

INVITATION TO BID

REQUEST FOR BID DESCRIPTION: ARMD/2020/08 - THE PROCUREMENT OF A CNC GASKET CUTTING MACHINE WITH OSCILLATING KNIFE CUTTER AND ACCESSORIES AT THE ARMSCOR DOCKYARD IN SIMONSTOWN

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NOTE:

Kindly register on the National Treasury's Central Supplier Database (CSD) via www.csd.gov.za

Bids must ONLY be submitted in hard copy; electronic bid submissions are NOT acceptable.

RETURNABLE DOCUMENTS CHECKLIST

Bidders are required to develop a returnable schedule annexure in accordance with the following table of contents

	List of documents required.	Submitted [Yes or No]	
		Yes	No
1.	Central Supplier database (CSD) registration report or Unique Registration Reference Number	☐	☐
2.	Valid Tax Clearance Certificate (s) and or proof of application endorsed by SARS and / or SARS issued verification pin code.	Yes ☐	No ☐
3.	Copies of bidders CIPC Company registration documents listing all members with percentage, See bidding structure for required documents.	Yes ☐	No ☐
4.	Copy of the Joint Venture / Consortium Agreement duly signed by all parties	Yes ☐	No ☐
5.	Copy of the Sub-Contracting Agreement duly signed by all parties	Yes ☐	No ☐
6.	Valid proof of BBBEE status for the bidder and its sub-contractor(s)	Yes ☐	No ☐
7.	Designated sectors: Local production and content. (Where applicable)	Yes ☐	No ☐
8.	Originally certified copy of Identity Document for the Company representative	Yes ☐	No ☐
9.	Copy of latest audited financial statements	Yes ☐	No ☐
10.	Bid conditions acceptance form on KD17 (Mandatory)	Yes ☐	No ☐

KD17

**ARMAMENTS CORPORATION OF SOUTH AFRICA SOC LTD
(ARMSCOR)**

Company registration: 1968/008611/06 Vat registration: 4500101169

REQUEST FOR BID: ARMD/2020/08 - THE PROCUREMENT OF A CNC GASKET CUTTING MACHINE WITH OSCILLATING KNIFE CUTTER AND ACCESSORIES AT THE ARMSCOR DOCKYARD IN SIMONSTOWN

INSTRUCTIONS ON SUBMISSION OF BIDS

- 1.1 Bid Closing at **11:00 am on 10 November 2021 (SOUTH AFRICAN TIME)**
- 1.2 Bids must be submitted in a sealed envelope marked with this bid reference number.
- 1.3 The sealed envelope must be deposited in the bid box at Armscor Dockyard, Cole Point Security gate, Simon's Town before the bid closing date and time addressed to:

The Manager
Procurement Secretariat
Armcor Dockyard

Postal address: Armscor Dockyard
Private Bag X3
Simon's Town, 7995

Delivery address: Armscor Dockyard Tender Box
Dockyard Security Entrance
Cole Point Road
Simon's Town

- 1.4 Bids dispatched by the courier service Company **Must Be Marked With Bid Reference Number On The Delivery Note / Packaging** and the courier must ensure that the bid document is deposited in the bid box before the closing date and time. **Arm Scor will not be held responsible for any delays where bid documents are handed to the Arm Scor Reception.**
- 1.5 Bid proposals received after the closing time and date will not be considered.

2. ENQUIRIES

- 2.1 All queries regarding this bid must be addressed in writing to:
The Procurement Secretariat. E-mail Address: **MamphoS@armscordy.co.za**.
Questions/enquiries relating to this RFB should be received three working days prior to the closing date. Queries received after this period will not be entertained.

3. BID VALIDITY PERIOD

Bid Validity Period
Bid proposals to remain valid for acceptance for a period of **120** days counted from the closing date.

NOTE: Bids for the supply of the goods and/or services described in the attached documents are invited in accordance with the provisions of the General Conditions of Contract (A-STD-0020) Issue 4 dated 14 February 2020 and the Rules of Procedure for Offerors (A-STD-0010) Issue 2 dated 21 April 2014, as well as any special condition contained in these documents. Copies of the General Conditions of Contract and the Rules of Procedure are available on Armscor's website at www.armscor.co.za.

BID AWARD RESULTS:

Result on bid awarding information is not sent to unsuccessful bidders. Particulars of successful bidders are also NOT published on the Armscor Acquisition Bulletin.

BIDDING STRUCTURE

Indicate the type of bidding structure by marking with an 'X' in an appropriate box.	
Individual Bidder	
Joint Venture	
Consortium	
Using Sub-contractors	
Other	

Only fill the relevant category:

If individual bidder, indicate the following:	
Name of Bidder	
Company / Close Corporation Registration Number	
VAT Registration Number	
National Treasury Supplier Number	
Unique Registration Reference Number	
Contact Person	
Telephone Number	
Fax Number	
Email Address	
Postal Address	
Physical Address	
NB: Submit with the bid the following documents:	
Copies of the bidder's CIPC company registration documents listing all members with percentages, in case of a CC.	
In case of Individual Bidder supply ID document for local and if foreigner supply passport number or identification as applicable in that country	
Latest copies of all share certificates, in case of a company or any other form of a legal entity.	
Shareholding breakdown per race, gender and percentage shareholding with shareholders of the bidding entity.	

If Joint Venture or Consortium, indicate the following: (To be completed for each JV/Consortium member)

Name of Joint Venture / Consortium	
Company / Close Corporation Registration Number	
VAT Registration Number	
National Treasury Supplier Number	
Unique Registration Reference Number	
Contact Person	
Telephone Number	
Fax Number	
Email Address	
Postal Address	
Physical Address	

NB: Submit with the bid the following documents:

Copies of the bidder's CIPC company registration documents listing all members with percentages, in case of a CC.

In case of Individual Bidder supply ID document for local and if foreigner supply passport number or identification as applicable in that country

Latest copies of all share certificates, in case of a company or any other form of a legal entity.

Shareholding breakdown per race, gender and percentage shareholding with shareholders of the bidding entity.

If Joint Venture or Consortium, indicate the following:

Name of Prime Contractor	
Company / Close Corporation Registration Number	
VAT Registration Number	
National Treasury Supplier Number	
Unique Registration Reference Number	
Contact Person	
Telephone Number	
Fax Number	
Email Address	
Postal Address	
Physical Address	

NB: Submit with the bid the following documents:

Copies of the bidder's CIPC company registration documents listing all members with percentages, in case of a CC.

In case of Individual Bidder supply ID document for local and if foreigner supply passport number or identification as applicable in that country

Latest copies of all share certificates, in case of a company or any other form of a legal entity.

Shareholding breakdown per race, gender and percentage shareholding with shareholders of the bidding entity.

-4-

If using subcontractors, indicate the following:	
Name of Prime -Contractor	
Percentage Value to be subcontracted	
Company / Close Corporation Registration Number	
VAT Registration Number	
National Treasury Supplier Number	
Unique Registration Reference Number	
Contact Person	
Telephone Number	
Fax Number	
Email Address	
Postal Address	
Physical Address	
Subcontractor Details:	
Name of Subcontractor	
Company / Close Corporation Registration Number	
VAT Registration Number	
National Treasury Supplier Number	
Unique Registration Reference Number	
Contact Person	
Telephone Number	
Fax Number	
Email Address	
Postal Address	
Physical Address	
NB: Submit with the bid the following documents for both Prime and Sub-Contractors:	
Copies of the bidder's CIPC company registration documents listing all members with percentages, in case of a CC.	
In case of Individual Bidder supply ID document for local and if foreigner supply passport number or identification as applicable in that country	
Latest copies of all share certificates, in case of a company or any other form of a legal entity.	
Shareholding breakdown per race, gender and percentage shareholding with shareholders of the bidding entity.	

Other:	
Name of Bidder	
Company / Close Corporation Registration Number	
VAT Registration Number	
National Treasury Supplier Number	
Unique Registration Reference Number	
Contact Person	
Telephone Number	
Fax Number	
Email Address	
Postal Address	
Physical Address	
NB: Submit with the bid the following documents:	
Copies of the bidder's CIPC company registration documents listing all members with percentages, in case of a CC.	
In case of Individual Bidder supply ID document for local and if foreigner supply passport number or identification as applicable in that country	
Latest copies of all share certificates, in case of a company or any other form of a legal entity.	
Shareholding breakdown per race, gender and percentage shareholding with shareholders of the bidding entity.	

Declaration:

I, as the duly authorized representative of the bidder hereby authorize Armscor to request, investigate and process company information including tax compliance via the SARS website.

.....
Name

.....
ID number

Declaration of Bidder's Past Supply Chain Management Practices

This Standard Bidding Document serves as a declaration to ensure that goods and services being procured are aligned with all reasonable steps are taken to combat the abuse of the supply chain management system. The bid of any bidder may be disregarded if that bidder or any of its directors have been involved in the abuse of public institution's supply chain management system

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

Item	Question	Yes	No
1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	☐	☐
	If so, furnish particulars:		
2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	☐	☐
	If so, furnish particulars:		
3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	☐	☐
	If so, furnish particulars:		
4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	☐	☐
	If so, furnish particulars:		

CERTIFICATION

I, the undersigned (full name).....certify that the information furnished on this declaration form is 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

BID CONDITIONS ACCEPTANCE FORM**Bidders shall complete and sign this bid conditions acceptance form**

I/We hereby offer to supply all of the supplies and/or services described in the Pricing Schedule and /or attached documents on the terms and conditions and in accordance with the conditions set out in A-STD-0010 Issue 2 dated 21 April 2014 and A-STD-0020 Issue 4 dated 14 February 2020 (and I/we acknowledge that I/we am/are acquainted therewith) at the price and on the terms of delivery/execution inserted by me/us.

I/We agree -

1. that this bid shall remain binding on me/us and open for acceptance for the period stipulated above;
2. that if my/our bids is accepted, the acceptance will be communicated to me/us by letter or order through the post, and such acceptance shall constitute a contract between me/us and Armscor, subject to the terms and conditions set out in Armscor's General Conditions of Contract (A-STD-0020), Issue 4 dated 14 February 2020, the contents of which I/we acknowledge ourselves to be acquainted with.

I/We choose as domicilium citandi et executandi in the Republic

.....

.....

(no post box or private bag)

IN BLOCK LETTERS ON BEHALF OF -

Complete registered:

Name of bidder:

AUTHORISED SIGNATURE

..... Date:

Name in block letters:

Capacity:

NB: FAILURE TO COMPLETE AND SIGN THIS PAGE SHALL INVALIDATE THE BID AND WILL BE DISQUALIFIED FROM FURTHER EVALUATION.

SUPPLIER REGISTRATION

- 1.1 Bidders must register on the National Treasury Central Supplier Database (CSD) in terms of National Treasury Instruction Note 3 of 2016/17.
- 1.2 Bidders must electronically register for Security on Armscor website to be considered for orders which are administered by Armscor SOC Ltd on Behalf of clients.

For more information on security registration contact:-

The Security Registration
Private Bag X337
PRETORIA
0001

E-mail:- register@armscor.co.za

ALL BIDDERS SHALL COMPLY WITH THE FOLLOWING:

1. Bidders should check the numbers of the pages correspond with the table of contents as no liability arising from claims owing to the omission or duplication of pages will be recognised by Armscor. The appendices mentioned in these pages form part of the bids.
2. **All bidders shall -**
 - 2.1. insert their name at the top of each price schedule form used (a rubber stamp may be used);
 - 2.2. insert the information in the spaces provided in the price schedules by writing or typing on the dotted lines only (additional information should be contained in a separate annexure);
 - 2.3. if they wish to make more than one bid against an item, as an alternative, apply for additional copies of the bid documents or photocopy one or more pages, and not retype or redraft any of the forms used;
 - 2.4. indicate the prices quoted in the units shown and quote them per item;
 - 2.5. indicate in respect of each item whether the goods/services quoted comply strictly with the specified requirements, and furnish particulars of deviations if this is not so;
 - 2.6. complete all appendices.
3. **Value-added tax, customs duties, *ad valorem* customs duties and surcharges:**
 - 3.1. Value added tax levied by the Receiver of Revenue must not be included in the prices quoted but be shown as a separate line item.
 - 3.2. Where supplies are quoted which are subject to levying of any customs duty, *ad valorem* customs or excise duty or surcharge by the Department of Customs and Excise, such charges must not be included by the bidder in the prices quoted. The applicable customs duty, *ad valorem* customs or excise duty or surcharge must, however, be indicated separately where provided for on Armscor's Questionnaire
4. **Security:**
 - 4.1. Classified bids are to be handled in the manner set out in Armscor's Security Instruction, document number A-WI-014, copies of which are obtainable on request from the Contractor Security Section, P O Box 411, Pretoria, 0001.
 - 4.2. Attention is drawn particularly to the procedure set out in chapter 4 of the manual, which is to be complied with when forwarding classified documents.

5. **Broad-Based Black Economic Empowerment Compliance:**

- 5.1 In terms of the Defence Sector Codes, contracts for goods and services shall only be awarded to a bidder that has Black Equity Ownership of at least 25% in year 1 (12 April 2019 to 31 March 2020), 30% in year 2 (01 April 2020 to 31 March 2021) and 35% in year 3 (01 April 2021) onwards, where applicable.
- 5.2 Failure to comply with the **B-BBEE Mandatory and Compulsory requirements** as stated in the KD24 will lead to disqualification.

6. **Advance payments:**

Bidders shall furnish the price without advance payment. (Consult paragraph 8 of A-STD-0010).

7. **Performance Guarantee:**

Armscor reserves the right to request the successful bidder to submit a performance guarantee for the proposed contract. Bidders must submit prices without provision for the performance guarantee as well as prices including the cost of such a guarantee.

8. **Commissions:**

If any commission is payable by yourself to any person(s) or body as a result of any order which may arise from this Request for Proposal, you must submit full details of the applicable person(s) or body and the amount payable, with this bid.

9. **Tax Compliance Requirements**

It is a condition of bid that the successful bidder MUST be tax compliant, or that satisfactory arrangements have been made with the South African Revenue Service (SARS) to meet the bidder's tax obligations. FOREIGN COMPANIES ARE REQUIRED TO COMPLETE QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS OF ANNEXURE 1 TO KD 25

- 9.1 In order to meet this requirement the bidder is required to access SARS e-filing and complete the SARS ONLINE "SARS tax compliance status" under tax status. Tax compliance requirements are also applicable to individuals who wish to submit bids.
- 9.2 SARS will then furnish the bidder with a Tax compliance PIN code that will be valid for a period of 1 (one) year from the date of approval.
- 9.3 The Tax compliance PIN letter shall be submitted with the bid, with an authorisation letter for Armscor to use the PIN code for verification of tax compliance status of the supplier.
- 9.4 In bids where Consortia /Joint Ventures / are involved, each party must submit a separate tax compliance PIN with authorisation letter.
- 9.5 In the event of subcontracting, tax compliance PIN letter and authorisation letter for the subcontractor must also be submitted with the bid.

- 9.6 Tax compliance is done via e-filing on the SARS website www.sars.gov.za.
- 9.7 Original valid tax clearance certificates issued before 18 April 2016 are still valid until the expiry date or on replacement with SARS tax compliance PIN.

NOTE: Armscor Suppliers /Bidders and Subcontractors must remain tax compliant for the duration of their contracts.

10. Awarding of Bids

The awarding of bids will be in terms of the Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2017.
The applicable points are:

Price: (Pp) 80 Points

Broad-Based Black Economic Empowerment: 20 Points

Total: 100 Points

The following formula will be used to calculate the points in respect of a bid up to a rand value of R50 000 000, 00 (all applicable taxes included).
(Armscor may also apply this formula to price quotations with a value of less than R30 000, if and when appropriate):

$P_s = P_p$

Provided that $\sum (P_{pa}) = 80$

Where:

P_s	= points scored for bid/bid under consideration
P_p	= points scored for price
a	= allocated

The points scored for price (P_p) = $P_{pa} \times (1 - \frac{P_t - P_m}{P_m})$

Where: P_{pa} = points allocated for price

P_t = comparative price of bid/bid under consideration

P_m = comparative price of lowest acceptable bid/bid

11. Objective Criteria

- 11.1 A contract may be awarded to a bidder that did not score the highest points only in accordance with section 2 (1) (f) of the Act. If Armscor intends on applying objective criteria in terms of section 2(1) (f) of the Act, this will be stated in the bid document.

12. Mandatory local production and content for designated sectors

- 12.1 When applicable, bids not meeting the mandatory local production and content for designated sectors will not be considered for further evaluation.
- 12.2 A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 12.3 If there is no designated sector, Armscor will include as a specific condition of the bid, that only locally produced services or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.

ITEM NO	DESCRIPTION	QTY	UNIT PRICE	SUBTOTAL (QTY X Unit Price)
1	Price to supply, install, commission & provide Training for a CNC Gasket Cutting Machine With Oscillating Knife Cutter And Accessories as per RFB, Annexure A, User Requirement Statement	01		
	Note: This RFB is subject to the following: Mandatory Black Equity Ownership Minimum Black equity ownership of 35% - applicable. • Pre-qualification criteria (Regulation 4) – Level 3 or better • One-envelope.			
	TOTAL (excluding VAT)			
	VAT			
	TOTAL (including VAT)			

1. Delivery address:
 2. * Period required for commencement of delivery, after receipt of order:
 3. * Rate of delivery:
 4. * Period required for completion of order, after receipt thereof:
- * Must be completed by Bidder if not completed by Armscor

NOTE: - PRICE BREAKDOWN

Please provide a breakdown of the price in terms of the following:

- Material/Equipment: R _____
- Delivery of items/material to Client site (if applicable): R _____
- Transport rate per km: _____ R/km
- Labour cost: R _____, against the (expected) utilised labour classes, their rates and hours to be utilised:

	R/Hour	Hours
- Labourers		
- Artisans		
- Technicians		
- Engineers		
- Others		
-		

- Mark-up percentage _____%

Breakdown of Mark-up percentage (e.g. financing cost, profit, etc.):

- _____
- _____
- _____
- _____

**ARMAMENTS CORPORATION OF SOUTH AFRICA SOC LTD
(ARMSCOR)**

QUESTIONNAIRE

REPLIES

1 What is the request for bid number?

2 If applicable: Price basis of bid
(if not delivered into store)

3 Indicate which of the following applies:

3.1 The prices are fixed.

☐

3.2 The prices are not fixed (NB: See par 9 of A-Std-0010).

☐

4 Is the delivery period (commencement after receipt of order) fixed? Y/N

.....

.....

WHERE SUPPLIES OFFERED ARE TO BE IMPORTED, THE QUESTIONS BELOW MUST BE ANSWERED.

5 Foreign content:

5.1 What amount in foreign currency must be remitted overseas?

5.2 What is the rate of exchange used in converting the amount into ZAR1, 00=.....

SA Rand and the date on which this is based? Date

6 Statutory costs:

6.1 Are the goods quoted on subject to customs duty,
ad valorem customs or surcharge?

6.2 If so, what is the amount payable in respect of

a) Customs duty?

b) Ad valorem customs duty?

PRICE BREAKDOWN

7. The following particulars must be furnished, failure of which may invalidate the bids.

- 7.1 FOB/FCA cost of item
- 7.2 Sea/Air freight
- 7.3 Insurance charges
- 7.4 Clearance charges
- 7.5 Customs duties
- 7.6 Ad valorem customs duties
- 7.7 Delivery costs from port/airport to your premises
- 7.8 Local content (excluding (10.10)
- 7.9 Delivery costs from your premises into store
- 7.10 Balance (detail to be submitted)

TOTAL

AMOUNT	% OF TOTAL PRICE

BROAD-BASED BLACK ECONOMIC EMPOWERMENT

ACRONYMS AND ABBREVIATIONS

B-BBEE	Broad-Based Black Economic Empowerment
CIPC	Companies and Intellectual Property Commission
COTS	Commercial Off The Shelf
EME	Exempted Micro Enterprises
MOTS	Military Off The Shelf
QSE	Qualifying Small Enterprises
SANAS	South African National Accreditations Systems

1. MANDATORY B-BBEE REQUIREMENT:

- 1.1 In terms of the Defence Sector Codes, contracts for goods and services shall only be awarded to a bidder that has Black Equity Ownership of at least 25% in year 1 (12 April 2019 to 31 March 2020), 30% in year 2 (01 April 2020 to 31 March 2021) and 35% in year 3 (01 April 2021) onwards, where applicable.
- 1.2 EMEs are exempted from compliance with the mandatory B-BBEE requirement.

2. COMPULSORY B-BBEE REQUIREMENTS

2.1 Pre-Qualification Criteria

- 2.1.1 Pre-Qualification criteria will be applied to advance certain designated groups with specific bidding conditions that only one or more of the bidders may respond:

- a) Stipulated minimum B-BBEE status level e.g. level 4
- b) EMEs or QSEs
- c) Sub-contract a minimum 30% of the value of the contract to one or more:
 - (i) At least 51% black owned EMEs or QSEs
 - (ii) At least 51% black youth owned EMEs or QSEs
 - (iii) At least 51% black women owned EMEs or QSEs
 - (iv) At least 51% black owned EMEs or QSEs by people living with disabilities
 - (v) At least 51% black owned EMEs or QSEs by people living in rural or underdeveloped areas
 - (vi) At least 51% black owned EMEs or QSEs by military veterans
 - (vii) EMEs or QSEs

2.2 Sub-Contracting

- a) For a contract above R30 000 000 (million), Armscor may apply subcontracting to advance designated groups.
- b) The successful bidder must subcontract 30% of the contract value to one or more of the following:
 - (i) At least 51% black owned EMEs or QSEs
 - (ii) At least 51% black youth owned EMEs or QSEs
 - (iii) At least 51% black women owned EMEs or QSEs
 - (iv) At least 51% black owned EMEs or QSEs by people living with disabilities
 - (v) At least 51% black owned EMEs or QSEs by people living in rural or underdeveloped areas
 - (vi) At least 51% black owned cooperatives
 - (vii) At least 51% black owned EMEs or QSEs by military veterans
 - (viii) EMEs or QSEs

NB: Failure by the bidder to comply with the B-BBEE Mandatory and Compulsory Requirements as stated herein above will lead to disqualification.

3. PREFERENCE POINTS FOR BROAD-BASED BLACK ECONOMIC EMPOWERMENT

3.1 The B-BBEE preference points will be awarded in terms of the Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2017.

3.2 The 80/20 preference point system is applicable to all bids with a Rand value of up to R50 000 000,00 (all applicable taxes included)

3.3 Preference points for this bid shall be awarded for:

PRICE 80

B-BBEE STATUS 20

Total points for Price and B-BBEE must not exceed 100

3.4 Bidders who do not submit a valid proof of B-BBEE status will score zero (0) for preference points.

4. ALLOCATION OF B-BBEE POINTS

4.1 The B-BBEE points are to be claimed and allocated according to the table below for acquisition of services, works or goods with a value of up to R50 000 000, 00 and must be substantiated by means of a valid proof of B-BBEE.

B-BBEE status level	Points Allocated
Level 1	20
Level 2	18
Level 3	14
Level 4	12
Level 5	8
Level 6	6
Level 7	4
Level 8	2
Non-compliant	0

4.2 The Armscor BBE Division reserves the right to require a bidder and/or its sub-contractor(s) to substantiate any claim at any stage in the bidding process to verify and confirm the B-BBEE status of the bidder and/or its sub-contractor(s).

5. PRINCIPLES**5.1 Valid proof of B-BBEE status is either of the following:****5.1.1 A B-BBEE Sworn Affidavit fully completed and**

- 5.1.1.1 Deposed and signed in the presence of the Commissioner of Oaths
- 5.1.1.2 Does not contradict itself (% black ownership matches compliance level)
- 5.1.1.3 Commissioner of Oaths credentials and signature are reflected.

5.1.2 A B-BBEE Certificate issued by either the CIPC or a SANAS Accredited Verification Agency**5.1.3 An unincorporated Joint Venture / Consortium must submit a Consolidated B-BBEE Certificate in the name of the Joint Venture / Consortium issued by a SANAS accredited Verification Agency.****5.1.4 B-BBEE status must be based on the latest financial year-end information, otherwise it is invalid and unacceptable.****5.2 Sub-Contracting****5.2.1 A bidder awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the bidder concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.****5.2.2 A bidder awarded a contract must obtain the approval of Armscor prior to any changes in the subcontracting arrangement.**

B-BBEE DECLARATION**1. Confirmation of the Bidder's Turnover**

Name of the Bidder			
Registration Number			
Financial Year End			
Turnover	R	Starting (Day, Month, Year)	
(As at the latest financial year end)		Ending (Day, Month, Year)	

2. Confirmation of Subcontractors involved in the execution of the order:

Bidder	% Black Ownership	B-BBEE Status	% Value to be Contracted
1.			
Subcontractors	% Black Ownership	B-BBEE Status	% Value to be Contracted
1.			
2.			
3.			

*Percentages of the bid value which will be subcontracted including main contractor must add up to 100%.

3. Confirmation of Suppliers involved in the execution of the order:

Supplier's name	% Black Ownership	B-BBEE status	% Value to be Supplied
1.			
2.			
3.			
4.			
5.			

I, the undersigned, am duly authorised to certify on behalf of the abovementioned entity that the information contained herein above is true and correct.

AUTHORISED SIGNATURE : Date:

Name in block letters :

Capacity :

DECLARATION OF INTEREST

1. Any legal person, including persons employed by Armscor or the State, or persons who act on behalf of Armscor or the State or person having a kinship with persons employed by Armscor or the State, including a blood relationship, may make an bid or bids in terms of this invitation. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by Armscor or the State, or to person who acts on behalf of Armscor or the State, or to persons connected with or related to them, it is required that the bidder or his authorized representative signing the KD17 document shall declare his position vis-à-vis the evaluating authority and/or take an oath declaring his interest, where-
 - the bidder is employed by Armscor or the State or acts on behalf of Armscor or the State; and/or
 - the legal person on whose behalf the bid document is signed, has a relationship with persons/a person who are/is involved with the evaluation of the bidder(s), or where it is known that such a relationship exists between the person of persons for or on whose behalf the declarant acts and persons who are involved with the evaluation of the bid.

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

* Delete whichever is not applicable

2. Are you or any person connected with the bidder directly or indirectly, (i.e. connected by kinship or marriage or associated in an enterprise, business partnership or as colleagues) employed by Armscor or the State?

*YES / NO

2.1. If yes, state particulars.

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

3. Do you, or any person connected by kinship or marriage or associated in an enterprise, business, partnership or as colleagues with the bidder, directly or indirectly have any relationship or association (family, friend, other) with a person employed in the Department of Defence or South African Police Service, Correctional Service or Armscor, and who may be involved with the evaluation or adjudication of this bid.

*YES / NO

3.1. If yes, state particulars.

.....
.....

4. Are you, or any person connected by kinship or marriage or associated in an enterprise, business partnership or as colleagues connected with the bidder, aware of any relationship (family, friend, other) between the bidder and any person employed by the Department of Defence, South African Police Service, Correctional Service or Armscor, who may be involved with the evaluation or adjudication of this bid?

*YES / NO

4.1. If yes, state particulars.

.....

.....
Signature of Declarant

.....
Bid number

.....
Date

.....
Position of Declarant
(See Paragraph 1)

.....
Name of Company or Bidder

DEFENCE SECTOR BBBEE SWORN AFFIDAVIT – EXEMPTED MICRO ENTERPRISE

I, the undersigned,

Full name & Surname	
Identity number	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a Member / Director / Owner of the following enterprise and am duly authorised to act on its behalf:

Enterprise Name:	
Trading Name (If Applicable):	
Registration Number:	
Type of Entity (CC, (Pty) Ltd, Sole Prop etc.):	
Nature of Business:	
Definition of "Black People"	As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians – (a) who are citizens of the Republic of South Africa by birth or descent; or (b) who became citizens of the Republic of South Africa by naturalisation- i. before 27 April 1994; or ii. on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date;"
Definition of "Black Designated Groups"	"Black Designated Groups means: (a) unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution; (b) Black people who are youth as defined in the National Youth Commission Act of 1996; (c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act; (d) Black people living in rural and under developed areas; (e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;"

ANNEXURE 1 TO KD24

3. I hereby declare under Oath that:

- The Enterprise has _____% Black Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has _____% Black Female Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has _____% Black Designated Group Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Black Designated Group Owned % Breakdown as per the definition stated above:
 - Black Youth % = _____%
 - Black people living with disabilities % = _____%
 - Black Unemployed % = _____%
 - Black People living in Rural areas % = _____%
 - Black Military Veterans % = _____%
- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of _____, the annual Total Revenue was R5,000,000.00 (Five Million Rands) or less
- Please confirm on the table below the B-BBEE level contributor, by ticking the applicable box.

100% Black Owned	Level One (135% B-BBEE procurement recognition)	
At Least 51% Black Owned	Level Two (125% B-BBEE procurement recognition)	
Less than 51% Black Owned	Level Four (100% B-BBEE procurement recognition)	

4. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
5. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Commissioner of Oaths	Deponent
Credentials and Signature	
	Signature
Date	Date

DEFENCE SECTOR BBBEE SWORN AFFIDAVIT – QUALIFYING SMALL ENTERPRISE

I, the undersigned,

Full name & Surname	
Identity number	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a Member / Director / Owner of the following enterprise and am duly authorised to act on its behalf:

Enterprise Name:	
Trading Name (If Applicable):	
Registration Number:	
Type of Entity (CC, (Pty) Ltd, Sole Prop etc.):	
Nature of Business:	
Definition of "Black People"	As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians – (a) who are citizens of the Republic of South Africa by birth or descent; or (b) who became citizens of the Republic of South Africa by naturalisation- i. before 27 April 1994; or ii. on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date;"
Definition of "Black Designated Groups"	"Black Designated Groups means: (a) unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution; (b) Black people who are youth as defined in the National Youth Commission Act of 1996; (c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act; (d) Black people living in rural and under developed areas; (e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;"

3. I hereby declare under Oath that:

- The Enterprise has _____% Black Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has _____% Black Female Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has _____% Black Designated Group Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Black Designated Group Owned % Breakdown as per the definition stated above:
 - Black Youth % = _____%
 - Black people living with disabilities % = _____%
 - Black Unemployed % = _____%
 - Black People living in Rural areas % = _____%
 - Black Military Veterans % = _____%
- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of _____, the annual Total Revenue was between R5,000,000.00 (Five Million Rands) to R50,000,000.00 (Fifty Million Rands)
- Please confirm on the table below the B-BBEE level contributor, by ticking the applicable box.

100% Black Owned	Level One (135% B-BBEE procurement recognition)	
At Least 51% Black Owned	Level Two (125% B-BBEE procurement recognition)	

4. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.

5. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Commissioner of Oaths	Deponent
Credentials and Signature	
	Signature
Date	Date

ANNEXURE 1 TO KD25

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF ARMSCOR							
BID NUMBER:		CLOSING DATE:		CLOSING TIME:			
DESCRIPTION							
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT :							
ARMSCOR BID BOX VISITORS ENTRANCE (BLOCK 8), 370 NOSSOB STREET,							
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO				TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
CONTACT PERSON		Mr. A.L Mmbengwa		CONTACT PERSON		Mr. A.L Mmbengwa	
TELEPHONE NUMBER		012 428 3610		TELEPHONE NUMBER		012 428 3610	
FACSIMILE NUMBER		N/A		FACSIMILE NUMBER		N/A	
E-MAIL ADDRESS		scmbids@armscor.co.za		E-MAIL ADDRESS		scmbids@armscor.co.za	
SUPPLIER INFORMATION							
NAME OF BIDDER							
POSTAL ADDRESS							
STREET ADDRESS							
TELEPHONE NUMBER		CODE		NUMBER			
CELLPHONE NUMBER							
FACSIMILE NUMBER		CODE		NUMBER			
E-MAIL ADDRESS							
VAT REGISTRATION NUMBER							
SUPPLIER COMPLIANCE STATUS		TAX COMPLIANCE SYSTEM PIN:		OR		CENTRAL SUPPLIER DATABASE No: MAAA	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE		TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] ☐ Yes ☐ No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]							
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS							
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?						☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?						☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?						☐ YES ☐ NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?						☐ YES ☐ NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?						☐ YES ☐ NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.							

ANNEXURE 1 TO KD25

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

(Proof of authority must be submitted e.g. company resolution)

DATE:

.....

**ARMAMENTS CORPORATION OF SOUTH AFRICA LIMITED
(ARMSCOR)**

INTELLECTUAL PROPERTY REQUIREMENTS

1 INTRODUCTION

1.1 What is Intellectual Property?

Intellectual Property (or "IP") means the result or outcome of human creative effort as typically, but not exclusively, manifested and embodied in or taking the form of data items or documents.

IP typically includes design and mental activities, e.g.:

- Bills of Material (BOM's)
- Instructions,
- Reports,
- Specifications,
- Interface designs,
- Manufacturing processes,
- Material Specifications,
- Processes,
- Product designs,
- Re-engineering (maintenance/obsolescence),
- Software,
- Algorithms,
- Source Codes,
- System/integration designs,
- Test and Evaluation Methods, etc.

IP typically excludes Project Management activities and Hardware created/built according to a design or following a "recipe".

1.2 How is IP manifested?

IP is typically manifested and embodied in Data Items or Documents.

"Data items or Documents" means any recorded information, however recorded, including but not limited to books, manuscripts, reports, studies, algorithms, computer software, invention descriptions, registered patents, drawings, designs, plans, analyses, calculations, standards, data packs, process documents, instructions, specifications, mathematical or simulation models, compositions, photographs, video recordings, audio recordings, reports, holographic recordings, trademarks, graphical images, etc.

NOTE:

- The document itself is not IP
- The contents of a document represent IP
- The document becomes the tangible and recordable carrier of IP

1.3 What is Background IP?

For definition, refer to A-STD-0020 "Armcor General Conditions of Contract".

"Background IP" belongs to a contractor because he fully paid for the generation thereof or had bought it at his own cost, which may be used or serve as a basis from which to develop new Foreground IP.

1.4 What is Historic IP?

"Historic IP" is existing IP which was created previously, and which may serve as a basis from which to develop new Foreground IP.

1.5 What is Foreground IP?

For definition, refer to A-STD-0020 "Armcor General Conditions of Contract".

"Foreground IP" is new intellectual property that is created during the execution of the order.

1.6 When is IP Shared or Jointly Owned or Co-owned?

For the definition, refer to A-STD-0020 "Armcor General Conditions of Contract".

"Shared" or "Jointly Owned" or "Co-owned" IP is IP which belongs to both the DOD and a contractor, because both contributed to the cost of generation thereof. Ownership is typically (and preferably) proportional to contribution.

Historic and Foreground IP may be either

1. Wholly owned by the DOD; or
2. Shared or Jointly Owned or Co-owned between DOD or the contractor

2. IP RECORDAL REQUIREMENTS

It is a requirement that prospective suppliers provide all information about applicable Intellectual Property (IP) to the bid. Armcor will record the information on their IP System that will generate a Statement of IP which will be appended to the order. The Statement of IP will serve as a contractual agreement between Armcor and the contractor in so far as IP related matters are concerned.

The recordal requirements are further described herein and broken down to an appropriate level, as follows:

2.1 Background IP Utilised

For each Background IP Item that will be modified or utilised to generate Foreground IP in the execution of the quoted scope of work, provide the following details:

- Short IP description
- Original Supplier
- Cost of Establishment (If available)

2.2 Historic IP Utilised

For each Historical IP item that will be modified or is required as a prerequisite in the execution of the quoted scope of work, provide the following details:

- Armcor IP Number (if available)
- Short IP description
- The next information is to be provided **per order**, on which Historic IP was established:
 - Order Number on which Historic IP was generated
 - Master record index (MRI) reference
 - Original Supplier
 - Cost of Establishment
 - Percentage Ownership (DOD)
 - Associated Milestone / Line item on the order under which the IP was established

2.3 Foreground IP to be generated

For each new Foreground IP item that will be generated in the execution of the quoted scope of work, provide the following details:

- IP number of Historic IP, if IP is enhanced (modified/improved/upgraded).
- Short IP description
- Master record index (MRI) reference with version and date
- Original Supplier
- Cost of Establishment
- Percentage Ownership (DOD)
- Associated Milestone / Line item on the order under which the IP will be established.

Note 1: The cost of establishment has always been included in item/milestone prices of order, and will continue to be so included, but will in future become visible by being shown separately in the Statement of IP appended to orders in order to properly manage such IP;

Note 2: To facilitate the easy and correct recording of IP, bidders and contractors will be required to utilise the specially constructed spread sheet from Armscor's web site. After completion, the spreadsheet must be printed and attached to the bid, which will thus form an integral part of the bid.

3. SAFEGUARDING OF IP

3.1 IP Agreement

The IP agreement which will be embodied in the Statement of IP will be concluded with the main contractor in the name of the main contractor and will apply to the creating sub-contractor(s), who will remain the design authority for his particular IP.

3.2 Management and Safeguarding of IP

The main contractor will be responsible for the management of IP he generated during the execution of the order, as well as the management of IP generated by his sub-contractors. Upon completion of the project or order, the relevant IP will be formally transferred to the main contractor, who will then be responsible for the continued management of such IP.

The main contractor will be responsible for proper safeguarding and configuration control of IP, including off-site back-ups, as further described in various other Armscor documents, e.g. A-STD-0020 "Armscor General Conditions of Contract, K-STD-61 "Armscor Standard for Technical Contract Conditions", A-WI-014 "Armscor Security Instruction" and other documents that may be applicable.

3.3 IP Delivery

Notwithstanding 3.2 above, upon completion of the order, the main contractor will deliver all data items or documents relating to the IP generated during the execution of the order to Armscor ADAC Department.

3.4 IP Audits

Armscor is by law required to conduct an IP or intangible asset audit of all existing DOD IP every financial year. The main contractor will cooperate with Armscor's Intellectual Property Management Division and the Auditor General during the audit period and will make available all relevant information required to conduct the audit.

4. COMPLETION OF THE IP INFORMATION BY MEANS OF THE ELECTRONIC FORM

4.1 Background

The electronic form of the KD27 IP Information.xlsx is available as a Microsoft Excel workbook on the Armscor website (www.armscor.co.za/Downloads/Download.asp) and must be used as template to provide the relevant IP information.

The workbook consists of the following three spreadsheets:

- “Background IP” provides a form to capture all background IP information
- “Historic IP” provides a form to capture all historic IP information.
- “Foreground IP” provides a form to capture all foreground IP information.

4.2 Electronic Form Definitions

The column definitions as provided in the forms are as follows:

IP Name	A short descriptive name to identify the IP item.
IP Number	Armscor Number provided to Historic IP.
IP Description	An abridged description of the IP Item.
Original Supplier	The name of the supplier at which the IP item exists or was established.
Establishment Cost	The amount paid by Armscor to establish the IP Item (including VAT).
MRI Reference	The Master Record Index (MRI) or other document reference that uniquely describe the IP.
DOD Shareholding	The percentage of the IP that belongs to the DOD through Armscor
Associated Milestone/Item	The contractual milestone or item, which when completed, will define the point in time at which the IP will be established.

5. INTELLECTUAL PROPERTY QUESTIONNAIRE

I/We, the undersigned, who warrant that I/we am/are duly authorised to do so on behalf of the firm certify that the following information is correct and complete in terms of Intellectual Property relevant to the offered scope of work. (Please circle the relevant answer)

Will Background IP be applicable during the execution of the quoted scope of work? Yes No

If yes, state particulars by completing the 'Background IP' worksheet. Indicate each IP item as a separate line.

Will Historic IP be utilised and/or is it required as a prerequisite to execute the quoted scope of work? Yes No

If yes, state particulars by completing the 'Historic IP' worksheet for each IP item. Indicate each IP item as a separate line;

Will any of these Historic IP items be enhanced during the execution of the quoted scope of work? Yes No

If yes, also complete the 'Foreground IP' worksheet for those IP items

Will new Foreground IP be generated during the execution of the quoted scope of work? Yes No

If yes, state particulars by completing the 'Foreground IP' worksheet for each IP item. Indicate each IP item as a separate line.

This completed form, along with all additional information, as requested above where relevant, populated on the KD27 Spreadsheet, have to be attached to the bid.

WITNESSES:

1 _____

2 _____

SIGNATURES OF BIDDER(S)

DATE: _____

ADDRESS: _____



RFB NUMBER: ARMD/2020/08

MRS: 7104-16-07-06-02-08/RFB

THE PROCUREMENT OF A CNC GASKET CUTTING MACHINE WITH OSCILLATING KNIFE CUTTER AND ACCESSORIES AT THE ARMSCOR DOCKYARD IN SIMONSTOWN

**SUMMARY: THIS DOCUMENT CONTAINS THE REQUIREMENT FOR THE
PROCUREMENT OF A CNC GASKET CUTTING MACHINE WITH OSCILLATING
KNIFE CUTTER AND ACCESSORIES AT ARMSCOR DOCKYARD, SIMON'S TOWN**

DATE OF ISSUE : SEPTEMBER 2021

DISTRIBUTION PAGE		
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01 (Master Copy)	Mr J Relihan	Armcor Dockyard Procurement Secretariat

DEFINITIONS

The following non-standard terms have been used in this document, which are explained as follows:

Client	ARMSCOR Dockyard
Contractor	The company contracted by ARMSCOR to supply as per Specification
RFB	Request For Bid

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ANNEXURE A: – STATEMENT OF REQUIREMENT

ANNEXURE B – OHASA ACT AGREEMENT

1. INTRODUCTION

1.1 Instruction to Bidder

The Bidder must strictly adhere to the requirements stipulated in this Request for Bid (RFB). The onus rests on the Bidder to submit an unambiguous bid in order to enable Armscor to carry out a transparent and fair bid evaluation.

1.2 Scope

The scope of this RFB covers the requirement for the procurement of a CNC gasket cutting machine with oscillating knife cutter and accessories at Armscor Dockyard, Simon's town, as set out in paragraph 5.4 in this document.

2. APPLICABLE DOCUMENTS

Armscor documents are available on the Armscor Website <http://www.armscor.co.za>. The following documents are applicable to this RFB to the extent specified herein:

- 2.1 A-STD-0010: Rules Applicable to prospective Contractors Issue 2 dated 21 April 2014.
- 2.2 A-PROC-9053: Supplier sourcing procedure (bids)
- 2.3 A-STD-0020: Armscor's General Conditions of Contract, issue 004 dated 14 February 2020.
- 2.4 A-PRAC-4011: BBBEE Practice, Issue 006.
- 2.5 A-STD-61 Part 5: Contract Conditions, Technical, Standard for Commercial Off-the-Shelf (COTS) Procurement
- 2.6 A-DOC-9045, Terms of Reference for the Bid Evaluation Committee
- 2.7 A-DOC-9046, Terms of Reference for the Bid Specification Committee

3. BID REQUIREMENTS

3.1 General

The bid shall address each and every requirement of the RFB in a comprehensive and logical way. The following information and communication is to be observed:

3.1.1 Armscor Registration

In order to qualify as a potential supplier, prospective Bidders must be registered with Armscor as a supplier. Bidders that are not registered shall undertake to register before the bid submission closing date. Registration must take place prior to any contract placement.

3.1.2 Communication

3.1.2.1 All communication with Armscor shall be made to: The Procurement Secretariat, Fax no +27 (021) 787 3470, E-mail address: MamphoS@armscordy.co.za Tel: +27 (021) 787 4055.

3.1.2.2 The Bidder shall appoint a single person for communication with Armscor. Communication shall not take place via an agent or representative other than a fulltime employee of the Bidder.

3.1.2.3 All enquiries regarding the RFB shall be directed to the Procurement Secretariat and the RFB reference number shall be used in all correspondence.

3.1.2.4 No direct contact or communication with Armscor or the Department of Defence personnel shall be allowed, unless through formally arranged meetings or briefing sessions if and when required by the prospective Bidders.

3.1.3 Submission of Bids

Partial Bids: Armscor shall only consider a bid for the total requirement. Partial bids shall not be considered.

3.1.4 Validity of Bids

The validity of the bid shall be one hundred and twenty (120) days after the tender closing date.

3.1.5 Confidentiality of information

The information contained in this RFB, as well as the response received shall be treated as "Company Confidential" between Armscor and the Bidder submitting the response. The receiver of this RFB may not disclose any information in connection with this RFB to the media or any third party, or allow information to be disclosed without prior written approval of Armscor. The potential Bidder shall ensure that any confidentiality arrangements between themselves and Armscor apply *mutatis mutandis* to partners and/or subcontractors or agents of the Bidder.

3.1.6. Submission of offer documentation

The original offer and two (2) copies thereof together with any supporting documentation such as brochures, handbooks and drawings shall be submitted to Armscor. The original must be marked as the original and each copy must be marked with a copy number. The original shall take precedence over any copy in the event of discrepancies.

3.2 Minimum requirements

The following is the minimum prescribed requirements of the bid:

3.2.1 Covering letter

The covering letter shall give a brief introduction to the bid and briefly summarise the implementation methodology, time-scale and the total cost. The letter shall also state any other aspects the Bidder deems necessary and important. The Bidder shall use the company's official letterhead when providing the covering letter.

3.2.2 Appendices

The Bidder shall complete and include the following with their offer:

ANNEXURE B – OHASA ACT AGREEMENT

3.2.3 Forms to be completed

The following forms shall be completed by the Bidder and submitted as part of the bid:

- Commercial Bid: all Armscor KD forms as per Armscor Procurement Secretariat requirements.

3.2.4 The Bidder shall **demonstrate**, as part of their bid and with the necessary **evidence**, that they have the necessary resources and appropriate expertise to supply the equipment should they be awarded the contract.

Note: *The ARMSCOR Dockyard retains the right to perform an audit to confirm the integrity of the content of the bids received.*

3.3 Registration of E-portal bids

In the case where potential bidders have downloaded the bid documents or obtained it from a party that downloaded it from the E-portal, they are requested to inform the following person:

Ms Mampho Sigidi, Fax no +27 (021) 787 3470, E-mail address: MamphoS@armscordy.co.za Tel: +27 (021) 787 4055.

By doing so, they will ensure that they are captured on the list of potential bidders and receive tender related correspondence such as bidders briefing minutes etc. Failure to register as such may invalid the bidders bid as their bid may exclude updated information issued by means of Bidders briefing minutes or updates.

3.4 Bidders conference

A **NON - COMPULSORY** bidder's conference shall be held at Armscor Dockyard, Simon's Town 27 October 2021 at 11H00. Potential bidders are required to RSVP with Ms. Mampho Sigidi at telephone number (021) 787 4055 / fax (021) 787 3470 / E-mail address: MamphoS@armscordy.co.za no later than 26 October 2021.

4. BID EVALUATION

4.1 Bids received

Bids received will be evaluated in accordance with an approved value model that was developed in accordance with A-DOC-9045, A-DOC-9046 and A-PROC-9053, and such value model consists of pre-qualification and critical criteria that are reflected in this RFB. Failure by a Bidder to comply with a pre-qualifying or a single critical criterion will result in immediate elimination from the adjudication process.

4.2 Awarding Of Bids

The awarding of bids will be in terms of Armscor Document A-PRAC-4011 (BEE Practice). All bids conforming to the pre-qualification, and subsequently meeting the stated critical criteria, will be evaluated in terms of the following point allocation:

The applicable points are:

4.2.1 Price:	80 points
4.2.2 BBBEE:	20 points

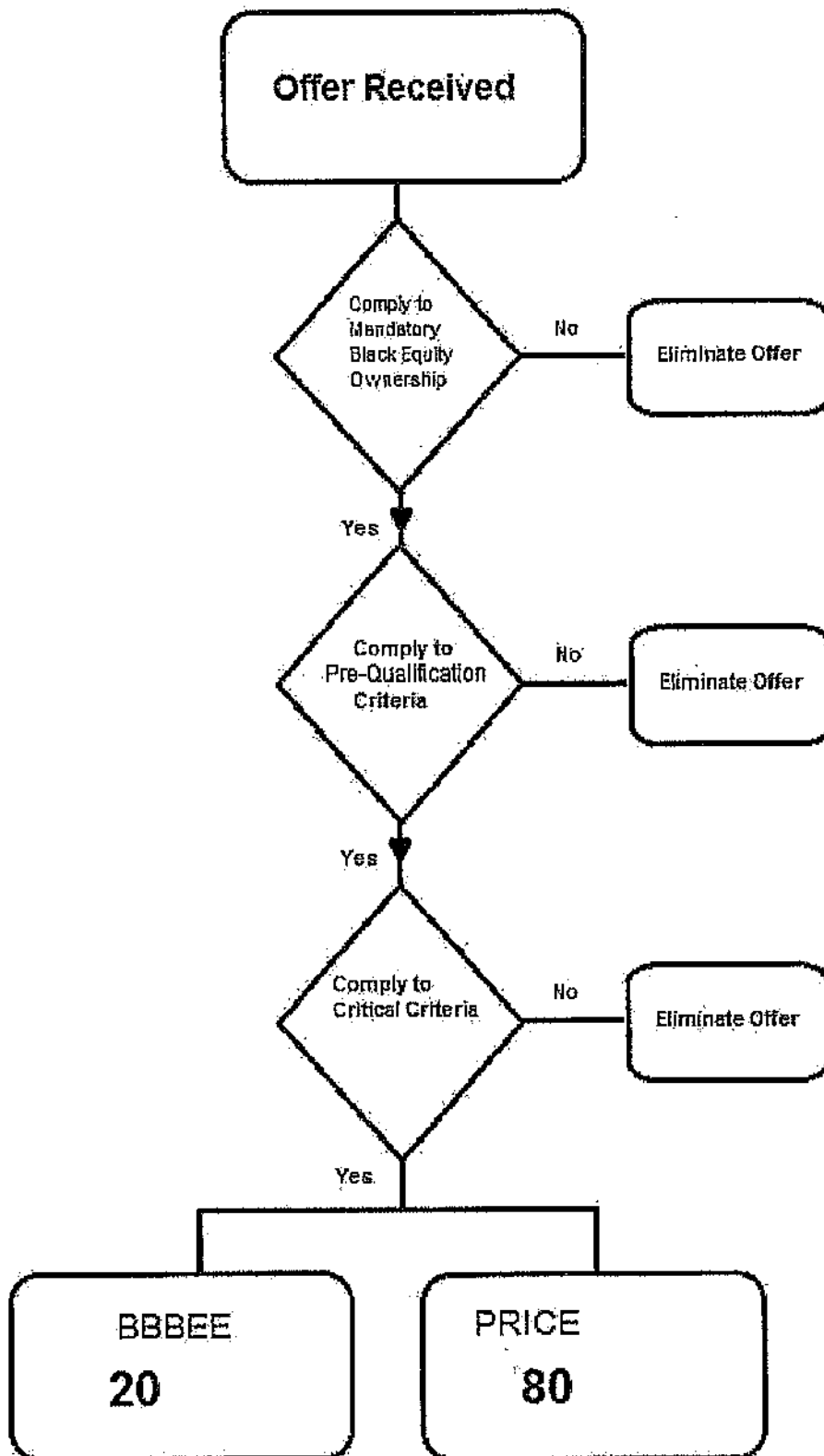


Fig.1: Value Model for the 20/80 Model

4.3 MANDATORY CRITERIA

4.3.1 TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the successful bidder must be tax compliant, or that satisfactory arrangements have been made with the South African Revenue Service

(SARS) to meet the bidder's tax obligations. (not applicable to foreign companies).

4.3.1.1 In order to meet this requirement the bidder is required to access SARS e-filing and complete the SARS ONLINE "SARS tax compliance status" under tax status. Tax compliance requirements are also applicable to individuals who wish to submit offers.

4.3.1.2 SARS will then furnish the bidder with a Tax compliance PIN code that will be valid for a period of 1 (one) year from the date of approval.

4.3.1.3 The Tax compliance PIN letter shall be submitted with the bid, with an authorisation letter for Armscor to use the PIN code for verification of tax compliance status of the supplier.

4.3.1.4 In bids where Consortia /Joint Ventures / are involved, each party must submit a separate tax compliance PIN with authorisation letter.

4.3.1.5 In the event of subcontracting, tax compliance PIN letter and authorisation letter for the subcontractor must also be submitted with the bid.

4.3.1.6 Tax compliance is done via e-filing on the SARS website www.sars.gov.za.

4.3.1.7 Original valid tax clearance certificates issued before 18 April 2016 are still valid until the expiry date or on replacement with SARS tax compliance PIN.

NOTE: Armscor Suppliers/ Bidders and Subcontractors must remain tax compliant for the duration of their contracts.

4.4 MANDATORY BLACK EQUITY OWNERSHIP

Minimum Black Equity Ownership of 35%.

4.5 PRE-QUALIFYING CRITERIA

BBBEE level 3 or better.

4.6 Critical Criteria

Criterion 1	
Requirement: The Bidder shall supply machine as per Annexure A, USER REQUIREMENT SPECIFICATION, Procurement of a CNC Gasket Cutting Machine With Oscillating Knife Cutter And Accessories-(7104-16-07-06-02-08)	Evidence: The Bidder shall supply Technical specification sheets and/or brochures/catalogues confirming that (a) All technical specification of the offered equipment conforms to specifications of the URS. (b) In the case where any of the technical specification elements are not covered in the specification sheet and/or brochures/catalogues provided, the Bidder shall ensure that they provide a letter from the Original Equipment Manufacturer (OEM) or accredited agent/supplier (on the letter head of the OEM or accredited agent/supplier) confirming that the elements in (a) meet the specification.

Criterion 2	
Requirement: The Bidder shall confirm that the equipment or product on offer shall have after sales support from the OEM or the accredited agent/Supplier (Spares and local technical support).	Evidence: The Bidder shall provide the following and submit with the bid: A letter (any documentary proof on letter head of OEM or Accredited agent/supplier) as proof that the OEM OR the accredited agent/Supplier will provide aftersales support (spares and local technical support) Note: In order to satisfy these criteria the bidder shall ensure that it is clear from the bid who the OEM of the offered equipment is, furthermore, in the case of an accredited agent/supplier there shall be documentary proof in the bid from the OEM confirming the status of the accredited agent /supplier.

4.7 Qualifying Threshold

Not Applicable.

5. REQUIREMENT STATEMENT**5.1 Introduction**

This section provides the necessary information on the Specification for this contract.

5.2 Purpose

The Purpose of this Request for Bid is to appoint (a) Provider/s to supply, deliver and commission a CNC gasket cutting machine with oscillating knife cutter and accessories to the ARMSCOR Dockyard, Simon's Town and provide training as set out in paragraph 5.4 in this document.

5.3 Background

Armcor Dockyard constantly reviews its capabilities to meet its client's maintenance and repair requirements. A feasibility study for establishing a gasket manufacturing capability in the Dockyard was conducted. The study indicated that the capability should be housed in the Mechanical Section where gaskets are mainly required on pumps, valves, coolers and piping systems. The gaskets are currently being cut out by hand which is time consuming. A CNC Gasket Cutting Machine was the recommended solution.

The CNC gasket cutting machine with an oscillating knife cutter is a digital cutting system for a variety of gaskets, including cork rubber gasket, non-asbestos gasket, rubber gasket and the graphite seal gasket.

5.4. SPECIFICATION

See Attached ANNEXURE A - USER REQUIREMENT STATEMENT: The Procurement of a CNC Gasket Cutting Machine with Oscillating Knife Cutter And Accessories-(7104-16-07-06-02-08)

SECTION 2**A - ADDITIONAL CONDITIONS****1. ACCESS TO THE PREMISES**

The Client shall grant the Contractor and/or his employees the necessary access at all reasonable times, in order to meet the obligations in terms of this Agreement, subject, however, to the Client's security arrangements. Access to the Client's premises may be refused under appropriate circumstances.

2. SECURITY

- 2.1 The Contractor shall be subject to the security rules and regulations as in place on any Client property he enters. These regulations shall be in line with Department of Defence unit security regulations. This includes controlled access through a security gate and prohibition of carrying photographic equipment (including cell phones with cameras), firearms, explosives, unlawful narcotics, etc. onto client property.
- 2.2 While on any Client property, the Contractor employees and vehicles may at all times be subjected to security searches by the security forces.
- 2.3 Transgression of any security rules and regulations can lead to detention by security and subsequent prosecution.

3. SAFETY

- 3.1 While on client property related to this contract, the contractor shall be responsible for the safety of his employees.
- 3.2 Should any of the contractor's employees sustain an injury, while on client property, through the contractor's action, the contractor shall be responsible for rendering medical attention.
- 3.3 The contractor enters client property at own risk. Treatment for any injury sustained by contractor's employee, caused by client action, but not due to negligence or malicious intent on the part of the client, shall be the responsibility of the contractor.
- 3.4 In any case, the client can, according to its discretion, render limited medical attention to the contractor, but the client will not accept any liability for the outcome of such medical assistance rendered. Furthermore, the client can, according to its discretion, charge the contractor for such service rendered.

4. IDENTIFICATION

The Contractor shall at all times, on site, positively identify all his employees and subcontractors by visually standardized dress/overalls and conspicuously attaching workers' respective name tags thereto.

5. CONTRACTOR'S STATUS AND RESPONSIBILITIES

- 5.1 The contractor shall not permit any worker to perform any task for which such worker has not been trained.
- 5.2 Under no circumstances may the contractor's employees litter, roam, sleep or prepare food on site, unless otherwise arranged and agreed to by the client.
- 5.3 Under no circumstances may the contractor's employees accept tasks (with or without payment) from the client's personnel or any other instruction/request that is not part of this contract.
- 5.4 The contractor shall see to it that his employees do not interfere in any way with the client's employees or with occupants of the premises.

- 5.5 The contractor shall comply with the client's security requirements.
- 5.6 The contractor shall not damage the property of the client or his employees.
- 5.7 The contractor shall leave all areas where work has been executed in a clean and neat condition.
- 5.8 The contractor shall not erect any signs or advertisements on site.
- 5.9 The contractor shall not unreasonably encumber the site with his materials and equipment, and shall make such provisions and carry out his operations in such a manner that will permit continuous, safe traffic and pedestrian circulation, and he shall provide and maintain safe access to all buildings within the work boundaries.
- 5.10 The contractor shall confine his equipment, tools, and the operations of his employees as indicated by the client and within the limits of statutory requirements.

B MAINTENANCE CONDITIONS

1. WORKING HOURS

All work on the Client's site shall take place during the Client's normal working hours, except when instructed by the Project Manager.

Normal working hours are:

Monday – Thursday: 07:15 - 16:30 NMO

Friday: 07:15 - 12:15

Should there be a requirement to work outside of the Client's normal working hours, sufficient notification and approval is required from the Project Manager.

2. ADVERSE CONDITIONS AND DEFECTS

- 2.1 The Contractor shall report in writing to the Client any adverse conditions prior to delivery, which may adversely affect delivery.
- 2.2 The Contractor shall not commence or continue with delivery until such adverse conditions have been investigated and corrected, unless otherwise instructed in writing by the Client.



ANNEXURE A

MRS: 7104-16-07-06-02-08/URS

SPECIFICATION

PROCUREMENT OF A CNC GASKET CUTTING MACHINE WITH OSCILLATING KNIFE CUTTER AND ACCESSORIES FOR THE DOCKYARD

SUMMARY: THIS DOCUMENT ESTABLISHES THE USER REQUIREMENTS FOR
A CNC GASKET CUTTING MACHINE WITH OSCILLATING KNIFE
CUTTER AND ACCESSORIES FOR ARMSCOR DOCKYARD
SIMON'S TOWN

DATE OF ORIGINAL ISSUE: JUNE 2021

AMENDMENT HISTORY

Doc Issue	Date	Amendments	Doc change proposal No.	CM Conformance	
				Name	Initials
001	13 April 2021	First Issue	N/a	Mangena	SMS
002	29 July 2021	Second Issue Updates to the requirement	N/a	Mangena	SMS

ABBREVIATIONS AND DEFINITIONS

AD	Armcor Dockyard
APM	Armcor Project Manager
CNC	Computer Numerical Control
HMI	Human Machine Interface
NC	Numerical Control
RFO	Request For Offer
PTFE	Polytetrafluoroethylene
SHE	Safety, Health And Environment
CAD	Computer-Aided Design
CAM	Computer Aided Manufacturing
CPU	Central Processing Unit
SSD	Solid state drives
TB	Terabyte
GB	Gigabit
GHz	Gigahertz
GPU	Graphics Processing unit
PC	Personal Computer
OEM	Original Equipment Manufacturer
COC	COC

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1. Introduction

This document stipulates the requirement for procuring, installing and commissioning a Computer Numerically Controlled (CNC) Gasket Cutting Machine with Oscillating Knife Cutter and accessories of Armscor Dockyard in Simon's Town.

2. Background

Armscor Dockyard constantly reviews its capabilities to meet its client's maintenance and repair requirements. A feasibility study for establishing a gasket manufacturing capability in the Dockyard was conducted. The study indicated that the capability should be housed in the Mechanical Section where gaskets are mainly required on pumps, valves, coolers and piping systems. The gaskets are currently being cutout by hand which is time consuming. A CNC Gasket Cutting Machine was the recommended solution.

The CNC gasket cutting machine with an oscillating knife cutter is a digital cutting system for a variety of gaskets, including cork rubber gasket, non-asbestos gasket, rubber gasket and the graphite seal gasket.

3. Requirement

Armscor Dockyard in Simon's Town requires the supply, delivery, installation and commissioning of a Gasket Cutting Machine with Oscillating Knife Cutter.

4. Specification

- 4.1 The offered CNC Gasket Cutting Machine with an Oscillating Knife Cutter will be measured against compliance to the following requirements

Table 1: CNC Gasket Machine -

CNC Gasket Cutting Machine with Oscillating Knife Cutter		
No	Description	Value/Detail
1.	Working area (X,Y)	1500mm X 2000mm (tolerance -10% or > 1500mm X 2000mm)
2.	Power	220V and /or 380V
3.	CNC Control System	Standard CNC or equivalent
4.	Compatible to at least the following	Autodesk CAD and CAM files
5.	Must have English Language Display and metric conversion or only metric	YES

Table 2: Gasket Materials to be cut.

Types of Gaskets	Description	Supplier Code
Non-metallic gaskets	Biaxially Orientated (Filled) PTFE Sheet PTFE Joint Sealant PTFE Envelope Gaskets Flexible Graphite Sheet Mica Sheet Ceramic Fiber Elastomeric and Fiber Sheet Compressed Non-Asbestos Sheet Expanded PTFE Sheet Glass-Filled / Reprocessed PTFE Sheet	Klinger C-4400, C-4461 BA203 BA203
Metallic gaskets	Camprofile (grooved) gaskets Metal jacketed gaskets Ring joints Spiral wound gaskets Corrugated metal gaskets	Centellen Hecker 3820 C-4324
Composites gaskets	Exhaust system gaskets After treatment system gaskets Manifold gaskets Collector gaskets Cylinder head gaskets	Engine Top Gasket

4.3 Human Machine Interfaces:

The CNC Gasket Machine shall have the following Human Machine Interfaces (HMI):

- a. Display screen
- b. USB port
- c. Touch screen or button input
- d. Ethernet port

5. Tooling, spares and accessories

The following tools, spares and accessories shall be delivered with the machine.

Tooling, Spares and Accessories		
1.	Vibration/oscillation knife	2 Tools
2.	Circular knife	2 Tools
3.	Punching knife	2 Tools
4.	Oblique knife	2 Tools
5	Servo Motors	4 Spares
6	Drivers	4 Spares
8	Liner rails	4 Spares
9	Desktop Tower Computer and Monitor	
	Description	Details
	CPU	At least 3.0 GHz
	Memory	At least 32 GB Ram or more
	Disk Space	At least 1 TB SSD Hard drive
	Graphics	At least 4-GB GPU with 106GB/S
	Operation system	Windows 10
	PC monitor	
	Screen Type: Screen Size:	Wide: (16:9) At least 68 cm (27")
		1

6. Training

Operator training for the CNC Gasket cutting machine shall be provided to at least five (5) Armscor employees for a minimum period of two day. This training shall cover

all the features of the equipment operation and it maintenance. Personnel to undergo this training shall be appointed by Armscor Dockyard.

Technical Training

Technical calibration for accuracy, diagnosis and fault finding training with instruction must be offered for the Machine.

7. Drawings and Schedules

The Supplier shall provide all the relevant data, documents and drawings, as required by the client. These shall typically include:

- a. Equipment drawings
- b. Functional diagrams
- c. Instrumentation schedules
- d. Circuit drawings
- e. Parts Catalogue/List
- f. Recommended spare parts list for depot spares (Scheduled and corrective maintenance)

8. Documentation

- a. Operator, Maintenance & Programming Manuals shall be supplied for all items purchased
- b. Maintenance instructions and schedules are to be included in the manuals as separate and preferably removable appendices
- c. All manuals and shall be in legible and grammatically correct English.

9. Aftersales Support and Site Acceptance

The Bidder shall supply a copy of a letter (on the OEM/accredited agent /distributor letterhead) from the OEM/accredited agent/distributor confirming their ability to provide local aftersales support and the availability of spares for a period of 1 year after commissioning.

Supplier shall provide the following documentation during site acceptance:

- a. Manufacturer's COC after installation.
- b. Warranty and guarantee documentation detailing exact period and conditions
- c. All guarantees and warranties shall be issued with equipment upon delivery
- d. Supplier to ensure that equipment as per aforementioned specification is delivered to Armscor Dockyard Simon's Town in a condition that is fit for purpose and within agreed timelines.

- e. The equipment will be inspected at delivery site by a duly authorized Armscor representative. The Supplier shall ensure that suitable delivery documentation is submitted to facilitate this process.
- f. The supplier shall install the equipment and connect it to the existing power supply within 5m radius.
- g. Electrical COC must be issued after load is added on the Distribution Box.
- h. The supplier shall perform a functional test by cutting a number of gaskets as part of the site acceptance process.
- i. The OEM/accredited agent/distributor shall provide 48 hours emergency break down local support response.
- j. All software and hardware shall be accessible by Armscor and 3rd party.
- k. The OEM/accredited agent/distributor shall provide a costed 3 years' service plan.

Safety, Health and Environment (SHE)

- a. The Supplier shall conform to the Armscor Dockyard SHE Contractor Management Practice, document number AK-PRAC-11032, Issue 1. The document shall be made available during the tender briefing meeting.

ANNEXURE B:– OHASA ACT AGREEMENT

WRITTEN AGREEMENT ON **OCCUPATIONAL HEALTH AND SAFETY**

In accordance with the provisions of Section 37(2)
Of the Occupational Health and Safety Act, Act No 85 of 1993

AS ENTERED INTO BY AND BETWEEN

(Hereinafter referred to as the "Employer")

and

(Hereinafter referred to as "the Contractor")

Contractor Compensation Fund Certificate Number: _____

Vendor Number: _____

Contract Number: _____

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DEFINITIONS

In this agreement, unless the context indicates otherwise –

Contractor

Contractor will be understood to represent the word “mandatory” as defined in the Construction Regulations of the Occupational Health and Safety Act, 85 of 1993

Employer

Employer will be understood to represent the word “client” as defined in the Construction Regulations of the Occupational Health and Safety Act, 85 of 1993

Hazard

means a source of or exposure to danger;

he/his/him/himself

will be used for the sake of expediency and is meant to incorporate the feminine.

Mandatory

includes an agent, a contractor or a subcontractor for work, but without derogating from his status in his own right as an employer or a user as defined in the Occupational Health and Safety Act 85 of 1993

Safe

means free from any hazard;

Workplace

means any premises or place where a person performs work in the course of his employment;

WARRANTY OF COMPLIANCE

*In terms of this agreement the **Contractor** warrants agreement to the arrangements and procedures as prescribed by the **Employer** and as provided for in terms of Section 37(2) of the OHS Act for the purposes of compliance with the Act and its regulations.*

*The **Contractor** further accepts that this contract, made in terms of Section 37(2), shall be read with the Occupational Health and Safety Act and any Regulation made in terms of Section 43 and any Standard Incorporated in terms of Section 44.*

*The **Contractor** acknowledges that this agreement constitutes an agreement in terms of Section 37(2) of the OHS Act, whereby all responsibility for health and safety matters relating to the work that the **Contractor** and his employees are to perform on behalf of the **Employer** shall be the obligation of the **Contractor**.*

CONTRACTOR AS AN EMPLOYER

*The **Contractor** shall be deemed to be an employer in its own right while engaged in the execution of the project. In terms of Section 16(1) of the OHS Act, the **Contractor** shall accordingly ensure that the requirements of the OHS Act are complied with by itself and/or its nominated Chief Executive Officer*

ENVIRONMENTAL COMPLIANCE

The **Contractor** shall ensure that all National Environmental Management Act (NEMA) principles are considered. This shall not be considered in isolation but include the individual requirements of Specific Environmental Management Acts (SEMA's).

MSDS shall be available for all herbicides, pesticides, fertilisers and solvents where applicable, and sufficient safety briefings shall be conducted with appropriate employees regarding the risks associated with working with the aforementioned chemicals.

APPOINTMENTS AND TRAINING

The **Contractor** undertakes to ensure that he and all staff that will perform any work on behalf of the **Employer** will undergo induction training before doing any work what so ever.

The **Contractor** shall appoint competent persons as per Section 16(2) of the OHS Act. Any such appointed person shall be trained on any occupational health and safety matter and the OHS Act provisions pertinent to the work that is to be performed under his responsibility. Copies of any appointments made by the **Contractor** shall immediately be provided to the **Employer**.

The **Contractor** shall further ensure that all his employees are trained on the health and safety aspects relating to the work and that they understand the hazards associated with such work being carried out. Without derogating from the foregoing, the **Contractor** shall, in particular, ensure that all operators and users of any vehicles, materials, machinery or equipment are properly trained in the use of such materials, machinery or equipment.

Notwithstanding the provisions of the above, the **Contractor** shall ensure that he, his appointed responsible persons and his employees are at all times familiar with the provisions of the OHS Act, and that they comply with the provisions of the Act.

SUPERVISION, DISCIPLINE AND REPORTING

The **Contractor** shall ensure that all work performed is done under strict supervision and that no unsafe or unhealthy work practices are permitted. Discipline regarding health and safety matters shall be strictly enforced against any of his employees regarding non-compliance by such employee with any health and safety matters.

The **Contractor** shall further ensure that his employees report to him all unsafe or unhealthy work situations immediately after they become aware of them and that he in turn immediately reports these to the **Employer** and/or his representative.

ACCESS TO THE OHS ACT

The **Contractor** shall ensure that he has an updated copy of the OHS Act on site at all times and that this is accessible to his appointed responsible persons and employees.

CO-OPERATION

The **Contractor** and/or his responsible persons and employees shall provide full co-operation and information if and when the **Employer** or its representative inquiries into occupational health and safety issues concerning the **Contractor**. It is hereby

recorded that the **Employer** and its representatives shall at all times be entitled to make such enquiry.

Without derogating from the generality of the above, the **Contractor** and his responsible persons shall make available to the **Employer** and its representative, on request, all and any checklists and inspection registers required to be kept in respect of any of machinery or equipment.

WORK PROCEDURES

The **Contractor** shall implement safe work practices and shall ensure that his responsible persons and employees are made conversant with and adhere to such safe work practices.

HEALTH AND SAFETY MEETINGS

In terms of the OHS Act, as applicable, the **Contractor** shall establish his own health and safety committee(s) and ensure that his employees, being the committee members, hold health and safety meetings as often as may be required and at least once every 3 months should it be required in terms of the Act.

COMPENSATION REGISTRATION

The **Contractor** shall ensure that he has a valid registration with the Compensation Commissioner, as required in terms of the Compensation for Occupational Injuries and Diseases Act 130 of 1993, and that all payments owing to the Commissioner are discharged. The **Contractor** shall further ensure that the cover shall remain in force while any such employee is present on the premises. Certified copies of valid letters of good standing shall be submitted to the employer before work commences.

MEDICAL EXAMINATIONS

The **Employer** reserves the right to compel the **Contractor** to ensure that all his employees undergo routine medical examinations, and that they are medically fit for the purposes of the work they are to perform.

INCIDENT REPORTING AND INVESTIGATION

All incidents referred to in Section 24 of the OHS Act shall be reported by the **Contractor** to the Department of Labour and to the **Employer**. The **Employer** shall further be provided with copies of any written documentation relating to any incident occurring in the execution of work under contract or agreement with the **Employer**.

The **Employer** retains an interest in the reporting of any incident as described above as well as in any formal investigation and/or inquiry conducted in terms of Section 32 of the OHS-Act into such incident.

FIRE PRECAUTIONS AND FACILITIES

The **Contractor** shall ensure that an adequate supply of fire-protection and first-aid facilities is provided for the work to be performed where indicated as being required in terms of a risk assessment.

The **Contractor** shall further ensure that all his employees are familiar with fire precautions at the, which include fire-alarm signals and emergency exits, and that such precautions are adhered to.

Smoking is only to be permitted in designated smoking areas.

HYGIENE AND HOUSEKEEPING

The **Contractor** shall ensure that the work site and surrounding area is at all times maintained to a reasonably practicable level of hygiene and cleanliness.

NO NUISANCE

The **Contractor** shall ensure that no hindrance, hazard, annoyance or inconvenience is inflicted on the **Employer**.

INTOXICATION NOT ALLOWED

No intoxicating substance of any form shall be allowed. The **Contractor** shall ensure that adequate measures are implemented to ensure that no employee is, or remains, under the influence of alcohol when engaged in the **Employer's** business. Any person required to take medication shall notify the relevant responsible person thereof, as well as the potential side effects of the medication.

PERSONAL PROTECTIVE EQUIPMENT

The **Contractor** shall ensure that his responsible persons and employees are provided with adequate personal protective equipment (PPE) for the work they may perform and in accordance with the requirements of General Safety Regulation 2(1) of the OHS Act. The **Contractor** shall further ensure that his responsible persons and employees wear the PPE issued to them at all material times.

The **Employer** reserves the right to instruct the **Contractor** to obtain and use specific PPE, appropriate to the nature of the work and with due regard to the principle of reasonable practicality.

The **Contractor** shall provide appropriate safety signage and barricading and demarcation where necessary and appropriate. The **Employer** reserves the right to inform the **Contractor** of inadequate signage, barricading or demarcation and to instruct him to improve it before work may continue.

PLANT, MACHINERY, EQUIPMENT AND VEHICLES

In accordance with the provisions of Section 10(4) of the OHS Act, the **Contractor** hereby confirms that he has noted his liability for taking the necessary steps to ensure that any machine, article or substance that is provided to it is safe to use. The mandatory further warrants that this agreement is one made in terms of Section 10(4) of the OHS Act.

QUALIFICATIONS

The **Contractor** will provide the **Employer** with certified copies of all certificates necessary to confirm the competence of the **Contractor's** employees, such as operators certificates of competence, drivers licenses, PDP's, first aid training certificates and any other appropriate documents that the **Employer** may require.

NO USAGE OF THE EMPLOYER'S EQUIPMENT

The **Contractor** hereby acknowledges that his employees shall not be permitted to use any materials, machinery or equipment of the **Employer** unless the prior written consent of the **Employer** has been obtained, in which case the **Contractor** shall ensure that only those persons authorised to make use of them, have access thereto.

TRANSPORT

The **Contractor** shall ensure that all road vehicles used on the premises are in a roadworthy condition and are licensed and insured. All drivers shall have relevant and valid driving licences and no vehicle shall carry passengers unless it is specifically designed to do so. All drivers shall adhere to the speed limits and road signs on the premises at all times. All occupants of a vehicle must wear safety belts and the drivers are not to use a hand held cell phone.

*In the event that any hazardous substances are to be transported on or to the premises, the **Contractor** shall ensure that the requirements of the Hazardous Chemical Substances Act 15 of 1973 are complied with at all times.*

INDEMNITY

*The **Contractor** indemnifies the **Employer** against any claim, whether based in common law or legislation, which any party, including employees of the **Contractor**, may have against the **Employer** arising out of the performance or execution of the work.*

DURATION OF AGREEMENT

*This agreement shall remain in force for the duration of the work to be performed by the **Contractor**.*

HEADINGS

The headings as contained in this agreement are for reference purposes only and shall not be construed as having any interpretative value in themselves or as giving any indication as to the meaning of the contents of the paragraphs contained in this agreement.

COSTS

*The **Contractor** accepts that ensuring full compliance with the relevant Legislation and other health and safety requirements may have a cost implication. The **Contractor** accepts these costs as for its account, and warrants that the potential cost implication was disclosed prior to entering into contract.*

SIGNATURES

FOR AND ON BEHALF OF THE CONTRACTOR

SIGNED at _____ on this _____ day of
_____ 2021

Name:

WITNESSES:

1. _____

2. _____

FOR AND ON BEHALF OF THE EMPLOYER

SIGNED at _____ on this _____ day of
_____ 2021

Name:

WITNESSES:

1. _____

2. _____