

	REQUEST FOR QUOTATION		Form No: RW SCM 00016 F	
			Revision No: 09	
			Effective Date: 31 Jan 2023	

BID NUMBER:	10414635	CLOSING DATE:	04/07/2025	CLOSING TIME:	23H00
DESCRIPTION:	Annual evaluation of the performance of the Rand Water Group's core governance structures, namely, the Board of Rand Water, the Board of the Rand Water Foundation (RWF), and the Board of Rand Water Services (Pty) Ltd (RWS), including their respective Committees, for the Financial Year (FY) 2023/24.				
NON-COMPULSORY BRIEFING SESSION DATE AND TIME	N/A	BRIEFING SESSION VENUE	N/A		
ISSUE DATE	01/07/2025				

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			
BUYER		SOURCING MANAGER	
CONTACT PERSON	Stanley Govender]	CONTACT PERSON	Ntikane Radebe
TELEPHONE NUMBER	011 6820410	TELEPHONE NUMBER	011 6820208
E-MAIL ADDRESS (Submissions must be made to this address)	sgovend@randwater.co.za	E-MAIL ADDRESS	nradebe@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] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT (EMEs and QSEs) ☐ Yes ☐ 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

1.SCOPE

Rand Water requests quotations from suitably qualified service providers to conduct the independent annual evaluation of the performance of the Rand Water Group's core governance structures, namely, the Board of Rand Water, the Board of the Rand Water Foundation (RWF), and the Board of Rand Water Services (Pty) Ltd (RWS), including their respective Committees, for the Financial Year (FY) 2024 - 25 and require the external service provider to conduct the following:

(a) To conduct a comprehensive and insightful evaluation of the Rand Water Group's core governance structures, namely, the Board of Rand Water, the Board of the Rand Water Foundation (RWF), and the Board of Rand Water Services (Pty) Ltd (RWS), including their respective Committee's performance, leading to improved governance practices and better alignment with the organisation's strategic objectives.

(b) A qualitative approach should be followed to assess the effectiveness, efficiency, and overall functioning of the Rand Water Group's core governance structures.

(c) The suggested scope for conducting such qualitative evaluation is as follows:

(i) Clarify the scope and methodology of the evaluation - by providing an overview of the purpose and objectives of the proposed board performance evaluation approach, within the context and strategic goals of the organisation and the Boards fiduciary and oversight responsibilities as the responsible governing bodies.

(ii) Governance Structure and Processes – Evaluate the effectiveness of the boards' governance structure, including their composition, diversity, and independence, and assessing the adequacy of board processes, such as meetings, decision-making and oversight of management.

(iii) Board Composition and Dynamics - Reviewing the skills levels, experience, and expertise of individual board members in relation to the organisation's strategic objectives, and analyse the dynamics within the boardroom, including communication, collaboration, and conflict resolution.

(iv) Strategic Oversight and Decision-making - examining the role of each board in setting and monitoring the strategic direction of the entities they are each responsible for, and assessing the quality of strategic discussions, decision-making processes, and alignment with stakeholder interests and each Board's contribution to Shareholder value. Review each board's oversight responsibilities in relation to implementation of the performance targets as set out in the Annual Shareholder's Compact.

(v) Compliance with Good Corporate Governance Principles - Review the governance processes for each entity to ensure that the body as the governing body effectively discharges its responsibilities with regard to the entity's compliance with good corporate governance principles and best practice.

(vi) Performance Evaluation and Accountability - Review each board's performance evaluation processes, including self-assessments and peer reviews. Assess the accountability mechanisms, including transparency, reporting, and follow-up on action items within each board.

(vii) Relationship with Management - Evaluate the relationship between each board and the relevant executive management, including communication, trust, and collaboration, management, business continuity and succession planning.

(viii) Risk Management and Compliance - Evaluate each board's oversight of risk management processes, including identification, assessment, and mitigation of key risks, and assess compliance with relevant laws, regulations, and ethical standards as applicable to their respective entities.

(ix) Best Practices and Benchmarks - Facilitating discussions with key stakeholders to review the findings and prioritise action items. Benchmark the performance of each board against industry best practices and standards and identify areas for improvement and recommendations for enhancing board effectiveness.

(x) Reporting and Recommendations - Prepare a comprehensive report summarising the findings of the evaluation exercise and present actionable recommendations for enhancing the effectiveness of each board and respective governance processes,

- (xi) Follow-up and Monitoring - Develop a plan for monitoring the implementation of recommendations and tracking progress over time, to ensure continuous improvement.
- (xii) Confidentiality and Ethics - Maintain confidentiality and adhere to ethical standards throughout the evaluation process and ensure transparency and accountability in reporting findings and recommendations.

2. METHODOLOGY

The service provider should propose a comprehensive and rigorous methodology for conducting the comprehensive board performance and insightful evaluation of the Rand Water Group's core governance structures, namely, the Board of Rand Water, the Board of the Rand Water Foundation (RWF), and the Board of Rand Water Services (Pty) Ltd (RWS), including their respective Committee's performance, through a qualitative approach and assess the effectiveness, efficiency, and overall functioning of the Rand Water Group's core governance structures.

The service provider will be required to submit draft and final Board Performance Evaluation reports of the outcome of their review to both the Chairpersons of Rand Water (RW), Rand Water Foundation (RWF) and Rand Water Services (Pty) Ltd (RWS), and tabling the final report of the review process and relevant recommendations, to both the Rand Water, and Water Foundation (RWF) and Rand Water Services (Pty) Ltd (RWS) Board of Directors.

3. COMPETENCY PROFILE OF THE REQUESTED SERVICE PROVIDER.

- (i) Expertise in Corporate Governance: In-depth understanding of corporate governance principles, frameworks, and best practices. Familiarity with relevant regulations, laws, and guidelines governing corporate governance in the water industry or similar sectors.
- (ii) Evaluation and Assessment Skills: Proven experience in conducting independent evaluations and assessments of governance structures, with the ability to develop comprehensive evaluation methodologies, criteria, and tools tailored to the unique needs of Rand Water Group.
Industry Knowledge: Knowledge of the water industry, including its regulatory environment, challenges, and emerging trends, and understanding of the specific governance challenges and dynamics within water utility organisations.
- (iii) Analytical Skills: Strong analytical capabilities to assess complex governance issues, identify strengths, weaknesses, and areas for improvement, and the ability to interpret data, metrics, and qualitative feedback to derive actionable insights and recommendations.
- (iv) Communication and Reporting: Excellent written and verbal communication skills to articulate evaluation findings, conclusions, and recommendations clearly and effectively, and experience in preparing detailed and concise evaluation reports tailored to diverse stakeholders, including board members, executives, and regulatory authorities.
Independence and Objectivity: Demonstrated ability to maintain independence, impartiality, and objectivity throughout the evaluation process, and adherence to ethical standards and professional integrity in conducting evaluations and handling sensitive information.
- (v) Project Management: Proficiency in project management methodologies to plan, coordinate, and execute evaluation activities within established timelines and budget constraints, and the ability to manage multiple priorities, stakeholders, and deliverables concurrently.
- (vi) Reputation and Track Record: Established reputation and track record in providing high-quality, independent evaluation services to organisations of similar size, complexity, and industry focus, with a positive references or testimonials from past clients attesting to the service provider's competence, reliability, and value-added contributions.

4. EXPECTED DELIVERABLES

The service provider is expected to deliver the following:

- (i) Evaluation Approach and Methodology: A clear explanation of the methodology used to assess governance structures, highlighting the qualitative techniques employed such as interviews, surveys, and document analysis.
- (ii) Comprehensive Stakeholder Interviews: Conducting structured interviews with key stakeholders, to gather qualitative insights into governance effectiveness, communication channels, decision-making processes, and organisational culture.
- (iii) Thematic Analysis of Interviews: Thorough thematic analysis of interview transcripts to identify recurring themes, concerns, and perceptions regarding the performance of Rand Water Group's core governance structures.
- (iv) Document Analysis: Reviewing relevant documents such as board meeting minutes, governance policies, strategic plans, and internal reports to assess alignment between stated objectives, actual practices, and outcomes.
- (v) Observations and Field Notes: Conducting observations and documenting field notes during site visits or meetings to capture informal interactions, behavioral patterns, and cultural norms that may influence governance dynamics.
- (vi) Surveys and Feedback Analysis: Administering surveys or feedback mechanisms to solicit anonymous input from a broader range of stakeholders on their perceptions of governance effectiveness, transparency, and accountability.
- (vii) SWOT Analysis: Performing a qualitative SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis based on the synthesis of interview responses, document analysis, and observations to highlight areas of improvement and

potential risks.

(viii) Case Studies and Best Practices: Presenting case studies or examples of governance practices from comparable organisations or industries to provide benchmarks and inspire innovative approaches to governance enhancement.

(ix) Qualitative Evaluation Report: Compiling findings from qualitative data sources into a comprehensive evaluation report that integrates narrative descriptions, quotes, and illustrative examples to contextualise key insights and recommendations.

(x) Interactive Presentation: Delivering an interactive presentation to stakeholders, supplemented with storytelling techniques, visuals, and multimedia elements to engage the audience and facilitate dialogue around governance strengths, challenges, and improvement opportunities.

(xi) Executive Summary and Key Takeaways: Crafting an executive summary highlighting the most salient qualitative findings, actionable recommendations, and priority areas for governance improvement, tailored for busy executives and decision-makers.

5.CONFIDENTIALITY

The service provider and/or the lead team member (s) will be required to sign a confidentiality agreement to safeguard any sensitive information obtained during the assessment process.

6. PROPOSED TIMEFRAMES

(i) The service provider has 30 days from the date of appointment to complete the process, targeting that the process should be completed by 31 July 2025.

(ii) The draft reports should be submitted to the respective Board Chairpersons (RW, RWF and RWS) for review in the weeks of 01 – 15 July 2025.

(ii) The Final Board Performance Evaluation Reports should be submitted to the respective Board for discussion and approval at the Board meetings (RW, RWF and RWS) scheduled for July 2025.

(iii) Should there be any changes emanating from the Board meetings, after the report has been tabled, the service provider to incorporate the changes and the revised Board Performance Evaluation Report to be submitted to the Board Secretariat by first week of August 2025.

(iv) Submission of the final Board Performance Evaluation Report to the Minister should be by 15 August 2025.

(v) The independent service provider should be available for meetings with the Board Chairpersons if requested.

2. AWARDING STRATEGY

The maximum number of suppliers to be awarded this RFQ is 01]

3. EVALUATION CRITERIA

The RFQ will be evaluated based on the criterion below:

3.1. Test for Responsiveness/ Pre- qualification

3.1.1. N/A

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.	Previous Related Experience (Similar to current RFQ Scope/Work) The rating of this item is based on a four-point scale: • None = 0 % - No submission • Weak = 33.3% - 1 Company reference • Moderate = 66.7% - 2 Company references • Good = 100% - 3 Company references	25

ADJUDICATION CRITERIA		WEIGHT
2.	Human Resource Capacity Adjudicated based on Human Resource Capacity Schedule required for the execution of the scope of work. The purpose is to establish an overall picture of the company's human resource capacity and ability to undertake the work. The rating of this item is based on a four-point scale: • None = 0 % - No submission • Weak = 33.3% - Company organogram not reflecting the resource needs for the scope of work • Moderate = 66.7% - Company organogram partially addressing the resource needs for the scope of work • Good = 100% - Company organogram adequately addressing the resource needs for the scope of work	25
3.	Equipment Resource Capacity Adjudicated based on <i>Equipment Resource Capacity</i> (Plant, Equipment, vehicles, computers, software's etc.) The purpose is to establish an overall picture of the company's equipment resource capacity and ability to undertake the work and will therefore be services/goods specific. The rating of this item is based on a four-point scale: • None = 0 % - No submission • Weak = 33.3% - Minimal capacity in relation to the scope • Moderate = 66.7% - Capacity meets the scope requirements with some gaps • Good = 100% - Capacity meets the scope requirements	25
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: • 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.	25
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.	The service provider has 30 days from the date of appointment to complete the process, targeting that the process should be completed by 31 July 2025.				
2.	The draft reports should be submitted to the respective Board Chairpersons (RW, RWF and RWS) for review in the weeks of 01 – 15 July 2025.				
3.	The Final Board Performance Evaluation Reports should be submitted to the				

	MILESTONES / LINE ITEMS	Estimated delivery period (where applicable)	UNIT PRICE (where applicable)	QUANTITY (where applicable)	COSTING
	respective Board for discussion and approval at the Board meetings (RW, RWF and RWS) scheduled for July 2025.				
4.	Should there be any changes emanating from the Board meetings, after the report has been tabled, the service provider to incorporate the changes and the revised Board Performance Evaluation Report to be submitted to the Board Secretariat by first week of August 2025.				
5.	Submission of the final Board Performance Evaluation Report to the Minister should be by 15 August 2025.				
6.	The independent service provider should be available for meetings with the Board Chairpersons if requested.				
7.					
TOTAL					
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)

SBD 4

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**

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

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 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.

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

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 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.

5.12. 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:

- natural disasters
- war, act of foreign enemies
- riot, civil commotion
- 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:

- fails to deliver in terms of the Purchase Order or perform the services within the time specified;
- fails to make sufficient progress with the work, thereby endangering completion of performance within the time specified; or
- 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 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

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.

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: