



# LGSETA

CREATING GREATER IMPACT

## INVITATION TO BID (SBD 1)

on procurement requirements

**YOU ARE HEREBY INVITED TO BID FOR THE FOLLOWING SPECIFIED SUPPLY REQUIREMENTS**

BID NUMBER

LGSETA / BID: NO 5 2024/25

CLOSING DATE AND TIME

30 August 2024 @ 12h00 pm

### BID DESCRIPTION

**APPOINTMENT OF AN ACCREDITED MICROSOFT BUSINESS PARTNER TO PROVIDE SUPPORT AND MAINTENANCE INCLUDING SOFTWARE LICENSES FOR THE CURRENT MICROSOFT DYNAMICS 365 - CUSTOMER RELATIONS MANAGEMENT SYSTEM (CRM) FOR A PERIOD OF 2 YEARS.**

Bidders must sign the signature page of the form SBD1 validating all documents included in the response to this invitation.

The successful bidder and the LGSETA will sign the written Contract Form (SBD 7) once the delegated authority has approved the award of such contract.

**BIDDER's NAME**

**Preferential Procurement System  
Applicable:**

80/20

**Validity Period From Date Of  
Closure:**

120 working  
days

**Compulsory  
Briefing  
Session or  
Site Visit  
Details**

**Date and Time**

N/A

**Location**

N/A

**Contact Person**

N/A

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>BID DOCUMENTS ARE TO BE DEPOSITED IN THE BID/TENDER BOX AT:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                 |
| <p>Local Government Sector Education and Training Authority (LGSETA)</p> <p>1 Osborn Lane<br/>Bedfordview<br/>2007</p> <p>Bids are not to be delivered to any other LGSETA's office but as per above address</p>                                                                                                                                                                                                                                                                                                                                                                                                                          | <p><b>AND ADDRESSED AS FOLLOWS:</b></p> <p>On the face of each envelope, the Bid Name, Bid Number and Bidder's Name, Postal Address, Contact Name, Telephone Number and email address.</p> <p>The closing time is as per the clock at the LGSETA reception.</p> |
| <p>Bidders must ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration. Bidders must ensure that the submission register at the LGSETA's reception when delivering a proposal is signed off, failure to sign will result in the bids being disqualified/not being considered as submitted.</p> <p>Bidders must advise their respective couriers/drivers of the above instruction(s) to avoid misplacement of bid. <i>Bidders are not allowed to use post office but only to hand deliver the bid proposal to the LGSETA Head office as per address above.</i></p> |                                                                                                                                                                                                                                                                 |
| <p><b>BIDDERS ARE REQUIRED TO DELIVER THEIR BID TO THE CORRECT ADDRESS TIMEOUSLY IN ORDER FOR THE LGSETA TO CONSIDER IT. THE LGSETA WILL NOT CONSIDER THE BIDS RECEIVED LATER THAN THE CLOSING DATE AND TIME NOR RETURN THESE TO THE BIDDER.</b></p>                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                 |
| <p>Bidders must submit their bid response on the official bid invitation forms (<b>NOT TO BE RE-TYPED</b>) with additional information provided on attached supporting schedules. The LGSETA provides the checklist "Returnable Documents" at the end of the bid invitation of all required documentation with certain documentation mandatory for entering the evaluation phase.</p> <p>Non-submission of these marked documents will lead to disqualification of the bidder.</p>                                                                                                                                                        |                                                                                                                                                                                                                                                                 |
| <b>BID OPENING REGISTER</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                 |
| <p>A public bid opening of the bids received will be on the <b>30 August 2024</b>. The bidders name and price (if possible) together with Specific goals (RDP) will be published on the LGSETA website within ten (10) working days after bid closing date.</p> <p>Note must be taken that no bid/s will be accepted after the closing.</p>                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                 |
| <b>REJECTION OF BIDS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                 |
| <p>LGSETA reserves the right to reject submitted proposal when deemed necessary. Should it be discovered by the LGSETA that the bidder did not act in good faith and/or declare incorrectly/falsely, LGSETA reserves the right to disqualify or reject the bid.</p>                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                 |
| <p>If the bidders' proposal is not compliant with the LGSETA's scope of work/terms of reference, LGSETA reserves the right to disqualify the bid proposal.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                 |
| <p>Bid rigging/ collusive behavior by the bidder will result in disqualification. A bidder is not permitted to submit proposal from more than one registered company with a common director/shareholder. In addition, bidders may not respond to the bid with more than one entity, if they do both companies will be disqualified.</p>                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                 |
| <p>This bid is subject to the Preferential Procurement Policy Framework Act and the Preferential Procurement Regulations - 2022.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                 |
| <p>Bidder must be registered on National Treasury Central Supplier Database (CSD), (Proof must be submitted with the proposal).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                 |
| <p><b>THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF CONTRACT AND SPECIAL CONDITIONS OF CONTRACT AS STIPULATED IN THIS INVITATION.</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                 |
| <p><b>THE LGSETA DEEMS THE BIDDER HAS READ AND ACCEPTED THESE CONDITIONS OF CONTRACT.</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                 |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| <b>REGISTRATION ON THE CENTRAL SUPPLIER DATABASE (CSD):</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |    |
| <p>The bidder must register on the National Treasury's Central Supplier Database in order to do business with an organ of state or for the LGSETA to award a bid or contract. Registration on the CSD (<a href="http://www.csd.gov.za">www.csd.gov.za</a>) provides a bidder with an opportunity to do business with all state organizations including provincial and municipal levels.</p> <p>National Treasury Contact Details: 012 406 9222 or email <a href="mailto:csd.support@treasury.gov.za">csd.support@treasury.gov.za</a></p>                                                                                                                                                       |    |
| <b>SETS OF BID DOCUMENTS REQUIRED</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |    |
| Number of ORIGINAL documents for contract signing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 1  |
| <p>Bidders must submit the bid in hard copy format (paper document) to the LGSETA. The hardcopy of these original sets of bid documents serves as the legal bid contract document and the master record between the bidder and the LGSETA. The bidders attach the originals or certified copies of any certificates stipulated in this document to these original sets of bid documents.</p> <p>Any discrepancy between the evaluation copies and the master record, the master record will prevail. Any discrepancy between the original sets deposited with the LGSETA and that kept by the bidder, the original set deposited with the LGSETA is the master contract for both parties.</p>  |    |
| Number of EVALUATION copies:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 1  |
| Bidders mark documents as either " <b>Original</b> " or " <b>Copy for evaluation</b> " and number all pages sequentially. Bidders group documents into "PROPOSAL" and "PRICING" Sections                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |    |
| Two envelope system required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | NO |
| <p>The objective of the exercise is to evaluate the Proposals Section without reference to the Price Section ensuring both sections are evaluated fairly and unbiased.</p> <p>The first envelope holds all documents excluding the detailed supporting pricing documentation. The second envelope holds the detailed supporting pricing documentation. An outer envelope encloses both envelopes that have the envelope addressing as stated in this document.</p> <p>The LGSETA only opens the proposal – the first envelope – at the evaluation stage and only opens the pricing – the second envelope – for those bidders who meet the predefined threshold at the proposal evaluation.</p> |    |
| <b>ENQUIRIES CAN BE DIRECTED TO THE FOLLOWING</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |    |
| <b>SUPPLY CHAIN MANAGEMENT ENQUIRIES</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |    |
| <p>Kindly contact SCM Office on <a href="mailto:procurement@lgseta.org.za">procurement@lgseta.org.za</a> by no later than 26 August 2024. for submission of query relating to this bid. Queries received that will result in a change in specification will be uploaded on e-tender and our LGSETA website by issuing an addendum to the invitation. No feedback will be provided for enquiries received after the 26 August 2024.</p>                                                                                                                                                                                                                                                         |    |

## TABLE OF CONTENTS

|                                                                       |  |
|-----------------------------------------------------------------------|--|
| <b>BID DESCRIPTION .....</b>                                          |  |
| <b>SETS OF BID DOCUMENTS REQUIRED.....</b>                            |  |
| <b>ENQUIRIES CAN BE DIRECTED TO THE FOLLOWING.....</b>                |  |
| <b>RETURNABLE DOCUMENT CHECKLIST (TO QUALIFY FOR EVALUATION).....</b> |  |
| <b>THE BIDDERS PARTICULARS .....</b>                                  |  |
| <b>OVERVIEW OF THE LGSETA .....</b>                                   |  |
| <b>SCOPE OF WORK .....</b>                                            |  |
| <b>PREFERENCE POINTS CLAIMED (SBD 6.1) .....</b>                      |  |
| <b>DUE DILIGENCE REQUIREMENTS .....</b>                               |  |
| <b>SPECIAL CONDITIONS FOR MANAGING CONTRACTUAL OBLIGATIONS.....</b>   |  |
| <b>GENERAL CONDITIONS OF CONTRACT .....</b>                           |  |
| <b>BIDDERS DETAIL RESPONSE FORMING PART OF CONTRACT.....</b>          |  |
| <b>BID SUBMISSION CERTIFICATE FORM - (SBD 1) .....</b>                |  |

**Table 1.****RETURABLE DOCUMENT CHECKLIST (TO QUALIFY FOR EVALUATION)****STAGE 1 – SCM MINIMUM REQUIREMENTS EVALUATION**

**Compliance with Returnable Document Checklist as per Table 1 above,  
(Mandatory as these are GO/NO GO gates, comply/not comply.**

**The LGSETA evaluates only procurement responses that are 100% acceptable in terms of the Returnable Document List. The LGSETA will disqualify bidders who are found not compliant.**

|                                                                                                                                                                                                                                                                                                                                                                                                              |   |     |    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|-----|----|
| Signed and completed Procurement Invitation (SBD 1) including the SBD4 and 6.1                                                                                                                                                                                                                                                                                                                               | M | YES | NO |
| In bids where consortia / joint ventures / sub-contractors are involved; each party must be registered on National Treasury Supplier Database and must submit a separate tax compliance pin / csd number report. Each party to the consortia / joint ventures / sub-contractors must submit completed SBD documents. Copy of Joint Venture/ Consortium/ Subcontracting Agreement duly signed by all parties. | M | YES | NO |
| Proof of Registration on the Government's Central Supplier Database (CSD).                                                                                                                                                                                                                                                                                                                                   | M | YES | NO |
| Tax Confirmation Letter from Tax Authorities (Foreign Companies only)                                                                                                                                                                                                                                                                                                                                        | M | YES | NO |
| Compliant bidder/s with all listed SCM minimum requirements will therefore qualify to be evaluated on stage 2                                                                                                                                                                                                                                                                                                |   |     |    |

**STAGE 2 – PROJECT MINIMUM REQUIREMENTS EVALUATION**

|                                                                                                                              |   |     |    |
|------------------------------------------------------------------------------------------------------------------------------|---|-----|----|
| Bidder must attach a valid signed Microsoft letter/Certificate in bidder's name indicating Microsoft Dynamics accreditation. | M | YES | NO |
| Compliant bidder/s with above project requirement will therefore qualify to be evaluated on stage 3                          |   |     |    |

**STAGE 3 – TECHNICAL FUNCTIONALITY EVALUATION**

In order for bidder/s to qualify to be evaluated on stage 4, Bidder will be required to reach/obtain a minimum threshold of 70 points or more on this stage (refer to functionality in the document)

Compliant bidder/s obtaining 70 points or more will be therefore qualify to be evaluated on stage 4

**STAGE 4 – 80/20 PRICE/PREFERENCE EVALUATION**

The LGSETA compares each bidder's pricing proposal on a fair and equal basis taking into account all aspects of the bids requirements. The LGSETA ranks the qualifying bids on price and preference points claimed in the following manner:

Preference - preference points as claimed in the preference claim form (SBD 6.1) added to the price ranking scores; and

**Only (01) bidder will be recommended and be appointed for this project**

The LGSETA recommend the bidder with the highest combined score for the contract award subject to the bidder having supplied the relevant administrative documentation. LGSETA may still appoint a bidder other than the one scoring the highest points

| <b>Bid Procedure Conditions:</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                  | <p><b><u>Counter Conditions</u></b></p> <p>The LGSETA draws bidders' attention that amendments to any of the Bid Conditions or setting of counter conditions by bidders will result in the invalidation of such bids.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|                                  | <p><b><u>Response Preparation Costs</u></b></p> <p>The LGSETA is NOT liable for any costs incurred by a bidder in the process of responding to this Bid Invitation, including on-site presentations.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|                                  | <p><b><u>Cancellation Prior To Awarding</u></b></p> <p>The LGSETA reserve the right to withdraw and cancel the Bid Invitation at any time prior to the delegated official making an award.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                  | <p><b><u>Collusion, Fraud And Corruption</u></b></p> <p>Any effort by Bidder/s to influence evaluation, comparisons, or award decisions in any manner will result in the rejection and disqualification of the bidder concerned.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|                                  | <p><b><u>Fronting</u></b></p> <p>The LGSETA, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes where applicable, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in the bid documents. Should any of the fronting indicators as contained in the "Guidelines on complex Structures and Transactions and Fronting", issued by the Department of Trade and Industry, be established during such inquiry/investigation, the onus will be on the bidder to prove that fronting does not exist. Failure to do so within a period of 7 days from date of notification will invalidate the bid/contract and may also result in the restriction of the bidder to conduct business with the public sector for a period not exceeding 10 years, in addition to any other remedies the LGSETA may have against the bidder concerned.</p> |
|                                  | <p><b><u>Confidentiality</u></b></p> <p>The successful Bidder agrees to sign a general confidentiality agreement with the LGSETA.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                                  | <p><b><u>Sub-contracting Direct</u></b></p> <p>The LGSETA does not enter into any separate contracts with sub-contracted suppliers of its appointed bidders.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|                                  | <p><b><u>Information Provided In The Procurement Invitation</u></b></p> <p>All information contained in this document is solely for the purposes of assisting bidders to prepare their Bids. The LGSETA prohibits bidders from using any of the information contained herein for other purpose than those stated in this document.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                  | <p><b><u>Consortia / Joint Ventures / Sub-contractors</u></b></p> <p>In bids where consortia / joint ventures / sub-contractors are involved, each party must be registered on National Treasury Supplier Database and must submit a separate tax compliance pin / csd number report. Each party to the consortia / joint ventures / sub-contractors must submit completed SBD documents. Copy of Joint Venture/ Consortium/ Subcontracting Agreement duly signed by all parties.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| THE BIDDERS PARTICULARS |                                                                                 |  |
|-------------------------|---------------------------------------------------------------------------------|--|
|                         | Name Of Bidder (As stated on the Central Supplier Database registration report) |  |
|                         |                                                                                 |  |
|                         | Represented By                                                                  |  |
|                         |                                                                                 |  |
|                         | Postal Address                                                                  |  |
|                         |                                                                                 |  |
|                         | Telephone Number                                                                |  |
|                         |                                                                                 |  |
|                         | Cell Phone Number                                                               |  |
|                         |                                                                                 |  |
|                         | Facsimile Number                                                                |  |
|                         |                                                                                 |  |
|                         | E-Mail Address                                                                  |  |
|                         |                                                                                 |  |
|                         | VAT Registration Number                                                         |  |
|                         |                                                                                 |  |
|                         | Total number of Employees                                                       |  |
|                         |                                                                                 |  |
|                         | COMPANY REGISTRATION NUMBER                                                     |  |
|                         | DESCRIBE PRINCIPAL BUSINESS ACTIVITIES                                          |  |
|                         |                                                                                 |  |
|                         | <b>TYPE OF COMPANY/FIRM [Tick applicable box]</b>                               |  |
|                         | Partnership/Joint Venture/Consortium                                            |  |
|                         | Close Corporation                                                               |  |
|                         | (Pty) Limited                                                                   |  |
|                         | One person business/sole proprietor                                             |  |



The Local Government Sector Education and Training Authority (LGSETA) is a public entity established in terms of Section 9(1) of the Skills Development Act, No 97 of 1998. The Mandate of the LGSETA is to facilitate skills development for local government sector. The Local Government Sector Education and Training Authority (LGSETA) is a statutory body established in terms of the Skills Development Act (No. 97 of 1998) as amended, to advance skills levels in accordance with the National Skills Development Strategy III.

## SCOPE OF WORK

### 1. PURPOSE

Appointment of an accredited Microsoft Business Partner to provide support and maintenance including software licenses for the current Microsoft Dynamics 365 - Customer Relations Management System (CRM) for a period of 2 years.

### 2. SCOPE OF WORK

Maintenance and support of the existing solution and enhancements of the existing CRM solution to include the following but not limited to:

#### **Maintenance and Support:**

- Marketing Management Solution.
- Event Management Solution.
- Document management to align with LGSETA Microsoft SharePoint.
- Integration with current LGSETA applications including Content Management, Learner Management system, Intranet, and others.
- Data Cleanup and management.
- Development of Service desk solution in the existing CRM solution.
- Procurement and provisioning of licenses for a period of 24 months.

#### **Licenses**

- 40 x Dynamics 365 Customer Service Professional
- 10 x Dynamics 365 Customer Service Enterprise.
- 1x Dynamics 365 Marketing.
- 30 x Dynamics 365 Team Members.

**N.B. Service Provider to indicate/advise on external licensing requirements for external stakeholders who will be using the system to lodge queries/receive updates.**

#### **Note:**

Allocation and activation of licenses on the existing LGSETA Microsoft O365 Cloud Tenant and leverage the discount for educational institution by Microsoft.

All applications are running on Microsoft platform (Windows server Hyper-VMs SQL, MS Azure cloud).

The system has already been developed, the service provider must take over the current CRM Microsoft Dynamic 365 and perform the integration process.

### 3. BENEFITS TO BE ACHIVED BY ORGANISATION IF THIS PROJECT IMPLEMENTED

The benefits would include but not limited to:

- Centralization of data where all stakeholders can see it.
- Maintain all communication and interactions with stakeholders.
- Enhance team collaboration.
- Improve reporting and central decision making.
- Improve customer service/experience.
- Improve turnaround time in resolving and escalating queries.
- Manage knowledge base on case resolution.
- Improve data security and integrity.

### 4. TECHNICAL EVALUATION CRITERIA

| NO                                                                                                                                                                                                                                                                                                                             | PROOF TO BE SUBMITTED                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | MAXIMUM WEIGHT |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <p>Company experience in the provisioning and allocation of Microsoft Dynamics 365 Customer Engagement license including maintenance and support within the previous five years (e.g between 2019 – 2024).</p> <p>NB - Ongoing work or incomplete work will not be considered<br/>Award/appointment will not be considered</p> | <p>Bidder must submit valid completed reference letter/s showing track record from institution where service was rendered Valid reference letter must contain ALL the following:</p> <ul style="list-style-type: none"> <li>- on official client's letterhead.</li> <li>- Must include the contract/service period (e.g. 2019 to 2024).</li> </ul> <ul style="list-style-type: none"> <li>• Failure to submit valid reference letter =0 Points</li> <li>• Submission of 1 valid reference letter = 15 Points</li> <li>• Submission of valid 2 reference letters= 25 Points</li> <li>• Submission of 3 or more valid reference letters= 50 Points</li> </ul> | 50             |
| <p><b>Project Team Leader/Manager experience</b></p> <p>If submitting more than one CV, bidder <b>MUST</b> clearly indicate project leader/manager of which failure will lead to points not being awarded</p>                                                                                                                  | <p>Bidder must submit a detailed CV indicating years of experience with NQF level 6 IT related qualification and experience in system development projects -certified copies of qualification not to be older than six (06) months.</p> <ul style="list-style-type: none"> <li>• Failure to submit = 0 points</li> <li>• Less than 3 years' experience = 10 points</li> <li>• 4 to 5 years' experience = 20 points</li> <li>• 6 to 7 years' experience = 35 points</li> <li>• 8 years and above experience = 50 points</li> </ul>                                                                                                                           | 50             |
| Total Functionality Score                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 100.00 points  |
| Functionality minimum threshold                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 70.00 points   |

**Table 2 Pricing Schedule (NB):** The pricing is as per the deliverables indicated on the Terms of the References section)

| Transaction type                                                        | Estimated Expenditure<br>(Year 1) | Estimated Expenditure<br>(Year 2) |
|-------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| 1. Maintenance and support including enhancements                       | R                                 | R                                 |
| 2. Development of a service desk solution within the current CRM module | R                                 |                                   |
| 3. Integration with LGSETA applications                                 | R                                 | R                                 |
| 4. Provisioning of licenses for a period of 2 years                     | R                                 | R                                 |
| <b>Total tender price over 2 years (including VAT)</b>                  | R                                 | R                                 |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>FINANCIAL TERMS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| The LGSETA is a public entity and as such the terms of payment are thirty days (30) days from date of invoice. Therefore, the Service Provider should demonstrate that they are in a stable financial position in order to undertake this project.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>EVALUATION CRITERIA</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <p>LGSETA promotes the concept of “best value” in the award of contracts, as opposed to merely looking for the cheapest price, which does not necessarily provide the best value. Best value incorporates the expertise, experience and technical proposal of the organisation and individuals who will be providing the service and the organisational capacity supporting the project team.</p> <p>LGSETA is committed to achieving the government’s transformation objectives in terms of the Preferential Procurement Policy Framework Act (PPPFA), Procurement Regulation 2022.</p> <p>The value of this bid is estimated not to exceed R 50 000 000 (all applicable taxes included) and therefore the <b>80/20</b> system shall be applicable. (This is by no means the budget of the project but the process threshold as per PPPFA)</p> <p>The evaluation of the bids will be conducted in the following four stages:</p> <ul style="list-style-type: none"> <li>• Firstly, the assessment of SCM requirements in term of the tender document.</li> <li>• Secondly, the assessment of Project minimum requirements in term of the tender document.</li> <li>• Thirdly, the assessment of quality will be done in terms of the evaluation criteria and the minimum threshold of 70 points explained below (<b>Table 1</b>). A bid will be disqualified if it fails to meet the minimum threshold for functionality as per the bid invitation.</li> <li>• Fourthly, assessment of bids in terms of the 80/20 preference points systems, where the points will be used for price only and the 20 points will be awarded to a bidder for attaining the specific goals.</li> </ul> <p><b>Weighting of requirements:</b> The full scope of requirements will be determined by the following weights:</p> |
| <b>FINAL DELIVERY</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| The Service Provider must obtain final signoff from the LGSETA before the project is concluded and the final payment is made. The Service Provider must submit signoff documentation authorized by the LGSETA.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>DUE DILIGENCE REQUIREMENTS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>BIDDER’S DISCLOSURE – STANDARD BIDDING DOCUMENT (SBD) 4</b></p> <p><b>1. PURPOSE OF THE FORM</b></p> <p>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.</p> <p>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.</p> <p><b>2. Bidder’s declaration</b></p> <p>2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise,</p> <p>employed by the state? <b>YES/NO</b></p> <p>2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

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 |
|-----------|-----------------|---------------------------|
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |

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.

2.2 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 consortium will not be construed as collusive bidding.

3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

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.

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**

## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

### 1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

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

1.2 The applicable preference point system for this tender is the 80/20 preference point system.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

#### 1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

|                                                  | POINTS     |
|--------------------------------------------------|------------|
| PRICE                                            | 80         |
| SPECIFIC GOALS                                   | 20         |
| <b>Total points for Price and SPECIFIC GOALS</b> | <b>100</b> |

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

1.7 Bidders who wish to claim points in terms of table 4.2 below need to provide proof for each point claimed as guided below:

- Who had no franchise in national elections before the 1983 and 1993 Constitution – attach certified copy of identity document (ID) and company registration documents / CSD report to show/

- substantiate percentage ownership equity.
- Who is female- attach certified copy of identity document (ID) and company registration document / CSD report to show/ substantiate percentage ownership equity.
- Who has a disability – attach doctor’s letter confirming the disability
- Who is youth - attach certified copy of identity document (ID) and company registration document /CSD report to show/ substantiate percentage ownership equity.

## 2. DEFINITIONS

- “tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- “price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- “rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- “tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- “the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

#### 3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

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

Where

$P_s$  = Points scored for price of tender under consideration

$P_t$  = Price of tender under consideration

$P_{min}$  = Price of lowest acceptable tender

## 3.2 FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

### 3.2.1. POINTS AWARDED FOR PRICE

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

$$80/20 \quad \text{or} \quad 90/10$$

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

Where

$P_s$  = Points scored for price of tender under consideration  
 $P_t$  = Price of tender under consideration  
 $P_{max}$  = Price of highest acceptable tender

#### 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

*(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)*

*Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)*

| The specific goals allocated points in terms of this tender | Number of points allocated (80/20 system)<br>(To be completed by the organ of state) | Number of points claimed (80/20 system)<br>(To be completed by the tenderer) |
|-------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Black                                                       | 5                                                                                    |                                                                              |
| Woman                                                       | 5                                                                                    |                                                                              |
| Youth                                                       | 5                                                                                    |                                                                              |
| People living with disability                               | 5                                                                                    |                                                                              |

## DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

☐ Partnership/Joint Venture / Consortium

☐ One-person business/sole propriety

☐ Close corporation

☐ Public Company

☐ Personal Liability Company

☐ (Pty) Limited

☐ Non-Profit Company

☐ State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

**SIGNATURE(S) OF TENDERER(S)**

**SURNAME AND NAME:** .....

**DATE:** .....

**ADDRESS:** .....

.....  
.....

**SPECIAL CONDITIONS FOR MANAGING CONTRACTUAL OBLIGATIONS**

**1. Contract Management**

- 1.1. The LGSETA manages this contract fairly and objectively in accordance to the terms and conditions set out in this document.

**2. Contract Manager**

- 2.1. The LGSETA appoints a contract manager and notifies the other party in writing of the name and contact details of the appointed contract manager.

**3. Contract Communication**

- 3.1. The LGSETA communicates all communications in writing as well as through email.  
3.2. The LGSETA maintains all contract documentation, correspondence, etc. in a defined contract file open for inspection.  
3.3. The LGSETA states the contract number with secondary reference numbers i.e. purchase numbers on all communication, documentation such as purchase orders issued, etc. The LGSETA will consider any communication without the contract number as not being legal communication between the parties and not enacted by either party as a protection against fraud.

**4. Communicating “As and When” in terms of the specific contract clauses**

- 4.1. Where prices and/or availability need to be confirmed, a request for an updated detail quotation/information is issued;  
4.2. Where specific procurement items as specified in the contract are required, the LGSETA issues a purchase order stating the contract number for the requirement.  
4.3. Such purchase order has the following detail (s) (where this is not provided, the purchase order is not a valid communication in terms of this contract):  
    4.3.1. Purchase Order Number  
    4.3.2. Contract Number  
    4.3.3. Quantity  
    4.3.4. Description of the required procurement. Where detailed, reference must be made to the relevant technical document attached;  
    4.3.5. Catalogue number if applicable;  
    4.3.6. Unit price per this contract;  
    4.3.7. Delivery Date;  
    4.3.8. Business unit code; and  
    4.3.9. The specific delivery site.

**5. Communicating where incidental services are required as listed in this document**

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                               |                         |                                                                                   |
|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------|-----------------------------------------------------------------------------------|
|  | <p>5.1. Incidental services are specified in the incidental services clause</p> <p>5.2. Incidental services are priced in accordance with the incidental clause where such prices have not been set in the SBD form.</p> <p><b>6. Performance Management</b></p> <p>6.1. The LGSETA measures performance throughout the contract life.</p> <p>6.2. The LGSETA has regular performance review with the contractor.</p> <p style="padding-left: 40px;">Where severe non-performance occurs will terminate the contract earlier in Consultation with the contractor.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                               |                         |                                                                                   |
|  | <b>CONTRACTED BIDDER</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                               |                         |                                                                                   |
|  | <p><b>1. Managing the Contract</b></p> <p>1.1. The contracted party manages this contract fairly and objectively in accordance to the terms and conditions set out in this document.</p> <p><b>2. Contract Manager</b></p> <p>2.1. The contracted party appoints a contract manager and notifies the LGSETA in writing of the name and contact details of the appointed contract manager.</p> <p><b>3. Communication</b></p> <p>3.1. The contracted party communicates in writing and through email.</p> <p>3.2. The contracted party always state the contract number on communication, documentation such as correspondence, purchase orders issued, etc. and will not act upon any communication without the contract number or must verify such communication with the LGSETA prior to acting upon it.</p> <p><b>4. Managing Stages (if applicable), Delivery Scheduling (if applicable), Milestones (if applicable)</b></p> <p>4.1. Where different stages apply, the contracted party communicates in writing the commencement of the stage to the LGSETA.</p> <p><b>5. Health and Safety Requirements</b></p> <p>5.1. In terms of the Occupational Health and Safety Act (OHS Act No 85 of 1993 and its Regulations), the contracted supplier is responsible for the health and safety of its employees and those other people affected by the operations of the supplier.</p> <p>5.2. The contracted supplier ensures all work performed and/or equipment used on site complies with the Occupational Health and Safety Act (OHS Act No 85 of 1993 and its Regulations).</p> <p>5.3. To this end, the contracted supplier shall make available to LGSETA the valid letter of good conduct and shall ensure that its validity does not expire while executing this bid.</p> <p>5.4. <b>[NOTE TO PREPARERS:]</b> Additional Health and Safety documentation can be required prior to commencement of the contract but mentioned at the bid stage. These include SHE Plan (Safety, Health and Environment Plan); SHE File which contains the names of people assigned for Safety responsibilities and their certificates, this may also include information regarding the organisational safety hierarchy – line of command, and contingency plans.</p> |                               |                         |                                                                                   |
|  | <b>SERVICE PERFORMANCE LEVELS (MANDATORY)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                               |                         |                                                                                   |
|  | <b>Pre-Qualification</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Service being Measured</b> | <b>Measurement</b>      | <b>Maximum level</b>                                                              |
|  | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Conformance to specifications | Technical Specification | Minimum conformance to the LGSETA requirements as detailed in Evaluation Criteria |

## GENERAL CONDITIONS OF CONTRACT

In this document words in the singular also mean in the plural and vice versa, words in the masculine mean in the feminine and neuter, and words such as “will/should,” mean, “must”. The LGSETA cannot amend the National Treasury’s General Conditions of Contract (GCC). LGSETA appends Special Conditions of Contract (SCC) providing specific information relevant to a GCC clause directly below the specific GCC clause and where the LGSETA requires a SCC that is not part of the GCC, the LGSETA appends the SCC clause after all the GCC clauses. No clause in this document shall be in conflict with another clause.

| GCC1 | 1. Definitions - The following terms shall be interpreted as indicated:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      | <p>1.1. “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.</p> <p>1.2. “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.</p> <p>1.3. “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.</p> <p>1.4. “Corrupt practice,” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.</p> <p>1.5. "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.</p> <p>1.6. “Country of origin” means the place where the goods were mined, grown, or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.</p> <p>1.7. “Day” means calendar day.</p> <p>1.8. “Delivery” means delivery in compliance with the conditions of the contract or order.</p> <p>1.9. “Delivery ex stock” means immediate delivery directly from stock actually on hand.</p> <p>1.10. “Delivery into consignee's store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.</p> <p>1.11. "Dumping" occurs when a private enterprise abroad markets its goods on its own initiative in the RSA at lower prices than that of the country of origin and which has the potential to harm the local industries in the RSA.</p> <p>1.12. "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars, or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.</p> <p>1.13. “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.</p> <p>1.14. “GCC” means the General Conditions of Contract.</p> |

|             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | <p>1.15. "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.</p> <p>1.16. "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.</p> <p>1.17. "Local content" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.</p> <p>1.18. "Manufacture" means the production of products in a factory using labour, materials, components, and machinery and includes other related value- adding activities.</p> <p>1.19. "Order" means an official written order issued for the supply of goods or works or the rendering of a service.</p> <p>1.20. "Project site," where applicable, means the place indicated in bidding documents.</p> <p>1.21. "Purchaser" means the organization purchasing the goods.</p> <p>1.22. "Republic" means the Republic of South Africa.</p> <p>1.23. "SCC" means the Special Conditions of Contract.</p> <p>1.24. "Services" means those functional services ancillaries to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.</p> <p>1.25. "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.</p> |
| <b>GCC2</b> | <b>2. Application</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|             | <p>2.1. These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.</p> <p>2.2. Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3. Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>GCC3</b> | <b>3. General</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|             | <p>3.1. Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.</p> <p>3.2. With certain exceptions (National Treasury's eTender website), invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85,</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

|             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | Pretoria 0001, or accessed electronically from <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>GCC4</b> | <b>4. Standards</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|             | 4.1. The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>GCC5</b> | <b>5. Use of contract documents and information</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|             | <p>5.1. The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.</p> <p>5.2. The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.</p> <p>5.3. Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.</p> <p>5.4. The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.</p> |
| <b>GCC6</b> | <b>6. Patent rights</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|             | 6.1. The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>GCC7</b> | <b>7. Performance security</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>7.1. Within thirty days (30) of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.</p> <p>7.2. The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.</p> <p>7.3. The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:</p> <p>7.3.1. bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or</p> <p>7.3.2. a cashier's or certified cheque</p> <p>7.4. The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.</p> |
|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>GCC8</b> | <b>8. Inspections, tests and analyses</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|             | <p>8.1. All pre-bidding testing will be for the account of the bidder.</p> <p>8.2. If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the LGSETA or an organization acting on behalf of the LGSETA.</p> <p>8.3. If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period, it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.</p> <p>8.4. If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.</p> <p>8.5. Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests, or analyses shall be defrayed by the supplier.</p> <p>8.6. Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.</p> |
|             | <p>8.7. Any contract supplies may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.</p> <p>8.8. The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>GCC9</b> | <b>9. Packing</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|             | <p>9.1. The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

|              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | 9.2. The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>GCC10</b> | <b>10. Delivery and Documentation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|              | 10.1. Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.<br>10.2. Documents to be submitted by the supplier are specified in SCC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>GCC11</b> | <b>11. Insurance</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|              | 11.1. The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>GCC12</b> | <b>12. Transportation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|              | 12.1. Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>GCC13</b> | <b>13. Incidental services</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|              | 13.1. The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:<br><br>13.1.1. performance or supervision of on-site assembly and/or commissioning of the supplied goods;<br>13.1.2. furnishing of tools required for assembly and/or maintenance of the supplied goods;<br>13.1.3. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;<br>13.1.4. performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and<br>13.1.5. training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.<br>13.2. Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services. |
| <b>GCC14</b> | <b>14. Spare parts</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|              | 14.1. As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

|              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | <p>14.1.1. such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and,</p> <p>14.1.2. in the event of termination of production of the spare parts:</p> <p>14.1.2.1. Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and</p> <p>14.1.2.2. Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>GCC15</b> | <b>15. Warranty</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|              | <p>15.1. The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.</p> <p>15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.</p> |
|              | <p>15.3. The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.</p> <p>15.4. Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|              | <p>15.5. If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights, which the purchaser may have against the supplier under the contract.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>GCC16</b> | <b>16. Payment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

|              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | <p>16.1. The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>16.2. The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.</p> <p>16.3. Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.</p> <p>16.4. Payment will be made in Rand unless otherwise stipulated in SCC</p> |
| <b>GCC17</b> | <b>17. Prices</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|              | <p>17.1. Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.</p>                                                                                                                                                                                                                                           |
| <b>GCC18</b> | <b>18. Contract amendment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|              | <p>18.1. No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.</p>                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>GCC19</b> | <b>19. Assignment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|              | <p>19.1. The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.</p>                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>GCC20</b> | <b>20. Subcontract</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|              | <p>20.1. The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract</p>                                                                                                                                                                                                                                                                          |
| <b>GCC21</b> | <b>21. Delays in supplier's performance</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

|              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | <p>21.1. Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.</p> <p>21.2. If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration, and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.</p> <p>21.3. No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.</p> <p>21.4. The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.</p> <p>21.5. Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.</p> |
|              | <p>21.6. Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>GCC22</b> | <b>22. Penalties</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|              | <p>22.1. Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>GCC23</b> | <b>23. Termination for default</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>23.1. The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:</p> <p>23.1.1. if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract,</p> <p>23.1.2. if the Supplier fails to perform any other obligation(s) under the contract; or</p> <p>23.1.3 if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.</p> <p>23.2. In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.</p> <p>23.3. Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.</p> <p>23.4. If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.</p> <p>23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the</p> |
|  | <p>first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

|              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | <p>23.6. If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:</p> <p>23.6.1. the name and address of the supplier and / or person restricted by the purchaser;</p> <p>23.6.2. the date of commencement of the restriction</p> <p>23.6.3. the period of restriction; and</p> <p>23.6.4. the reasons for the restriction.</p> <p>These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.</p> <p>23.7. If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.</p> |
| <b>GCC24</b> | <b>24. Anti-dumping and countervailing duties and rights</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|              | <p>24.1. When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favorable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.</p>                                                                                                                                                                                                                                                                                                                                                        |
| <b>GCC25</b> | <b>25. Force Majeure</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|              | <p>25.1. Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

|              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | <p>25.2. If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the force majeure event.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>GCC26</b> | <b>26. Termination for insolvency</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|              | <p>26.1. The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>GCC27</b> | <b>27. Settlement of disputes</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|              | <p>27.1. If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.</p> <p>27.2. If, after thirty (30) days, the parties have failed to resolve their dispute or Difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.</p> <p>27.3. Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.</p> <p>27.4. Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.</p> <p>27.5. Notwithstanding any reference to mediation and/or court proceedings herein,</p> <p>27.5.1. the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and</p> <p>27.5.2. the purchaser shall pay the supplier any monies due the supplier.</p> |
| <b>GCC28</b> | <b>28. Limitation of liability</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|              | <p>28.1. Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;</p> <p>28.1.1. the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and</p> <p>28.2. the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                         |

|              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>GCC29</b> | <b>29. Governing language</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|              | 29.1. The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>GCC30</b> | <b>30. Applicable law</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|              | 30.1. The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>GCC31</b> | <b>31 Notices</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|              | <p>31.1. Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.</p> <p>31.2. The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.</p>                                                                                                                                                                                                                           |
| <b>GCC32</b> | <b>32. Taxes and duties</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|              | <p>32.1. A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.</p> <p>32.2. A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.</p> <p>32.3. No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid, the LGSETA must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services</p>                                                                                                            |
| <b>GCC33</b> | <b>33 National Industrial Participation (NIP) Programme</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|              | 33.1. The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>GCC34</b> | <b>34. Prohibition of restrictive practices</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|              | <p>34.1. In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).</p> <p>34.2. If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.</p> |

|                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  | <p>34.3. If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>BID SCC 1</b> | <b>1. Delivery and Documentation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                  | <p>1.1. All deliveries or despatchers must be accompanied by a delivery note stating the official order against which the delivery has been affected.</p> <p>1.2. Deliveries not complying with the order will be returned to the contractor at the contractor's expense.</p> <p>1.3. The LGSETA is under no obligation to accept any quantity which is in excess of the ordered quantity.</p> <p>1.4. The supplier provides the following documentation per delivery:</p> <p>1.4.1 Manufacturer's Warranty Certificates per machine; these Warranty Certificates must include, but is not limited to, the following information:</p> <ul style="list-style-type: none"> <li>• Hardware information and serials numbers.</li> <li>• Warranty agreement with warranty numbers.</li> <li>• Warranty period.</li> <li>• Manufacturer's South African support contact details.</li> </ul> <p>1.5. LGSETA representative verifies both delivery and performance prior to signing a certificate of delivery / installation / progress milestone / commissioning evidencing such performance.</p> <p>10.6. The Contractor must ensure such signed approved verification accompanies the subsequent supplier invoice.</p> |
| <b>BID SCC 2</b> | <b>2. Incidental Services</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                  | <p>Additional incidental services to those listed in clause GCC13.1 above are the following:</p> <p>2.1. The LGSETA may procure additional license, ad hoc development and consulting services from the successful bidder during the solution implementation period. These ad hoc developments and consulting services include, but are not limited to, additional solution development and technical support and maintenance. After the solution implementation period has lapsed, maintenance services will be solicited on an open quotation basis.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>BID SCC 3</b> | <b>Method and conditions of Payment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                  | <p>3.1. The LGSETA only accepts invoices supported by signed delivery documents in accordance with this contract as valid payment requests.</p> <p>3.2. The other party submits the above invoices to the appointed contract manager for submission to the respective finance unit.</p> <p>3.3. The LGSETA does not settle invoices for outstanding goods or Services.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

|                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                         | 3.4. Payment is made in the South African Rands.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>BID SCC 4</b>                                        | <b>Prices</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                                         | <p>4.1. Where Cost Price Adjustments (CPA) are applicable and justifiable, the bidder must make representation to the LGSETA for consideration.</p> <p>4.2. Incidental services may only be incurred on prior approval by the LGSETA.</p> <p>4.3. Contract management verifies all cost adjustment applications prior to giving approval.</p> <p>4.4. LGSETA reserves a right to negotiate any price escalation in subsequent years. If the proposed price increment is not in line with the market rate, LGSETA reserves the right to reject the price increments.</p> |
| <b>BID SCC 5</b>                                        | <b>Intellectual property provided in the bid invitation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                                         | 5.1. The ownership and intellectual property rights of all designs, specifications, programming code and all other documentation provided by the LGSETA to the Bidder, both successful and unsuccessful, remain the property of the LGSETA.                                                                                                                                                                                                                                                                                                                             |
| <b>BID SCC 6</b>                                        | <b>Intellectual property contained in the deliverables</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                                         | 6.1. The ownership and intellectual property rights of all designs, specifications, programming code and all other documentation required as part of the delivery to the LGSETA reside with the LGSETA.                                                                                                                                                                                                                                                                                                                                                                 |
| <b>BID SCC 7</b>                                        | <b>Third Party Warranty</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                                         | 7.1. Where the contracted party sources goods or services from a third party, the contracted party warrants that all financial and supply arrangements are agreed between the contracted party and the third party.                                                                                                                                                                                                                                                                                                                                                     |
| <b>BID SCC 8</b>                                        | <b>Third Party Agreements</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                                         | 8.1. No agreement between the contracted party and the third party is binding on the LGSETA.                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>BIDDERS DETAIL RESPONSE FORMING PART OF CONTRACT</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>1</b>                                                | <b>Proposal to Technical Specification</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>BIDDERS DETAIL PRICE SCHEDULES</b>                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>2</b>                                                | <b>Refer to attached payment/pricing module</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>BID SUBMISSION CERTIFICATE FORM - (SBD 1)</b>        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                        |                                                                                                                  |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|----|---------------------------|-----------------------------------------------------------------------------------|----|--------------------------------------------------------------------------------------------------------|--------------------------------------------|----|----------------------------------------------|----|--------------------------------|----|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| <p>I hereby undertake to supply all or any of the goods, works, and services described in this procurement invitation to the LOCAL GOVERNMENT SECTOR EDUCATION AND TRAINING AUTHORITY in accordance with the requirements and specifications stipulated in this Bid Invitation document at the price/s quoted.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                        |                                                                                                                  |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| <p>My offer remains binding upon me and open for acceptance by the LOCAL GOVERNMENT SECTOR EDUCATION AND TRAINING AUTHORITY during the validity period indicated and calculated from the closing time of Bid Invitation.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                        |                                                                                                                  |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| <p><b>The following documents are deemed to form and be read and construed as part of this offer / bid even where integrated in this document:</b></p> <table border="1"> <tr> <td>1.</td> <td>Invitation to Bid (SBD 1)</td> <td>Specification(s) set out in the Bid Invitation inclusive of any annexures thereto</td> </tr> <tr> <td>2.</td> <td rowspan="3">Bidder's response to specifications, capability requirements and capacity as attached to this document</td> <td>Refer to attached payment/pricing schedule</td> </tr> <tr> <td>3.</td> <td>CSD Compliance status as per CSD report form</td> </tr> <tr> <td>4.</td> <td>Declaration of Interest (SBD4)</td> </tr> <tr> <td>5.</td> <td>Conditions of contract as set out in this document (GCC)</td> <td>Preference points claim form in terms of the preferential Procurement regulations 2022 - Specific goals (SBD6.1)</td> </tr> </table> |                                                                                                        |                                                                                                                  | 1. | Invitation to Bid (SBD 1) | Specification(s) set out in the Bid Invitation inclusive of any annexures thereto | 2. | Bidder's response to specifications, capability requirements and capacity as attached to this document | Refer to attached payment/pricing schedule | 3. | CSD Compliance status as per CSD report form | 4. | Declaration of Interest (SBD4) | 5. | Conditions of contract as set out in this document (GCC) | Preference points claim form in terms of the preferential Procurement regulations 2022 - Specific goals (SBD6.1) |
| 1.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Invitation to Bid (SBD 1)                                                                              | Specification(s) set out in the Bid Invitation inclusive of any annexures thereto                                |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| 2.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Bidder's response to specifications, capability requirements and capacity as attached to this document | Refer to attached payment/pricing schedule                                                                       |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| 3.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                        | CSD Compliance status as per CSD report form                                                                     |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| 4.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                        | Declaration of Interest (SBD4)                                                                                   |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| 5.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Conditions of contract as set out in this document (GCC)                                               | Preference points claim form in terms of the preferential Procurement regulations 2022 - Specific goals (SBD6.1) |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| <p>I confirm that I have satisfied myself as to the correctness and validity of my offer / bid in response to this Bid Invitation; that the price(s) and rate(s) quoted cover all the goods, works and services specified in the Bid Invitation; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                        |                                                                                                                  |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| <p>I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me in terms of this Bid Invitation as the principal liable for the due fulfilment of the subsequent contract if awarded to me.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                        |                                                                                                                  |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| <p>I declare that I have had no participation in any collusive practices with any Bidder or any other person regarding this or any other Bid.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                        |                                                                                                                  |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| <p>I certify that the information furnished in these declarations (SBD4, SBD6.1) is correct and I accept that the LGSETA may reject the Bid or act against me should these declarations prove to be false.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                        |                                                                                                                  |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| <p>I confirm that I am duly authorised to sign this offer/ bid response.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                        |                                                                                                                  |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| NAME (PRINT)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                        |                                                                                                                  |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| CAPACITY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                        |                                                                                                                  |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |
| SIGNATURE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                        |                                                                                                                  |    |                           |                                                                                   |    |                                                                                                        |                                            |    |                                              |    |                                |    |                                                          |                                                                                                                  |

|           |  |
|-----------|--|
| Witness 1 |  |
| NAME      |  |
| SIGNATURE |  |
| Witness 2 |  |
| NAME      |  |
| SIGNATURE |  |
| DATE      |  |