to Rand Water's right to take proceedings against the Supplier in other jurisdictions.

SIGNED at _____ on _____

For and on behalf of Supplier

Who warrants being duly authorised

Name:

Designation: