

NATIONAL HOUSING FINANCE CORPORATION SOC LTD (NHFC)

BID NUMBER: MM02/01/2024

BID DESCRIPTION: BACK SCANNING AND DIGITIZATION OF NHFC RECORDS (ONSITE AND OFFSITE)



Issued
NHFC 90 Grayston Drive 8 th Floor, 90 Grayston Sandton

Full Name of Bidding/Tendering Entity: _____

Contact Person: _____

Tel Number: _____

Advert Date: 26 January 2024

Non-Compulsory Briefing Session: 06 February 2023 at 11:00 on MS Teams

Meeting ID: 327 323 677 99

Passcode: t7MTVE

Closing Date and Time: 27 February 2024 at 11:00 **(Late submissions will not be considered)**

Bid enquiries: Tenders01@nhfc.co.za

Bidder's Authorised Signatory:

Initials and Surname: _____

Signature _____

BID DOCUMENTS CHECKLIST:

The contents of the BID document must be as follows, and numbered as per the numbering below, with each schedule punched, placed in a file and separated from the next schedule with a file divider. Please complete the checklist below to verify your submission of the relevant documents:

Schedules	Description	Submitted – Indicate YES or NO
Annexure 1	Tax Compliance Status Pin	
Annexure 2	Copies of Company Registration Documents	
Annexure 3	Copy of Valid B-BBEE certificate or Sworn Affidavit.	
Annexure 4	Current Central Supplier Database Report Copy	
Annexure 5	SBD 1: Invitation to Bid	
Annexure 6	SBD 4: Bidder's Disclosure	
Annexure 7	SBD 6.1: Preference Point Claim Form in Terms of Preferential Procurement Regulations 2022	
Annexure 8	SBD 7.2 Contract Form Rendering of Services	
Annexure 9	Resolution to Sign	
Annexure 10	Signed and Initialized General Conditions of Contract (GCC)	
Annexure 11	One (1) original hard copy and a soft copy of the RFP (USB) must be submitted in a sealed envelope, appropriately addressed.	
Annexure 12	Protection of personal information Consent Form	
Annexure 13	Consent For Credit and World Checks	

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1. Overview of the Bidding Process

The bidding process shall comprise of 3 main phases:

Phase 1: Administrative Requirements - which involves completing and submitting certain documents/information which will be considered when evaluating the proposal.

Phase 2: Functionality qualification phase – Bidders are required to score a **minimum of 70 points** to qualify for the next evaluation phase.

Phase 3: Evaluation based on the Price and Preference Points - Bidder will be subjected to Preferential Procurement Framework Act.

NB: All submission (bid documents) must be in the name of the service provider.

2. Tender Conditions

- This bid is subject to the Preferential Procurement Policy Framework Act 2000, the general conditions of contract (GCC) and, if applicable, any other legislation or special conditions of contract.
- The lowest or any bid will not necessarily be accepted.
- NHFC reserves the right to reject submitted proposal if deemed necessary. Should it be discovered by the NHFC that the bidder did not act in good faith and/or has declared incorrectly/falsely, NHFC reserves the right to disqualify or reject the bid.
- The NHFC reserves the right to disqualify a bid proposal if the bidders' proposal is not compliant with the scope of work/terms of reference.
- The bidder is subjected to due-diligence process which includes, screening, vetting, and/or any best practice necessary for the NHFC to comply with legislation and its Policies and Procedures. Due diligence and PEP checks will also be conducted on the successful bidder.
- The NHFC reserves the right to disqualify a bid if the bidder fails to provide reasonable request (s) for documentation/information which the NHFC deems necessary for the purpose of evaluation within reasonable timelines this includes the set deadline per request,
- Bid rigging/collusive behaviour 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.
- The NHFC deems the Bidder has read and accepted the General Conditions of Contract.
- Bidders must submit the bid in a hard copy format and a soft copy of the RFP (USB). The soft copy of these original sets of bid documents serves as the legal bid contract document and the master record between the bidder and the NHFC.
- In the event of any discrepancy between the evaluation copies and the master (original Soft copy) record, the master record will supersede the hard copy. Any discrepancy between the original sets deposited to the NHFC and that kept by the bidder, the original set deposited with the NHFC is the master contract for both parties.
- The NHFC undertakes to pay out within 30 days from issuance of substantiated invoices issued in terms of this appointment (Payment schedule as defined in the service level agreement). No payment will be made on outstanding information not submitted by the service provider. Service provider must maintain an updated tax

compliant status for the duration of the contract.

- The cost of compiling a Proposal is and remains the prospective service provider's own cost and will not be paid for by NHFC.
- The successful bidder (s) will be required to sign a Service Level Agreement (SLA), in terms of which the service provider's performance will be measured and managed.
- NHFC has zero tolerance for reputational harm. The bidder hereby gives consent to the NHFC to conduct background checks on the bidding entity and any of its directors / partners / trustees / shareholders /members/employees. The NHFC reserves the right to consider the information arising from such background check as part of the tender evaluation process.
- The NHFC reserves the right to reject submitted proposal(s) if it discovers that the bidder (or its directors/members) has any serious adverse reports, whether confirmed by a court or not, such as:
 - Being cited as aiding and abetting state capture;
 - Involvement in fraud and / or corrupt activities;
 - Misrepresenting audit outcomes of an organisation;
 - Listed on the National Treasury restricted database;
 - Being under investigation or facing allegations that may result in criminal charges; or
 - Any report because of which the NHFC may suffer reputational harm in any way by doing business with the bidder.

SBD 1 INVITATION TO BID – PART A

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NHFC SOC LTD.					
BID NUMBER:	MM02/01/2024	CLOSING DATE:	27 February 2024	CLOSING TIME:	11:00
DESCRIPTION	RFP FOR BACK SCANNING AND DIGITIZATION OF NHFC RECORDS (ONSITE AND OFFSITE)				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
90 Grayston Drive, 8 th Floor 90 Grayston Building, Sandton					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Khensani Zungu		CONTACT PERSON		
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	Tenders01@nhfc.co.za		E-MAIL ADDRESS	Tenders01@nhfc.co.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN: <input type="checkbox"/>	<input type="checkbox"/>	OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	[TICK APPLICABLE BOX] Yes No <input type="checkbox"/> <input type="checkbox"/>		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] Yes No <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	Yes No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	Yes No [IF YES, ANSWER THE QUESTIONNAIRE BELOW] <input type="checkbox"/>	

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA? YES NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?
 YES NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?
 YES NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?
YES NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED– (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).

2. TAX COMPLIANCE REQUIREMENTS

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

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

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

TENDER CONDITIONS

3. DEFINITIONS

- (a) The word “Bidder” in these conditions shall mean and include any firm of Contractors, Suppliers, Service Providers or any company or body incorporated or unincorporated.
- (b) The word “Employer” in these conditions shall mean the NHFC.

4. SUPPORTING / ADMINISTRATIVE DOCUMENTS

- a) Submission of the following Signed and Completed Standard Bid Documents (SBD) Forms
 - SBD 1: Bidder’s information
 - SBD 4: Bidders Disclosure
 - SBD 6.1: Preference Points Claim Form in terms of preferential procurement
 - SBD 7.2: Contract Form
- b) Tax Compliance Status Pin (TCS Pin);
- c) Copy of Valid B-BBEE Certificate/ Sworn Affidavit (B-BBEE certificate issued by a SANAS accredited agency and the Sworn Affidavit signed by a commissioner of oaths and deponents);
- d) Proof of Company Registration;
- e) Identity Documents for Directors;
- f) Current Copy of Central Supplier Database (CSD) Report;
- g) Signed and initial General Conditions of Contract (GCC);
- h) Protection of personal information Consent form
- i) Consent For Credit and World Checks

All forms, annexures and addendums shall be signed and completed and returned with the Bid Document as a whole. The lowest or any Bid will not necessarily be accepted.

5. BID DOCUMENT

- (a) The bid document must be completed in all respects in non-erasable ink.
- (b) Bids must be submitted on original bid documents.
- (c) Bid documents must remain intact and no portion may be detached.

6. PERIOD OF VALIDITY FOR BIDS AND WITHDRAWAL OF BID AFTER CLOSING DATE

All Bids must remain valid for a period of **120** days from the closing date as stipulated in the Bid document.

7. VALUE ADDED TAX

In calculating the cost of the supply and delivery of services and / or materials, the supplier will issue a "Tax Invoice" for all services rendered and / or materials supplied, which will reflect the exclusive cost of such services, goods or materials with the relevant Value Added Tax being added to the total. VAT must be included in the Bid price but must be shown separately.

8. AUTHORITY TO SIGN BID DOCUMENTS

In the case of a Bid being submitted on behalf of a company, close corporation, or partnership, evidence must be submitted to the Employer at the time of submission of the Bid that the Bid has been signed by persons properly authorised thereto by resolution of the directors or under the articles of the entity.

9. SUBMITTING OF BIDS

Bids must be submitted in sealed envelopes clearly marked "BACK SCANNING AND DIGITIZATION OF NHFC RECORDS (ONSITE AND OFFSITE)" The Bid must be deposited in the bid box during normal office hours viz. 08:30 – 16:30 Mondays to Fridays at the below address:

**National Housing Finance
Corporation 90 Grayston Drive
8TH Floor Reception
Sandton
Johannesburg**

10. CLOSING DATE AND TIME

Bid should reach the above address for submission by no later than 27 February 2024 at 11h00.
No late bids will be accepted or considered.

11. BID ENQUIRIES

Please refer all enquiries to the below mentioned persons for assistance during normal office hours viz. 08:30 – 16:30 Mondays to Fridays.

Bidding Procedure Enquires

Name: Khensani Zungu

Email address: Tenders01@nhfc.co.za

12. JOINT VENTURE REQUIREMENTS

DEFINITION:- “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.

Should a group of companies/firms and/or interested parties wish to enter into a joint venture/consortium agreement, the following minimum requirements must be met:-

- (a) a properly signed copy of the joint venture/consortium agreement must be attached.
- (b) each member of the joint venture/consortium must provide a Tax Clearance Certificate.
- (c) after the award of a contract to a joint venture/consortium, the successful joint venture group or consortium must provide a combined joint venture/consortium Tax Clearance Certificate.
- (d) after the award of a contract to a joint venture/consortium, the successful joint venture group or consortium must provide the details of the joint venture / consortium banking details.
- (e) a trust, consortium or joint venture will qualify for preference points as a legal entity, provided that the entity submits the required proof for claiming preference points.
- (f) a trust, consortium or joint venture will qualify for preference points as an unincorporated entity, provided that the entity submits the required proof for claiming preference points as if they were a group structure.

13. THE JOINT VENTURE/CONSORTIUM AGREEMENT MUST CONTAIN THE FOLLOWING: -

- (a) Who the managing member will be.
- (b) Who the signatory of authority will be.
- (c) How the joint venture/consortium share of profit will be split.
- (d) The bank account details where payments will be deposited into.
- (e) The agreement must be signed by all parties.
- (f) The agreement must be certified by a Commissioner of Oaths.
- (g) The postal and physical address where all correspondence will be sent to.

TERMS OF REFERENCE

1. BACKGROUND INFORMATION ON NHFC

The National Housing Finance Corporation SOC Ltd (“NHFC”) was established by the National Department of Human Settlements as a Development Finance Institution (DFI) in 1996, with the principle mandate of broadening access to affordable housing finance for the low- and middle-income households. NHFC is a state-owned company listed under Schedule 3A of the Public Finance Management Act, with the Minister of Human Settlements as its Executive Authority.

The target market of the NHFC is the low-to-middle income housing market which is defined as households who earn between R3500 and R22 000 per month. It mainly focuses on providing wholesale finance to social housing institutions, retail intermediaries and various other property investors and developers.

2. PURPOSE OF THE REQUEST FOR PROPOSAL

By implementing the back scanning, the NHFC seeks to establish a programme for the authentic, complete and accessible digital capture of NHFC’s paper records. These requirements identify the necessary resources and standards to implement a compliant records digitization programme for the purposes of good record keeping, archival preservation, and business continuity planning.

Digitization is the process of converting any physical item, such as a paper record, photograph or graphic items, into an electronic representation or image that can be accessed and stored electronically.

In the context of these requirements, digitization of NHFC records should be done to support NHFC objectives for organisational transparency, knowledge sharing and business continuity by providing better access to, and faster retrieval of information, and more cost-effective storage of NHFC records.

The NHFC is undertaking the digitization for following reasons, amongst others:

2.1 Reduction of Paper Records and Business Continuity

Digital records can be stored on electronic storage devices and thus reduce the need for physical space while also promoting strategies for vital records protection. This strategy is undertaken as part of a disaster mitigation strategy.

2.2 Better Information Sharing

Records digitization and increased use of electronic records improves information sharing by allowing access to digital information on web sites, records and electronic management system and by allowing efficient dissemination of information. Electronic records support more efficient ways of information access and sharing.

2.3 Archival Preservation

Digitization offers a strategy for long-term preservation of archival records by reducing handling of original hard copy archives, improving access to archives by making digital archives available through databases, websites and via email.

3. BACKGROUND OF THE REQUEST FOR PROPOSAL

Record-keeping standards require that records be *authentic*, *complete* and *accessible* to be relied on as evidence. NHFC may be required to prove the authenticity, accuracy and completeness of digitized records. The following is a summary of requirements for ensuring reliable digital copies:

TO BE...	...DIGITAL CAPTURE MUST BE
Authentic	The product of routine, documented, authorized copying and registration processes.
Complete	Accurate, legible reproduction of the original that contains all intellectual and physical components of the original without alterations to content.
Accessible	Available, searchable and readable to all those with a right to access it, for as long as it is required.

In order to achieve the qualities of authenticity, completeness and accessibility the NHFC must ensure that records digitization efforts are undertaken as part of an overall record-keeping programme. A recordkeeping programme consists of recordkeeping policies, standards, procedures and guidelines, and robust, reliable technology to support recordkeeping.

A critical part of the planning stage is incorporating good record-keeping practices into records digitization initiatives through the identification of record-keeping requirements and tools that will ensure digitized records will have the same evidentiary qualities listed above that should be inherent in hard copy original records.

Once records are digitized, consideration will need to be given on how they will be retrieved for

use, on how the NHFC electronic system relates to the system used to manage hard copy records. It is important that electronic and hard copy records are organised, tracked, secure and retrievable within a record-keeping system (NHFC is currently in a process to implement this system). The successful bidder will not be expected to implement their own system but will use the one the NHFC is currently implementing as part of a separate project.

Record-keeping systems facilitate the management of records throughout their lifecycle and minimize the risks associated with poor record-keeping such as loss of or inaccessibility to records. Record-keeping systems provide the tools necessary for records retention and disposal, metadata capture, records classification, tracking and indexing.

All NHFC records are subject to the Records Management policy. At the end of a records life cycle, when a record progresses from active to semi-active to non-active, the record will either be eventually destroyed or retained as archives due to its enduring historical value. The disposal of physical and electronic (digital) records requires authorisation by Chief Information Officer (CIO) through the issuance of an approved records retention schedule. Paper originals should not be disposed of unless the division has specific approval from the CIO authorising the disposal of original hard copy records after digitization.

The following are principles to be followed when and managing the imaged copies to ensure that they continue to be authentic, complete and accessible:

- capture of the image copies as records into NHFC record-keeping system and they should be in a PDF format;
- management of the image copies under the framework of the NHFC file plan in alignment with National Archives requirements;
- keeping adequate record-keeping metadata to facilitate the records' preservation, use and retrieval; and
- careful planning for long term accessibility of the images.

It is important to note that records retention schedules apply to a record regardless of its format. When a retention schedule authorises the disposal of records after a certain period, both hardcopy records, as well as any corresponding digital copies of the records should be destroyed. Records management software that is configured with records retention functionality will have the capability to manage the disposal of hardcopy and digital records.

While records digitization can have many benefits it can also present certain risks in relation to the protection of sensitive information. Careful consideration should be given before digitizing records marked as those containing sensitive personal information.

Digitized records containing sensitive information will require appropriate metadata; security and access markers, compliant with the file plan and information privacy and information classification policies, to be incorporated into Enterprise Content Management (ECM) system where the digitized records will be stored. This is critical to ensure that the records are only accessed by those authorized to access the records, and to reduce the risk of possible unauthorised access to sensitive information. This information will be managed in the form of a file plan that identifies records series and their corresponding information sensitivity levels.

During the digitization process any security classified records (hard copy and digital) will be kept separate from public or unclassified records. This is done to ensure that classified records can be managed as a separate group, in addition to being protected for future records declassification initiatives.

All records, hard copy and electronic records (digitized and born-digital records such as emails) require unique identifiers or metadata elements to facilitate their management. Metadata is information about records, such as their date, title, description, security classification, retention, etc. The more metadata captured, the more complete the record, and the easier it will be to facilitate the management of and access to records.

The following is a list of recordkeeping metadata elements required by NHFC (where applicable):

METADATA ELEMENTS
Identifier
Title
Subject
Description
Creator
Date
Addressee
Record type
Relation
Function
Aggregation
Language
Location
Security & Access
Disposal
Format
Preservation

4. DOCUMENTATION REQUIREMENTS

NHFC must be able to certify that their electronic records are accurate, unalterable and complete. Altered digital copies are not considered authentic and cannot be used as evidence of NHFC business. Therefore, it is essential that all aspects of the digitization process be well documented including image enhancement techniques, use of security controls and preservation techniques.

It is possible that the NHFC may be called upon to justify its claims that digital records may be relied upon as evidence, either for legal purposes, or by an external investigative body or by a member of the public. The measures recommended to certify that *authentic, complete* and *accessible* digital capture are as follows:

- adherence to standards set by Records Management Policy, File Plan, and procedures;
- application of relevant, complete and accurate metadata;
- implementation of procedures for accommodating documents with incomplete metadata;
- use of 'read-only' controls in network servers used for electronic storage;
- use of security controls such as access passwords, encryption and audit trails to prevent any alteration of the images;
- use of retention scheduling for destruction, retention or transfer of records;
- application of security classification for records that contain sensitive information.

The table below provides further requirements of documentation:

<p>NHFC policy and procedures for record keeping and digitization.</p>	<p>Which records are digitized, destroyed, retained or transferred as archives.</p> <p>Verification of quality control measures.</p>
<p>The work plan outlining the digitization system</p>	<p>Ensure that electronic storage and use of file formats were chosen to suit the nature of the records and the organisation's requirements.</p> <p>Ensure that image enhancement techniques are done such as retouching and editing that may substantively alter the records.</p>

Planning documents for long term accessibility of the digital copies	Ensure that all risks associated with digital records have been assessed.
	Ensure that measures are in place to ensure long term accessibility to the images.
	Ensure that digital records are managed in a trustworthy record keeping system.
Documentation of disposal as required by NHFC	Ensure that records (electronic and physical) are disposed in an authorised, secure and accountable way.

5. TECHNICAL REQUIREMENTS

NHFC requires that digitized records meet the minimum technical specifications for image quality based on approved policies and international standards. Applying technical standards ensures the accurate reproduction of NHFC records while also considering the levels of access requirements and the cost of electronic storage. The service provider needs to provide details regarding the back scanning infrastructure that they will deploy at the NHFC during the lifespan of the project (e.g. scanners).

6. PROCESSES OCCURRING PRIOR TO DIGITIZATION

The following processes should have been completed prior to commencing digitization of records.

Records Retention & Disposition	NHFC has an approved Records management policy that has to be applied to all records to assess their eligibility for digitization.
Organising Records	Records have been classified and organised according to a file classification scheme.
Information Security	Records containing sensitive information have been identified and appropriate protection and security measures have been put in place for hard copy and digitized records.
Metadata	All record-keeping and other technical metadata elements have been identified and documented.

7. DIGITAL CONVERSION

7.1 Preparing Physical Files for Scanning

The following is a list of preparatory tasks that must be undertaken on records prior to digitization commencing. Any additional preservation measures, such as photocopying fragile items, needs to be undertaken at this time.

- Remove the following materials: file clips, staples, plastic sleeves, clips, metal clips and rubber bands.

- Remove file dividers such as plastic or cardboard section dividers. If the section divider contains relevant information, make a photocopy and place on file.
- Remove coloured tags and post-it notes from files. If the **post-it** note contains relevant information, make a photocopy and place on file to be scanned.
- Remove envelopes from file and place the content/s of the envelope on file.

7.2 Capturing Digitised Records into a Record-Keeping System

Capturing digitized records in a record keeping system is one of the most important elements of the process for future access, ease of retrieval and disposal. Electronic records must correlate with their physical counterparts in structure, description (file classifications and series, and indexing). This is where metadata capture becomes increasingly important, because it allows digital records to be tracked.

8. POST DIGITIZATION

8.1 Quality Checking and Control

Quality control measures for checking digital images should be applied throughout the process, preferably by an assigned staff member or a consultant who can chart any errors. This will include checking individual files for any errors in arrangement, imaging or classification. For large volumes, that random sampling (5% to 10%) needs to be applied.

Quality control of images includes checking for:

- smallest detail legibly captured (digitize smallest type size for text; clarity of punctuation marks, including decimal points);
- completeness of detail (digitize acceptability of broken characters, missing segments of lines);
- dimensional accuracy compared with the original;
- completeness of overall image area (e.g. missing information at the edges of the image area); and
- density of solid black areas.

8.2 Review, Evaluation and Revision of Digitization Processes

It is necessary to review the digitization process and evaluate how effective it has been. This is an opportunity to identify any redundancies, inefficiencies or problems in the process and revise and enhance the process accordingly. Any changes to the process must be reflected in an updated training programme.

8.3 Testing Access to Digital Images

It is important to test retrievability of and access to digital images that have been captured into electronic storage system. A retrieval exercise involving a sample of digitized records will suffice.

8.4 Applying Retention Policy to Digital and Hard Copy Records

Ensure that retention and disposition of image copy and hard copy records in accordance with the file plan. Please note that hard copies of records that are to be kept as archives because of their historic value must not be destroyed.

It should also be noted that records retention schedules apply to all records regardless of the format. In terms of digitization this means that a retention action applied to hard copy records also applies to its corresponding digital copy.

9. SCOPE OF WORK

Bidders are requested to ensure that they take into account what has been highlighted on the sections above. To this end, the back scanning and digitization and the off-site storage of NHFC Records will entail the following:

- a) Back scanning and digitization of all NHFC records, from paper to electronic. The records are located at NHFC Head Office, branches (Western Cape (Cape Town) and Eastern Cape (Qgeberha)) and off-site storage (located in Johannesburg).
- b) The following high-level deliverables form part of the scope of the project and must be provided by the service provider:
 - Planning of the project with the NHFC team;
 - Picking up the records from NHFC specified locations, and returning these to a confirmed location;
 - Managing the project staff;
 - Monitoring the sorting process;
 - Monitoring the scanning process;
 - Managing the indexing process;
 - Collection and return of an estimated **2 200** containers at the off-site storage, (standard size for offsite storage boxes, containing files/folders) from the premises of the service provider providing the document storage service. A container/box will

primarily contain files/folders, on file/folder. Some of the content of the files may be stapled or tied together.

- Maintaining a register of all the container/box barcodes on the records management system (ECM) and the status of each of the containers/boxes.
- Secure storage and handling of containers and movement between service providers (this will be done in conjunction with NHFC staff members that responsible for security and facilities).
- Scanning of nominated/selected documents, as directed by NHFC, to PDF image format, one PDF file containing images of all the documents within the file/folder.
- Provide weekly activity reports.
- The indexing is limited to the naming of the PDF image files. The naming convention of the electronic images will be supplied by the NHFC.
- The service provider will be responsible for image optimisation and quality assurance. The quality control of the scanned images must be both reactive and proactive by the NHFC as required.
- The scanned PDF images will be submitted to NHFC system on a daily basis.
- Maintain backups of all scanned electronic images for the full duration of the contract (this will be agreed upon in conjunction with the ICT division).
- Images of scanned documents will not be retained by the service provider after the expiry of the contract.
- NHFC specifically requires the scanning of file covers as the first page of the PDF document when a file is scanned with its contents. The scanned file cover will be collated with the scanned contents of the file.
- Attending meetings;
- Give presentations to relevant audiences when requested; and
- Writing and delivering any further reports pertaining to the project.

9.1 Physical document destruction requirements:

- Destruction of scanned documents will be authorised by NHFC.
- Provide the weekly activity reports for the document destruction activities.

- The destruction of the scanned hard copy documents will be directed and supervised by NHFC.
- The destruction method for the physical documents will be shredding and pulping.
- A destruction certificates, that contains the detail of the destroyed documents, shall be supplied to NHFC on same day of destruction.

9.2 Success criteria of the project:

- Back scanning of NHFC physical files.
- Indexing of scanned NHFC files and documents.
- Destruction of scanned documents and files.

10. BID EVALUATION CRITERIA

The proposal will be evaluated in terms of the Preferential Procurement Policy Framework Regulations of 2022.

The evaluation of bid responses will be conducted in three (3) phases as follows:

Phase 1: Administrative Compliance

Bidders will be evaluated according to pre-qualification requirements which include the submission of documentation as set out on page 8 of this tender document. Bidders that fail to comply with Administrative Compliance of the bid will not be considered further for evaluation on technical requirements i.e. Phase 2.

Phase 2: Technical/ Functional evaluation

The minimum qualifying score for Functionality is 70 points. All bids that fail to achieve the minimum qualifying score on Functionality shall not be considered for further evaluation on Price and Preference Points in phase 3.

10. EVALUATION CRITERIA

Scoring Criterion	1 Poor	2 Average	3 Good	4 Verg Good	5 Excellent
METHODOLOGY (MAXIMUM 30 POINTS)					
Programme Methodology (including Programme Management & Governance, Change Management and Risk Management) to perform the back scanning of the NHFC documents. (5 points).	No/irrelevant information provided on Programme Management & Governance, Change Management and Risk Management = 1 point.	Limited information provided on Programme Management & Governance, Change Management and Risk Management = 2 points.	Adequate and high-level information provided on Programme Management & Governance, Change Management and Risk Management = 3 points.	Very detailed information provided on Programme Management & Governance, Change Management and Risk Management = 4 points.	Very detailed information provided on Programme Management & Governance, Change Management and Risk Management, and exceeds expectations = 5 points.
NHFC services offering Readiness Assessment (sorting of the physical files). (5 points).	No Readiness Assessment offering provided = 1 point.	Readiness Assessment offering provided with limited information = 2 points.	Readiness Assessment offering provided with adequate and high-level information = 3 points.	Readiness Assessment offering provided with very detailed information = 4 points.	Readiness Assessment offering provided with very detailed information and exceeds expectations = 5 points.
NHFC Back scanning Roadmap. (5 points).	No road map provided or irrelevant = 1 point.	Road map provided with limited information = 2 points.	High-level and adequate Road map provided = 3 points.	Detailed Road map provided = 4 points.	Detailed and clear Road map provided – exceeds expectations = 5 points.
Implementation Plan: How the back scanning/digitization will be conducted. (5 points).	No implementation plan or irrelevant = 1 point.	Implementation plan in place with limited information = 2 points.	High-level and adequate plan in place = 3 points.	Detailed implementation plan in place = 4 points.	Detailed and clear implementation plan in place – exceeds expectations = 5 points.
Implementation Plan: How documents will be transported between the off-site	No implementation plan or irrelevant = 1 point.	Implementation plan in place with limited information = 2 points.	High-level and adequate plan in place = 3 points.	Very detailed and realistic implementation plan in place = 4 points.	Very detailed, realistic and clear implementation plan in place and exceeds

Scoring Criterion	1 Poor	2 Average	3 Good	4 Verg Good	5 Excellent
storage to the processing site. (5 points).					expectations = 5 points.
Post Implementation – including stabilisation, service delivery and support (Max 5 points).	No post - implementation plan or irrelevant = 1 point.	Post-implementation plan in place with limited information = 2 point.	Post- implementation plan in place with adequate and high-level information = 3 points.	Detailed and realistic Post- implementation plan in place = 4 points.	Detailed Post-implementation plan in place that exceeds expectations = 5 points.
COMPANY EXPERIENCE (MAXIMUM POINTS: 15)					
Reference letters, within the last five (5) years, from the respective customers on their letterheads (Max 15 points).	No reference letter, within last five (5) years provided = 0 point.	One (1) reference letter, within the last five (5) years provided = 6 points.	Two (2) reference letters, within the last five (5) years provided = 9 points.	Three (3) reference letters, within the last five (5) years provided = 12 points.	Four (4) or more reference letters, within the last five (5) years provided= 15 points.
KEY PERSONNEL (MAXIMUM POINTS: 20)					
Programme Manager/Technical Lead experience with relevant project management certification (e.g. Prince 2 or PMBok) in leading projects related to providing scanning, indexing and destruction of files and documents (Max 10 points).	Less than 5 (five) years of experience = 1 point.	5 (five) to less than 6 (six) years of experience = 4 points.	6 (six) to less than 7 (seven) years of experience = 6 points.	7 (seven) to less than 8 (eight) years of experience = 8 points.	8 (eight) or more years of experience. = 10 Points.
Organogram and CVs of the Project Team. The organogram indicating the rest of the project team	Less than ten (10) years of combined experience = 1 point.	10 to 12 years of combined experience = 4 points.	More than 12 to 14 years of combined experience = 6 points.	More than 14 to 16 years of combined experience = 8 points.	More than 16 years of combined experience = 10 points.

Scoring Criterion	1 Poor	2 Average	3 Good	4 Verg Good	5 Excellent
members should be provided. The combined experience (excluding Programme Manager's/Technical Lead's) of the members should be demonstrated. The experience is in scanning, indexing and destruction of files and documents (Max points 10) .					
COMPANY CAPABILITY AND CAPACITY (MAXIMUM POINTS: 25)					
Ensure back scanned documents are authentic, complete and accessible. (Max 5 points) .	No/irrelevant information provided for how authenticity, completeness and accessibility of documents will be ensured = 1 point .	Limited information provided on authenticity, completeness and accessibility of documents = 2 points .	Adequate and high-level information provided on authenticity, completeness and accessibility of documents= 3 points .	Detailed information provided on authenticity, completeness and accessibility of documents = 4 points .	Provided information regarding authenticity, completeness and accessibility of documents exceeds expectations = 5 points .
Processes to occur prior digitization. (Max 5 points) .	No/irrelevant information provided on implementing processes that must occur prior digitization = 1 point .	Limited information provided on implementing processes that must occur prior digitization (less than 4 listed processes) = 2 points .	Adequate & high-level information provided on implementing processes that must occur prior digitization (all four processes) = 3 points .	Detailed information provided on implementing processes that must occur prior digitization (all four processes) = 4 points .	Detailed information provided on implementing processes that must occur prior digitization (all four processes, and more) exceeds expectations = 5 points .
Processes to be followed during	No/irrelevant information	Limited information provided on	Adequate & high-level information provided	Detailed information provided on	Detailed information provided on

Scoring Criterion	1 Poor	2 Average	3 Good	4 Verg Good	5 Excellent
digitization conversion. (Max 5 points).	provided on implementing processes to be followed during digitization conversion = 1 point.	implementing processes to be followed during digitization conversion = 2 points.	on implementing processes to be followed during digitization conversion = 3 points.	implementing processes to be followed during digitization conversion = 4 points.	implementing processes to be followed during digitization conversion & exceeds expectations = 5 points.
Processes to be followed during digitization conversion post digitization. (Max 5 points).	No/irrelevant information provided on implementing processes to be followed post digitization = 1 point.	Limited information provided on implementing processes to be followed post digitization = 2 points.	Adequate & high-level information provided on implementing processes to be followed post digitization (all four sub-requirements) = 3 points.	Detailed information provided on implementing processes to be followed post digitization (all four sub-requirements) = 4 points.	Detailed information provided on implementing processes to be followed post digitization (all four sub-requirements) and exceeds expectations (all four sub-requirements, and more) = 5 points.
Compliance with the technical requirements. (Max 5 points).	No/irrelevant information provided on complying with technical requirements = 1 point.	Limited information provided on complying with technical requirements = 2 points.	Adequate and high-level information provided on complying with technical requirements = 3 points.	Detailed information provided on complying with technical requirements = 4 points.	Detailed information provided on complying with technical requirements and exceeds expectations = 5 points.
SKILLS TRANSFER PLAN (MAXIMUM POINTS: 10)					
Skills Transfer Plan (Max 10 points).	No plan at all or irrelevant= 1 point.	Skills transfer plan is available but is unrealistic = 4 points.	Skills transfer plan is in place = 6 points.	Skills transfer plan for technical team well-articulated = 8 points.	Skills transfer plan for technical exceeds expectations = 10 points.

11. PRICING SCHEDULE

The bidding service provider will be expected to provide laptop/s, handheld high-volume scanners, and flatbed scanners. Resources will be expected to be onsite for 7 hours per day.

The NHFC intends to appoint an experienced service provider **for a period of 12 months**. The NHFC reserves the right to cancel this contract at any time where the service provider's performance does not meet the NHFC's expectations which will be documented in the Service Level Agreement (SLA) which will be accepted by both parties.

NO:	ACTIVITY	Unit of Measure	Total QTY	Price Per Each Unit	Total Price
A	Page Numbering and Indexing	Pages			
		A4	3 500 000		
		A3	1000 000		
		A0	5000		
		A2	5000		
		A1	5000		
B	Preparation of Records for Back Scanning and Digitization	Pages			
		A4	3 500 000		
		A3	1000 000		
		A0	5000		
		A2	5000		
		A1	5000		
C	Scan and Digitized Records Transferred or Loaded into NHFC Records Management Systems (Offsite)	Pages			
		A4	3 500 000		
		A3	1000 000		
		A0	5000		
		A2	5000		
		A1	5000		
D	Prepare Removal Records from Internal (Onsite) Storages	Pages	500 000		

Total price including VAT				
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Total Bid price for back scanning and digitization of NHFC records for the period of twelve (12) months. Seven (7) months will be for back scanning project including training of internal resources. The 5 months will be for the post implementation support to stabilise the environment and transfer of skills. The full price of the project to be listed on the table below.

ITEM DESCRIPTION	TOTAL PRICE	TOTAL PRICE INCLUDING VAT
BACK-SCANNING AND DIGITIZATION MANAGEMENT		
TOTAL BID PRICE FOR A PERIOD OF 12 MONTHS INCLUDING VAT		

12. TRAINING REQUIREMENTS

Bidders are required to identify training and change management requirements. A training programme should be developed that addresses the following issues:

- Overview of the digitization initiative, its size, timeframe, purpose and desired outcomes;
- Proper use of digitization hardware and software;
- Digital image formats;
- Proper records handling techniques to avoid damage to records;
- The use of a file classification scheme for organizing images;
- Maintaining the records in their original order;
- How to identify and process records containing sensitive information;
- Digitization documentation requirements;
- How to identify and process records that require specialised digitization techniques, such as photographs or large format records;
- Standards and procedures for quality control checking; and
- Varying work to avoid fatigue from repetition.

Successful bidder should be able to transfer skills to NHFC staff through provision of training on onsite file management, image processing, data protection, backup and paper management, document management (archiving of documents), labelling and indexing of boxes as well as document disposal to eleven (11) NHFC officials. Training program should be attached.

Phase 3: Price and Preference Points Evaluation

All bids that achieve the minimum qualifying score of 70 points for Functionality, (acceptable bids) will be evaluated further in terms of the 80/20 preference point system. Bidders must submit a comprehensive and detailed line-item (VAT inclusive) cost proposal.

As per the table below, price is evaluated over 80 points and preference points over 20:

1	Price		80 points
2	Specific Goals		20 points
#	Specific Goal	Proof	Points Allocation
1	South African citizen who had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 200 of 1983) or the Constitution of the Republic of South Africa, 1996. (Minimum >50% ownership or more)	<ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) 	7
2	Woman Ownership >50%	<ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) 	8
3	Disabled Ownership >50%	<ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) • Certified medical certificate from a registered medical practitioner 	1
4	Military veteran Ownership >50%	<ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) • A verifiable letter from an authorised body/entity 	1

		certifying the military status of the claimant (bidder).	
5	Youth Ownership >50%	<ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) 	3

PART 2: RETURNABLE DOCUMENTS

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state?

YES/NO

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

Full Name	Identity Number	Name of State institution

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

If so, furnish particulars:

.....
.....

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**

If so, furnish particulars:

.....
.....

3. DECLARATION

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

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

of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

.....

.....

Signature

Date

.....

.....

Position

Name of bidder

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:

1.2 the 80/20 system for requirements with a Rand value up to R50 000 000 (all applicable taxes included); and

1.3 To be completed by the organ of state

(delete whichever is not applicable for this tender).

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

1.4 The 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.5 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.

1.6 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

1.7 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.

1.8 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.

2. DEFINITIONS

- 2.1 “**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;
- 2.2 “**price**” means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- 2.3 “**rand value**” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- 2.4 “**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
- (a) “**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 PREFERENCE POINT SYSTEMS

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

80/20

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = 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 points is allocated for price on the following basis:

80/10

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

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmax = 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 80/20 or 90/10 preference point system.

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

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	Supporting evidence for meeting preferential procurement targets (bidder to provide the below supporting evidence to claim allocated points for each specific goal)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
South African citizen who had no franchise in national elections prior to	<ul style="list-style-type: none">• Company Registration Certification	7	

<p>the introduction of the Constitution of the Republic of South Africa, 1983 (Act 200 of 1983) or the Constitution of the Republic of South Africa, 1996.</p> <p>(Minimum >50% ownership or more)</p>	<p>(CIPC)</p> <ul style="list-style-type: none"> • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) 		
<p>Woman Ownership >50%</p>	<ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) 	<p>8</p>	
<p>Disabled Ownership >50%</p>	<ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) • Certified medical certificate from a registered medical practitioner 	<p>1</p>	
<p>Military veteran Ownership >50%</p>	<ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) • A verifiable letter from an authorised 	<p>1</p>	

	body/entity certifying the military status of the claimant (bidder).		
Youth Ownership >50%	<ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) 	3	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.1. Name of company/firm.....

4.2. Company registration number:

4.3. 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]

4.4. 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;

4.5. The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

4.6. 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;

4.7. 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:

1. PROTECTION OF PERSONAL INFORMATION

- 1.1. The Service Provider shall ensure that its employees, representatives and officers, comply with the provisions of the Protection of Personal Information Act, 2013 (“POPIA”) and all other applicable data protection laws and, without limitation to the foregoing, shall ensure the security and confidentiality of all Personal Information processed by that Party is in accordance with POPIA and all other applicable data protection laws.
- 1.2. The Service Provider must only process personal information of the NHFC and third parties on behalf of the NHFC, with the NHFC's knowledge or authorisation, treat such information which comes to their knowledge as confidential and must not disclose it unless required by law or in the course of the proper performance of the Service Provider's duties. The Service Provider must comply with the responsible party's obligations in clause section 19 of POPIA.
- 1.3. Where the Service Provider, its agents, subcontractors, officers, directors, shareholders, representatives, or employees has/have access to any Personal Information held by the NHFC for any reason in connection with this Agreement or is/are supplied with or otherwise provided with Personal Information by the NHFC or on behalf of the NHFC for any purpose, or are supplied with or otherwise provided with Personal Information relating to the Services, the Service Provider shall:
 - 1.3.1. process such Personal Information only for purposes of performing its/their obligations under this Agreement and shall not otherwise modify, amend or alter the contents of such Personal Information or disclose or permit the disclosure of such Personal Information to any third party, unless specifically authorised to do so by the NHFC or as required by law or any regulatory authority, and shall take all such steps as may be necessary to protect and safeguard such Personal Information;
 - 1.3.2. without prejudice to the generality of the foregoing, ensure that appropriate ,reasonable technical and organisational measures shall be taken by it/them to prevent
 - 1.3.2.1. the unauthorised or unlawful processing of such Personal Information; and
 - 1.3.2.2. the accidental loss or destruction of, or damage to, such Personal Information; and
 - 1.3.2.3. promptly notify the NHFC when it becomes aware of any unauthorised, unlawful or dishonest conduct or activities, or any breach of the terms of this Agreement relating to Personal Information.
- 1.4. Both Parties will comply with their obligations under POPIA in relation to personal information for which they are the responsible party.
- 1.5. The Service Provider must notify the NHFC immediately where there are reasonable grounds to believe that personal information has been accessed or acquired by any unauthorised person (Data Breach) and

must assist the NHFC, at its own cost:

1.5.1. with any investigation or notice to the Regulator or data subjects that the NHFC may

Make in relation to a Data Breach; and

1.5.2. in responding to any directions by the Regulator to publicise the Data Breach, including

assisting the NHFC to make public announcements if required.

1.5.3 The Service Provider indemnifies the NHFC against any civil or criminal action or administrative fine or other penalty or loss as a result of the Service Provider's breach of this clause.

2. POPIA CONSENT

2.1. The Service Provider, by submitting its proposal/ quotation, consents to the use of his/her personal information contained therein and confirms that:

2.1.1. The information is voluntarily supplied, without undue influence from any party; and

2.1.2. The information is necessary for the purposes of the engagement with NHFC.

2.2. The tenderer acknowledges that he /she is aware of his/her right to:

2.2.1. Access the information at any reasonable time for the purposes of rectification thereof;

2.2.2. Object to the processing of the information;

2.2.3. Lodge a complaint with the Information Regulator.

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

CERTIFY THAT WE CONSENT TO THE ABOVE AS PER REQUIREMENTS OF THE PROTECTION OF PERSONAL INFORMATION ACT.

.....
Signature

.....
Date

.....
Position

.....
Name of Bid

RESOLUTION TO SIGN

Signatory for companies shall confirm their authority thereto by either signing the below or attaching a duly signed and dated copy of the relevant resolution of the boards of directors to this form.

An example is given below:

By resolution of the board of directors passed at a meeting held on

Mr/Mrs , whose signature appears below, has been duly authorised

to sign all documents in connection with the Bid for Contract No. and any Contract that may arise there from on behalf of (name of Bidder in block capitals)

.....

SIGNED ON BEHALF OF THE COMPANY:

IN HIS/HER CAPACITY AS:.....

DATE:

SIGNATURE OF SIGNATORY:.....

- WITNESSES:**
- 1.
 - 2.



CONSENT FORMS

Please ensure that Form 1, Form 2; Form 3 and Form 4 are fully completed.

FORM 1- CONSENT FOR CREDIT AND WORLD CHECKS

Consent for Credit and World Checks Form

I

 (Name)

Surname

ID

Company you are representing

With CIPC number

Hereby voluntarily provide consent for a credit and world checks to be carried out on me or the company I represent.

I accept that such checks do not infringe any of my fundamental rights and I accept that the checks are part of the application process in terms of the NHFC policies.

Signed	
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Dated

D	D	M	M	2	0	2	3
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FORM 2- POLITICAL PARTY FUNDING DECLARATION FORM

Political Party Funding Declaration Form

The Political Party Funding Act 6 of 2018 introduces a strict regulatory framework for the private funding of political parties. This includes setting limits for the source, size and use of donated funds by political parties.

Having read and understood the requirements of the above legislation I confirm that:

I comply with the requirements of Political Party Funding Act 6 of 2018

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

Name (in blocks): _____

Signature _____

FORM 3- PEP SELF CERTIFICATION FORM

Politically Exposed Person (PEP) Self-Certification Form

NHFC is obliged to establish an appropriate risk management system when establishing a business relationship or conducting transactions, including risk assessment procedures to determine whether a party, legal representative, proxy or real owner of a party is politically exposed person.

In accordance with South African Anti-Money Laundering (AML) legislation NHFC has an obligation to undertake Enhanced Due Diligence (EDD) on those clients who are classified as a Politically Exposed Person (PEP).

Please read the definition below carefully, select the relevant box, confirming you are/are not a PEP, sign the declaration at the bottom of the form and return this Form to our offices. It is your obligation to inform us of a change to your status as a PEP or Non-PEP should it change at any time in the future.

The Financial Intelligence Centre Act 1 of 2017 (FICA) defines a PEP as a person who holds, A politically exposed person or PEP is the term used for an individual who is or has in the past been entrusted with prominent public functions in a particular country. The principles issued by the Wolfsberg Group of leading international financial institutions give an indication of best banking practice guidance on these issues. These principles are applicable to both domestic and international PEPs.

The following examples serve as aids in defining PEPs:

- Heads of State, Heads of Government and cabinet ministers;
- Influential functionaries in nationalised industries and government administration;
- Senior judges;
- Senior political party functionaries;
- Senior and/or influential officials, functionaries and military leaders and people with similar functions in international or supranational organisations;
- Members of ruling or royal families;
- Senior and/or influential representatives of religious organisations (if these functions are connected to political, judicial, military or administrative responsibilities).
- Families of PEPs.
 - The term "families" includes close family members such as spouses, children, parents and siblings and may also include other blood relatives and relatives by marriage;
- Closely associated persons.

The category of "closely associated persons" includes close business colleagues and personal advisers/consultants to the PEP as well as persons, who obviously benefit significantly from being close to such a person.

Having read and understood the above definition I confirm that: (select only one of the following options)

I am not a Politically Exposed Person (PEP) as defined above (DEFAULT)

I am a Politically Exposed Person (PEP) as defined above

Name (in blocks): _____

Signature _____

FORM 4: PEP ULTIMATE BENEFICIARY OWNER FORM

Politically Exposed Person (PEP) Ultimate Beneficiary Owner Form

The law on the prevention of money laundering and the financing of terrorism requires banks to fulfil a number of client identification obligations. One such obligation consists in identifying the Ultimate Beneficial Owners (UBO) of their clients.

Within the meaning of the law, the Ultimate Beneficial Owners of a legal entity are the private individuals who directly or indirectly hold or control a stake of at least 25% in the capital or of at least 25% of the voting rights of the company, or who undertake the de jure or de facto management of the legal entity.

a) _____ certifies, that on ____/ ____/ _____, the Shareholder Ultimate Beneficial Owners are the following private individuals who hold or control at least 25% in the capital or at least 25% of the voting rights in the company.

Please remember to enclose a copy of the identity document of each Shareholder or Decision-Making Ultimate Beneficial Owner and to validly sign behind your name above this text.

CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

I hereby undertake to render services described in the attached bidding documents to NHFC in accordance with the requirements and task directives/proposals specifications stipulated in Bid Number at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.

The following documents shall be deemed to form and be read and construed as part of this agreement:

Bidding documents, viz

- Invitation to bid;
- Tax clearance certificate;
- Pricing schedule(s);
- Filled in task directive/proposal;
- Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
- Declaration of interest;
- Declaration of bidder's past SCM practices;
- Certificate of Independent Bid Determination;
- Special Conditions of Contract;
- General Conditions of Contract; and
- Other (specify)

I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; 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.

I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.

I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2
DATE:

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

I.....in my capacity as.....

accept your bid under reference number..... dated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).

An official order indicating service delivery instructions is forthcoming.

I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorised to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAM

WITNESSES

1

2

DATE:

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 ”Force majeure” means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

- 1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 “GCC” means the General Conditions of Contract.
- 1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 “Local content” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 “Project site,” where applicable, means the place indicated in bidding documents.
- 1.21 “Purchaser” means the organization purchasing the goods.
- 1.22 “Republic” means the Republic of South Africa.
- 1.23 “SCC” means the Special Conditions of Contract.
- 1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, 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, Pretoria 0001, or accessed electronically from www.treasury.gov.za
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 7. Performance security**
- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

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

**8. Inspections,
tests and
analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that 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 Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the 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.
- 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.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed 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.

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.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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.

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 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:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified 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.

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

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.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling 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.

22. Penalties

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.

23. Termination for default

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:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard

the intended penalty as not objected against and may impose it on the supplier.

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 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.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person 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.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the 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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security,

damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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.

27. Settlement of Disputes

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.

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.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

33.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

33.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

33.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department 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.

33. National Industrial Participation (NIP) Programme

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.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

