

# NATIONAL HOUSING FINANCE CORPORATION (NHFC)

## Invitation to Bid

**Bid Description: Database for the Provision of Material Supplier Mentorship Services**

**Tender Number: QM07/07/2021**



Issued by:
NHFC Ground Floor, Tijger Park 3 Willie Van Schoor Tygervalley Cape Town

**Full Name of Bidding/Tendering Entity:** \_\_\_\_\_

**Contact Person:** \_\_\_\_\_

**Tel Number:** \_\_\_\_\_

**Total bid price (incl. VAT):** R \_\_\_\_\_

**Advert date:** 04 August 2021

**Non-Compulsory Briefing Session** 10 August 2021 @11:00am(Online)

**Closing Date and Time:** 24 August 2021 @ 11:00am

**Bidder's Authorised Signatory:**

**Initials and Surname:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

## BID DOCUMENTS CHECK LIST:

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 Compliant Status Pin certificate	
Annexure 2	Copies of Company Registration Documents	
Annexure 3	Certified Copy B-BBEE Certificate/ Sworn Affidavit	
Annexure 4	Central Supplier Database Report Copy	
Annexure 5	Pricing Schedule	
Annexure 6	SBD 1: Invitation to Bid	
Annexure 7	SBD 4: Declaration of Interest	
Annexure 8	SBD 6.1: Preference Point Claim Form in Terms of Preferential Procurement Regulations 2017	
Annexure 9	SBD 6.2: Declaration Certificate for Local Production and Content for Designated Sectors	
Annexure 10	SBD 7.2 Contract Form Rendering of Services	
Annexure 11	SBD 8: Declaration of Bidder's Past SCM Practices	
Annexure 12	SBD 9 Certificate of Independent Bid Determination	
Annexure 13	Resolution to Sign	
Annexure 14	Initialized General Conditions of Contract (GCC)	

## **TABLE OF CONTENTS**

### **PART 1: TENDERING PROCEDURE**

Invitation to bid (SBD 1) .....	4
Tender Conditions.....	5
Terms of Reference .....	8

### **PART 2: RETURNABLE DOCUMENTS**

SBD 4 Declaration of Interest (In the Service of the State) .....	12
SBD 6.1 Preference Points claim form .....	15
<u>SBD 6.2 Declaration Local Production and Content for Designated Sectors .....</u>	<u>21</u>
SBD 8 Declaration of Bidder's Past SCM Practices .....	20
SBD 9 Certificate of Independent Bid Determination.....	22
Resolution to sign .....	26
Past experience .....	27

### **PART 3: PRICING SCHEDULE**

Pricing schedule – Professional Services .....	28
Bills of Quantities .....	29

### **PART 4: THE CONTRACT**

<b>SBD 7.2</b> Contract Form – Rendering of Services .....	30
General Conditions of Contract.....	32

**PART 1: TENDERING PROCEDURES**

**PART A  
INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NATIONAL HOUSING FINANCE CORPORATION SOC LTD</b>					
BID NUMBER:	QM07/07/2021	CLOSING DATE:	24/08/2021	CLOSING TIME:	11:00
DESCRIPTION	Database for the Provision of Material Supplier Mentorship Services				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
Ground Floor, Tijger Park 3 , Willie Van Schoor, Tygervalley, Cape Town					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	Anda Mazibuko		CONTACT PERSON	Kabitsane Letsie	
TELEPHONE NUMBER	011 644 9800		TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	Tenders@nhfc.co.za		E-MAIL ADDRESS		
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
IS THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		IS A FOREIGN BASED SUPPLIER FOR GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW ]	
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
<b>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.</b>					

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

<b>1. BID SUBMISSION:</b>
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED--(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
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

---

### 1. 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.

### 2. COMPULSORY REQUIREMENTS

- (a) Tax Compliance Status Pin
- (b) Certified Copy B-BBEE Certificate/ Sworn Affidavit
- (c) Proof of Company Registration.
- (d) Copy of Central Supplier Database (CSD) Report
- (e) Submission of the following Signed and Completed Standard Bid Documents (SBD) Forms and initialled GCC
  - SBD 1: Invitation to Bid
  - Pricing Schedule
  - SBD 4: Declaration of Interest
  - SBD 6.1 Preference Points Claim Form in terms of preferential procurement
  - SBD 6.2: Declaration Certificate for Local Production and Content for Designated Sectors (Annexure A and C)
  - SBD 7.2 Contract Form – Rendering of Services
  - SBD 8: Declaration of Bidder’s Past SCM Practices
  - SBD 9: Certificate of Independent Bid Determination
  - General Conditions of Contract (GCC)
  
- (f) On appointment, successful bidder/s will be required to confirm quality of materials supplied, by way of an SABS/AGRIMA certificate or letter guaranteeing their material

All forms, annexures, addendums and specifications shall be signed and completed and returned with the Bid Document as a whole.

**THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT**

*The lowest or any Bid will not necessarily be accepted.*

### **3. BID DOCUMENT**

- (a) The bid document must be completed in all respects in non-erasable BLACK ink.
- (b) Bids must be submitted on original bid documents.
- (c) Bid documents must remain intact and no portion may be detached.
- (d) 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.
- (e) NHFC reserves the right to reject submitted proposal it deemed necessary. Should it be discovered by the NHFC that the bidder did not act in good faith by providing incorrect/false information, NHFC reserves the right to disqualify or reject the bid.
- (f) 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,
- (g) The bidder is subjected to due-diligence process which includes, screening, vetting, and/or any best practice that may subject NHFC to comply with legislation and its Policies and Procedures.
- (h) The NHFC reserves the right to disqualify a bid if the bidder fails to provide reasonable request  
(s) within reasonable timelines this includes the set deadline per request
- (i) 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.
- (j) This bid is subject to the Preferential Procurement Policy Framework Act and the Preferential Procurement Regulations - 2017.
- (k) This bid is subject to the general Conditions Contract as stipulated in this invitation.
- (l) The NHFC deems the Bidder has read and accepted these Conditions of Contract

### **4. LOCAL CONTENT**

Only locally produced goods or locally manufactured goods with a stipulated minimum threshold for local production and content will be considered

## **5. PERIOD OF VALIDITY FOR BIDS AND WITHDRAWAL OF BID AFTER CLOSING DATE**

All Bids must remain valid for a period of **90 days** from the closing date as stipulated in the Bid document.

## **6. VALUE ADDED TAX**

In calculating the cost of the supply and delivery of services and / or material, 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.

## **7. 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.

## **8. NON COMPULSARY BRIEFING SESSION**

There will be a non-compulsory briefing session held virtually on the 10 august 2021 at 11:00am via Zoom. Kindly see details below for access:

**Herewith the Zoom Meeting invite:**

<https://us02web.zoom.us/j/88413206188?pwd=aGxZdHZFRm5uRVZlWi8ySnNjTUV2dz09>

**Meeting ID: 884 1320 6188**

**Passcode: 442224**

## **9. SUBMITTING OF BIDS**

Bids must be submitted in sealed envelopes clearly marked "Database for the Provision of Material Supplier Mentorship Services for the City of Cape Town" The Bid must be deposited in the bid box at the below address:

**Ground Floor, Tijger Park 3, Willie Van Schoor, Tygervalley, Cape Town**

## **10. CLOSING DATE AND TIME**

Bid should reach the above address for submission by no later than 11:00 a.m. on 24 August 2021. 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:** Anda Mazibuko

**Email address:** [Tenders@nhfc.co.za](mailto:Tenders@nhfc.co.za)

## **Technical Enquires**

**Name:** Kabitsane Letsie

**Email Address:** [Tenders@nhfc.co.za](mailto:Tenders@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 points of their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- (f) A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate tender.

### **10.1 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. INTRODUCTION

NHFC business model was historically based on providing bridging finance to contractors involved in the development of affordable housing, subsidy housing and community infrastructure. NHFC ventured into a new business stream of Programme Management to assist government at all spheres with delivery capacity support and initiatives to deal with a number of institutional capacity, process and systemic challenges affecting their performance in the delivery of sustainable human settlements.

Capacity constraints and challenges related to lack of technical skills and appropriate systems including poor budget management, poor management of housing programmes are some of the challenges facing human settlements provincial departments and municipalities.

NHFC is addressing these challenges with provincial departments, municipalities and the National Department of Human Settlements, through the Programme Management Portfolio designed to implement change initiatives aimed at responding to these challenges. This Portfolio has positioned itself as a national centre of excellence, looking at deploying project and programme management best practice interventions, delivery technologies, business engineering processes, reporting and tracking tools and system aimed at developing institutional capacity amongst provincial department and municipalities. As such, NHFC seeks to forge relationships with service providers / professional experts to support delivery of institutional capacity development programmes and housing construction support services within different provinces.

## 2. PROJECT BACKGROUND

The City of Cape Town has plans to repair and maintain the 57 519 rental stock units across the City and develop SMMEs contractors through an enterprise development programme. However without any integrated development system including financing, incubation and support the programme is prone to failure through cessations and victimization of SMMEs. So CoCT in 2019 looked for a partner that will provide integrated and composite enterprise development services in the City of Cape Town. NHFC presented its Enterprise Development services provided through the Programme Management portfolio.

At the heart of NHFC's enterprise development model is the need for incubation of the enterprises to learn both theoretical knowledge and practical skills. Incubation can best be defined as a transition

process of sustained application of specifically required interventions, which will enable an element subjected to the process, to change from one particular state of being to another over a given period of time. In the context of small Contractor enterprise, the aim of the incubation is to gradually improve the developing contractor into an established contractor at the end of the incubation period.

The City of Cape Town is therefore entering into a service level agreement with NHFC with the sole intent to primarily repair and maintain the rental stock units and provide an integrated and responsive enterprise development programme for local enterprises on CIDB Grades GB 1-3 in the City. The NHFC will provide the City with a Programme Implementation Plan that will outline how the team will plan and execute the works as per the provisions of the service level agreement. The main thrust of the enterprise development programme is incubation.

Critical to the development of SMMEs is the ability to supply them with financial and non-financial support. One of the key challenges of the construction enterprises, CIDB grades 1-3, is the credit ability to purchase their own material as it constitutes almost 65 -70 percent of the contract amount. So NHFC wishes to bridge this gap. To further enable the process of local enterprise development NHFC intends to identify existing but subdued entrepreneurs in the 4 regions of the City of Cape Town to develop them into fully-fledged local material suppliers with sustainability. Primarily the local material suppliers will supply the maintenance and repairs contract and be encouraged to supply local communities on their daily building requirements and in future local projects. Over 3 years these suppliers must grow and stand on their own to provide job opportunities local to the project. Through a transparent social engagement and supply chain process NHFC and the City have pre-qualified 2 entrepreneurs who are economically subdued suppliers to be developed as suppliers to the programme.

### **3. SCOPE OF WORK**

NHFC is seeking the services of an experienced and competent team of an established material supplier mentor, to undertake all activities to:

- Creatively and innovatively plan the development of a comprehensive mentorship plan for local material suppliers
- Coordinate all activities to mentor, support and develop the selected local material suppliers to grow
- Supply the local material suppliers with material at wholesale prices for 20 months for them in turn to supply the project.
- Manage the exit strategy after 1 year and monitor for 1 year.

## Duration of the contract

The contract is for a period of 20 months from the date of signing not going beyond 30th June 2023.

**Note: The first and second highest scoring bidders will be appointed for a 20 months and work will be rotated between the two bidders.**

## 4. EVALUATION CRITERIA

### Criterion 1 – Compulsory Requirements

Bidders will first be evaluated in terms of the gatekeeper/minimum requirements on page 6 of this document. Bidders who do not fulfil all the requirements or do not submit the required documents will not proceed to the next phase of functionality. Those who fulfil all the requirements or have submitted the required documents will be further evaluated on functionality.

### Criterion 2 – Functionality

Functionality is worth 100 points. The minimum threshold is 70 points. Bidders who score less than 70 points on functionality will therefore be disqualified. Those who score more than 70 points will be further evaluated in terms of price and preference points (i.e on the B-BBEE status level of contributor). The functionality evaluation is broken down as follows:

<b>1.</b>	<b>Past Relevant Experience (Returnable form 1)</b> <b>Bidders must have specific experience and submit at least three recent references in respect of related services undertaken</b>	<b>Total – 30 points</b>
	The mentor must demonstrate 3 complete local material supply contracts to built environment projects in South Africa with signed reference letters each earning 10 points per project to a maximum of 30 points. To obtain the 30 points, a project must be fully completed with a signed reference letter on the referrer’s letter head must be submitted. Contacts should be both traceable and contactable.	
<b>2.</b>	<b>Supplier Mentor</b> <b>Bidder must supply detailed CVs of their mentorship team detailing experience in the material supply industry. Bidder must indicate the persons identified to lead the mentorship processes.</b>	<b>10 points</b>
	10 years’ experience in the field of material supply with evidence of mentorship provided - 10 points	10 Points
	5 - 10 years’ experience in the field of material supply with evidence of mentorship provided	5 points

	Less than 5 years' experience in the field of material supply	0 Points
<b>3.</b>	<b>Methodology and Project Approach</b> <b>Mentorship and supply plan, the bidder must submit a clear and concise method statement of how the work will be planned and executed to show clear deliverables, schedule tracking, creativity and innovation, growth plan and exit strategy, reviews etc</b>	<b>Total – 30 points</b>
	A clear and concise methodology Must include a schedule with estimated time frames, growth plan for the duration of the contract period, exit strategy, management strategy of multiple suppliers.	30 Points
	A good methodology Includes three of the above listed requirements	15 Points
	A poor methodology Includes only one of the above listed requirements	5 Points
<b>4.</b>	<b>Ability to Supply Local Material Suppliers</b> <b>Bidders must provide bank rating, 3 years audited financial statements and wholesale capacity to supply the programme</b>	<b>Total – 20 points</b>
	A mentor must demonstrate financial ability to supply a programme with a turnover of over R 5m per month without fail and wholesale contracts or facility;	20 points
	A mentor must demonstrate financial ability to supply a programme with a turnover of over R 3m per month without fail and wholesale contracts or facility;	10 points
	A mentor that demonstrate financial ability to supply a programme with a turnover of over of less than R3m per month without fail and wholesale contracts or facility.	0 points
<b>5.</b>	<b>Locality</b> <b>A firm must have a local traceable active wholesale facility within the City of Cape Town, proof of address can only be presented in the form of a utilities bill or a lease agreement at the presented address. A site visit confirming the business address is a condition of appointment:</b>	<b>Total – 10 points</b>
	1. Bidder has a wholesale facility within the City of Cape Town = 10 points 2. Bidder has a wholesale facility outside the City of Cape Town but within the Western Cape = 5 points 3. Bidder does not have a wholesale facility within Western Cape = 0 points	
<b>Total</b>		<b>100 Points</b>
<b>Minimum Threshold Points</b>		<b>70 Points</b>

### Criterion 3 - Price and Preference Evaluation

Bidders who score a minimum of 70 points will be further evaluated in terms of Price and Preference points (B-BBEE status level of contributor). As per the table below, price is evaluated over 90 points and preference points over 10:

<b>Price Assessment</b>	<b>90 Points</b>
TOTAL	90
<b>Preferential Elements</b>	<b>10 Points</b>
B-BBEE Status Level of Contributor	Number of Points
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

#### **Appointment:**

Note: The first and second highest scoring bidders will be appointed for a 20 months and work will be rotated between the two bidders.

**DECLARATION OF INTEREST**

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

2.1 Full Name of bidder or his or her representative: .....

2.2 Identity Number:.....

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>, member):  
.....

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:.....

2.5 Tax Reference Number: .....

2.6 VAT Registration Number: .....

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

- <sup>1</sup>“State” means –
- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
  - (b) any municipality or municipal entity;
  - (c) provincial legislature;
  - (d) national Assembly or the national Council of provinces; or

(e) Parliament.

“Shareholder” means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7.1 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.2 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

.....

Name of state institution at which you or the person connected to the bidder is employed :

.....

Position occupied in the state institution:

.....

Any other particulars:

.....

.....

.....

2.7.3 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.3.1 If yes, did you attach proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.3.2 If no, furnish reasons for non-submission of such proof:

.....

.....

.....

2.8 Did you or your spouse, or any of the company’s directors/ trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:

.....

.....



.....

**2.9** Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.9.1 If so, furnish particulars.

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

**2.10** Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES/NO**

2.10.1 If so, furnish particulars.

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

**2.11** Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:

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

**3 Full details of directors / trustees / members / shareholders.**

Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number/Persal Number

**4 DECLARATIONS**

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature Date

.....  
Position Name of Bidder

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to all bids:

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

1.2

- a) The value of this bid is estimated to exceed R50 000 000 (all applicable taxes included) and therefore the 90/10 preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

- (a) Price; and  
(b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	<b>90</b>
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	<b>10</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

## 2. DEFINITIONS

- (a) “**B-BBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) “**B-BBEE status level of contributor**” means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) “**bid**” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price PROPOSALS, advertised competitive bidding processes or proposals;
- (d) “**Broad-Based Black Economic Empowerment Act**” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) “**EME**” means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) “**functionality**” means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) “**prices**” includes all applicable taxes less all unconditional discounts;
- (h) “**proof of B-BBEE status level of contributor**” means:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) “**QSE**” means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) “**rand value**” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

### 3. POINTS AWARDED FOR PRICE

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

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

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right) & \mathbf{or} & P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)
 \end{array}$$

Where

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

$P_t$  = Price of bid under consideration

$P_{\min}$  = Price of lowest acceptable bid

### 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

<b>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>	<b>Number of points (80/20 system)</b>
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

**5. BID DECLARATION**

Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

**5.1 B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

B-BBEE Status Level of Contributor: . = ..... (maximum of 10 or 20 points)  
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

**6. SUB-CONTRACTING**

6.1 Will any portion of the contract be sub-contracted?

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

6.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%?
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

**Designated Group: An EME or QSE which is at last 51% owned by:**

EME	QSE
√	√

- Black people
- Black people who are youth
- Black people who are women
- Black people with disabilities
- Black people living in rural or underdeveloped areas or townships
- Cooperative owned by black people
- Black people who are military veterans

**OR**

Any EME

Any QSE

**7. DECLARATION WITH REGARD TO COMPANY/FIRM**

7.1 Name of company/firm:.....

7.2 VAT registration number:.....

7.3 Company registration number:.....

**7.4 TYPE OF COMPANY/ FIRM**

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

**7.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

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

**7.6 COMPANY CLASSIFICATION**

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

7.7 Total number of years the company/firm has been in business:.....

7.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;

- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding 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 bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

WITNESSES

1. ....

2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

.....

.....



**DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS**

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

**1. General Conditions**

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) on the date of advertisement of the bid as indicated in paragraph 3.1 below.

**The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.**

1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

**2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
Electrical and telecom cables	90%
Prepaid Electricity Meters	70%
Valves products and actuators	70%
Plastic Pipes	100%
Switching Devices	5%
Structural Steel	100%
Fabricated Structural Steel	100%
Wire Products	100%
Gutters, downpipes & lauders	100%
Reinforcing bars	100%
Sheets	100%

**3. Does any portion of the goods or services offered have any imported content?**

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

- 3..1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on [www.resbank.co.za](http://www.resbank.co.za)

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

<b>Currency</b>	<b>Rates of exchange</b>
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

**LOCAL CONTENT DECLARATION**  
**(REFER TO ANNEX B OF SATS 1286:2011)**

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID NO.** .....

**ISSUED BY:** (Procurement Authority / Name of Institution):

.....

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/ip.jsp). Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, ..... (full names),

do hereby declare, in my capacity as .....

of .....(name of bidder entity), the following:

(a) The facts contained herein are within my own personal knowledge.

(b) I have satisfied myself that:

- (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 3.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.**

**The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 3.1 above and the information contained in Declaration D and E.**

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the audi alteram partem rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		

4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

**CERTIFICATION**

I, THE UNDERSIGNED (FULL NAME).....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

## **CERTIFICATE OF INDEPENDENT BID DETERMINATION**

This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.

- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

**<sup>1</sup> Includes price proposals, advertised competitive bids, limited bids and proposals.**

**<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.**



**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

- 6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
- 7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
- 8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

<sup>3</sup> **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.**

10. 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.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

**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. ....

**CURRENT AND PAST EXPERIENCE FOR NHFC AND OTHER INSTITUTIONS**

Bidders must furnish hereunder details of **similar** works/service, which they are currently undertaking or have undertaken. Bidders to provide contactable references for all projects listed below.


EMPLOYER /INSTITUTION NAME	NATURE OF WORK/ PROJECT NAME	AWARDED AMOUNT	COMMENCEMENT DATE	COMPLETION DATE	EMPLOYER CONTACT NO. AND CONTACT PERSON

.....  
DATE

.....  
SIGNATURE OF BIDDER

## PART 3: PRICING

### Pricing Assumptions

	
<b>Material List</b> <b>City of Cape Town Rental Stock Maintenance and Repairs Programme</b>	
Assumptions: <ul style="list-style-type: none"> <li>- Tenderers to note that quantities are only an indication of approximate expected quantities and are expected to vary. Prices are to be fixed with provision for escalation based on the programme to be reviewed by NHFC on an annual basis and should it be applicable, will take effect on the 13th month of the contract.</li> <li>- Material prices to include VAT</li> <li>- Rates for additional items required to fulfil the contract will be negotiated at market related rates.</li> </ul>	
<b>a) SECTION 1 - PRELIMARIES AND GENERAL</b>	
Mentorship/Training Support	R
Systems set up	R
Monthly reporting	R
Sub-Total	R
<b>b) VAT on Section 1 (15%)</b>	<b>R</b>
<b>c) Sub-Total (a + b)</b>	<b>R</b>
<b>d) SECTION 2 MATERIALS on page 44</b>	<b>R</b>
<b>e) Total (c + d)</b>	<b>R</b>

## National Housing Finance Corporation SOC Ltd.

Financier | Innovator | Facilitator



	Unit	Estimated Quantity	Supplier Mentor Rate (inc. VAT)	Rate at which Mentor Supplier will sell to Local Suppliers (inc. VAT)	Percentage of required Local Content
<b>SECTION 2</b>					
<b>MASONRY AND SUNDRIES</b>					
Supply only standard Concretex VIP toilet including cubicle, water closet & seat complete	kit	288			
390 x 140 x 190mm High 7Mpa cement M6 hollow blocks	each	50 000			
50kg Packets ordinary Portland cement or similar approved	pkt	420			
19mm Concrete stone coarse aggregate	m <sup>3</sup>	328			
Building sand for reinforced concrete raft foundation	m <sup>3</sup>	128			
Building sand for mortar ( 3 : 1 class 2 mortar mix )	m <sup>3</sup>	328			
Building sand for un-reinforced concrete in beams	m <sup>3</sup>	128			
BRICKFORCE SABS 100MM 2,8 MM/20M (Galvanised)	roll	246			100%
BRICKFORCE SABS 150MM 2,8 MM/20M(Galvanised)	roll	246			100%
BRICKFORCE SABS 75MM 2,8 MM/20M (Galvanised)	roll	246			100%
BRICKFORCE SABS 60MM 2,8 MM/20M (Galvanised)	roll	246			100%
NFP Stockbricks 7Mpa	each	30 000			
390 x 90 x 190mm High 7Mpa cement M4 hollow blocks	each	60 000			
C2H HG INNER TYPE CLISCO P/F plaster both sides	item	382			
Galvanised Steel 813X2032X140 1mm P/F R/H plaster both sides/no screed	each	3 942			100%
Steel Door Frame 813X2032X90 1mm P/F L/H plaster both sides/no screed	item	3 942			100%
Galvanised Steel Window frame (1511 x 359 x 85mm)	each	3 452			100%
DPC SHEETING SABS 375U 150MMX30M	roll	150			
Reinforcing rod Y10mm/6m	tons	3 450			100%
M 5F555 32mmx1.6mm Gal Hoop Iron (2.2m/kg)	m	5 500			100%
M 5F570 30mmx1.6mm Gal Hoop Iron	m	5 500			100%
<b>CARPENTRY</b>					
Single Framed Ledged Braced Battened Door (Meranti)	each	3 154			
760 T&G panel door	each	577			
818 T&G panel door	each	577			

Single Framed Ledged Braced Stable door (Meranti)	each	600			
Single Hollow Core Door	each	1 892			
Single Solid core Door	each	1 892			
Steel butt hinge 100x75x2.7mm	pairs	7 884			100%
Japanese T-Hinge black	pairs	7 884			
3 lever mortice lockset	each	3 942			100%
2 Lever lockset	each	3 942			100%
Barrel bolts	each	3 154			100%
Safety sasp and staple (100mm)	each	3 154			100%
SAP 38x38 Battens (Treated)	m	1 500			
76x50 purlins (Treated)	m	1 500			
Single Wrot Meranti Door Frame	each	750			
30mm Japanese Screw/ Dry walls	/600	15			
Weather bars 800x45x32mm (Meranti)	each	2 583			
Aluminium Flashing 600mm	each	3 000			
Roofing Nails 150mm	/50	200			100%
Roofing Nails 100mm	/50	200			100%
Roofing Nails 75mm	/50	200			100%
40mm x 10mm meranti cover strips (3.0m)	each	3 500			
<b>ELECTRICAL</b>					
DB box Samite 14 way	each	1 500			
DB box Samite 12 way	each	4 000			
Ready board (complete dB board)	each	1 000			100%
Ready board with bulkhead	each	1 000			100%
DB Board blanks white or black	each	1 000			
Prepaid Metering Device (Municipal spec analog type surface mount)		700			70%
60A circuit breaker Samite SP/N	each	800			
30A circuit breaker Samite SP/N	each	800			
20A circuit breaker Samite SP	each	800			
10A circuit breaker Samite SP	each	800			
20A circuit breaker Samite SP/N	each	800			
Samite Earth leakage 63A SP+N 30MA no O/L MRCD-63RCD-63A/2P	each	2 000			5%
Samite MCB 20A 1P 3KA MCB 3KA-63-20A/1P DIN 20mm 240V	each	2 000			
Neutral bar Samite 9 way	each	2 000			5%
Switch socket 16A 4 lever	each	5 751			5%
Switch socket 16A 3 lever	each	5 751			5%
Switch socket 16A 2 lever	each	5 751			5%
Switch socket 16A 1 lever	each	5 751			5%
PSO double 16A with plate 4x4	each	5 751			5%
PSO double industrial 16A 4x2	each	5 751			5%

Stove Range 3 pin stove socket (female)	each	1 000			
Stove isolator 4x4	each	1 000			5%
Stove isolator industrial	each	1 000			
Galvanised Stove Coupler	each	1 000			
Geyser isolator industrial	each	1 000			5%
Geyser element spiral & thermostat	each	500			
Geyser element (pocket geyser)	each	500			
Batten holder BC Bakelite	each	452			
Bulk head PVC square	each	300			100%
Ball & Gallery	each	1 000			
Lamp CFL 2D 16W	each	1 000			
Fluorescent tubes 1.5m	each	1 000			
Fluorescent tubes 1.2m	each	1 000			
Fluorescent fittings 1.5m and 1,2m (double)	each	1 000			5%
Wonder box PVC 4x4	each	1 000			100%
Wonder box PVC 4X2	each	1 000			100%
Saddles PVC 20mm & 25 mm	each	1 000			100%
PVC Conduit 20mm & 25mm	m	2 000			100%
PVC Couplings 20mm & 25mm	each	450			100%
Flat twin 1.5mm <sup>2</sup>	m	1 200			90%
Flat twin 2.5mm <sup>2</sup>	m	1 200			90%
House wire 1.5mm red	50m	100			90%
House wire 1.5mm black	50m	100			90%
House wire 1.5mm green	50m	100			90%
House wire 2.5mm red	50m	100			90%
House wire 2.5mm black	50m	100			90%
House wire 2.5mm green	50m	100			90%
House wire 4mm red	20m	100			90%
House wire 4mm black	20m	100			90%
House wire 4mm green	20m	100			90%
House wire 6mm red	10m	100			90%
House wire 6mm black	10m	100			90%
House wire 6mm green	10m	100			90%
House wire 10mm red, black and green	m	100			90%
House wire 16mm red, black and green	m	100			90%
Surfix cable 1.5mm, 2mm and 4mm	m	1 200			90%
Earth spike 1.8m	each	500			90%
Earth clamp	each	500			100%
Earth spike connector brass. (coupling)	each	500			100%
Ferules 10mm and 16mm	m	800			100%
Screws M5 brass	Pkt	1 000			100%
Screws M4 steel	Pkt	5 000			100%
Screws self-tapping 5mmx20	Pkt	2 000			100%
Knocking nails M6 x75 and M8x75	Pkt	1 000			100%
Insulation tapes red, black and green.	Pkt	2 000			



Connector blocks 12 way 15A	each	1 000			
<b>METALWORK AND SUNDRIES</b>					
2.5mm welding rods (for mild steel)	Pkt	500			100%
Galvanize spray	each	250			
25mm paint brush	each	250			
75mm discus locks	each	100			
Razor wire ( flat rap) + (concertina) (10m)	m	285			100%
Rawl bolts 8x80mm (60 pack)	each	1 500			100%
Galvanized pipe 32mm (20m)	each	1 285			100%
Galvanized pipe 50mm (20m)	each	1 285			100%
Galvanized pipe 65mm (20m)	each	1 285			100%
Round bar 12mm (6m)	each	1 285			100%
Square tubing 25x25x2mm	m	1 285			100%
Square tubing 32x32x2mm	m	1 285			100%
Square tubing 38x38x2mm	m	1 285			100%
Angle iron 25x25x3mm	m	1 000			100%
Angle iron 40x40x3mm	m	1 000			100%
Angle iron 50x50x6mm	m	1 000			100%
Straining bolts 13mm (4pc)	each	1 000			100%
Straining wire 3.5mm coated green	roll	32			100%
Cutting disc 115x2.5mm, 230x3mm and 300x3mm	each	500			
Grinding disc 115x6mm and 230x6mm	each	500			
Chain 7mm	m	500			100%
Steel drill bits 5mm, 8mm, 10mm, 12mm, 12mm and 14mm	set	800			100%
SDS Drill bits 6mm, 8mm, 10mm and 12mm	set	800			100%
Anchor Nails 6x55mm and 8x100mm	pkt	1 500			100%
Peg Stays ( For Windows )	each	1 500			
Right Hand handles ( For Windows )	each	1 500			
Left hand handles ( For Windows )	each	1 500			
Sliding stays 164mm, 180mm and 288mm( For Windows )	each	1 500			
<b>PLUMBING</b>					
Bibtap;star;brass chrome plated;15mm	each	1 106			
Tee;compression;DZR Brass;15mm	each	421			
Stoptap;copper to copper;brass;15mm	each	421			
Stoptap;copper to copper;brass;22mm	each	421			
Elbow;copper to copper;brass15mm;90°	each	421			
Coupler;copper to copper;brass;15mm	each	421			
Coupler;copper to female;brass;15mm	each	421			
Tape;PTFE;12mm;10mm	m	150			
Stoptap;copper to copper U/W;brass;15mm	each	421			
Stopend;brass;15mm	each	421			

Mono mixer tap 15mm	each	421			70%
Tap;pillar;br chrome plated;15mm	each	3 650			70%
Trap;basin p;PVC;32mm x 40mm	each	623			100%
Bibtap;hose;PVC;15mm	each	1 106			100%
Stopcock;PVC;15mm	each	1 217			100%
Bend;cleaning eye;PVC;40mm;87.5@	each	3 942			100%
Bend;plain;PVC;40mm; 87.5@	each	3 942			100%
Bung rubber;for L/Level water C/Pan;rub	each	3 942			100%
Elbow;W/Plate;plastic w/Br ferr;15mm;90@	each	108			100%
Pipe;MLP;High density PE;15mm;50m/roll	m	713			
Pipe;MLP;High density PE;22mm;50m/roll	m	549			
Connector;extern f/pipe;rubber;63mm x 40mm	each	422			100%
Socket;double;waste;PVC;40mm	each	422			100%
Trap;bath;PVC;40MM	each	755			100%
Trap;sink p;PVC;40mm	each	776			100%
Pipe;waste;PVC;40MM;6M;SOIL VENT	m	776			100%
Bend;Cleaning eye;PVC;110mm;87.5@	each	1 265			100%
Gully head and grid;PVC;185mm x 110mm	each	1 265			100%
Junction;tee;PVC;110mm;87.5@	each	1 265			100%
Trap;gully p;PVC;110mm;SABS 791	each	217			100%
Elbow;for S/Pan;PVC;110MM;87.5@	each	217			100%
Cistern;w/closet low level Elf;9L	each	217			
Pan;water cistern P trap;glazed ceramic	each	422			
Sink Cabinet melamine white 915mm	each	186			70%
Sink Cabinet melamine white 1200mm	each	186			70%
Single Stainless Steel Sink	each	1 359			100%
Double Stainless Steel Sink	each	1 359			100%
Tamarin bath with handles 1700x700mm	each	755			
Solo basin tunga 2 tap holes	each	623			
Kwikot Geysers 150l	each	500			
Kwikot Geysers 100l	each	750			
Kwikot Geysers 50l	each	750			
Shower enclosure size 1,5m x 0,9m with shower mixer and base	no	250			
<b>ROOF</b>					
38 x 114mm S.A. Pine grade 5 roof trusses overall size 7 490 mm wide x 900 mm high	each	4 800			
MONO PITCH TRUSSES: 38 x 114mm S.A. Pine grade 5 roof trusses 7 490mm span	item	4 800			
Hurricane Clips	item	19 200			100%
Nails - 35 x 3.15mm blue permfix - 1.6kg	kg	65			100%
TC Bracing - 38 x 76 SAP - 14.4m	m	14 400			100%
Wallplates - 38 x 76 SAP - 13.2m	m	3 000			100%
Truss Hangers	item	8 400			100%

50 x 76mm S.A. Pine (grade 5) purlins - 3 600mm length	each	4 000			
IBR SHEETING 3,8M X 0.5MM X 0.686MM	sheet	2 333			100%
PVC SCREW AND CAP 65mm pkt (50)	pkt	1 200			100%
FASCIA BOARD FC 225 X 12 MM X 3.0 MTR	m	2 200			
Nutec Fascia Joiners	item	4 352			
Nutec Boards (920 x 3600m)	sheet	1 533			
BARGE BOARD 200 X 80 X 3.0 M	item	2 564			
Bargeboard Joiners	item	1 282			
Screw Roof & Washer 120mm (Ea) Nutec	each	641			100%
ROOFING SCREWS SABS 90MM BOX OF 100	box	1 000			100%
ROLLTOP RIDGE IBR 1.8mGALV 0.4X400mmZ160	item	1 000			100%
IBR Closures	item	1 000			100%
38 x 38mm S.A. Pine (grade 5) branderling 6.6m	m	14 400			
NAILS CLOUT SABS 1KG/32MM	kg	1 000			100%
NAILS SABS 1KG/100X4MM	kg	1 000			100%
NAILS SABS 1KG/75X3.55MM	kg	1 000			100%
Beading - pine - 50 x 20mm x 3m	item	1 261			
Panel Pins 500g	pkt	1 261			100%
Profile B fibre cement roof sheets	/sheet	5 333			
Big6 fibre cement roof sheets	/sheet	5 333			
Double Roman Roof Tiles	each	7 333			
Double Roman Ridge Tile	m	1 200			
100mm Aerolite insulation 1.2x8m	each	11 980			
Sisalation 420	m <sup>2</sup>	6 933			
Under tile membrane	roll	1 752			
<b>FINISHES</b>					
Rhino Board 3.6m x 1.2m	each	6 590			
H shape joining strip 3.6m length	each	1 200			
RhinoCove Cornice 3m length	each	10 782			
Polystyrene Glue - 5kg bucket	each	1 000			
Wood Screws (galvanised - No 8 )	pkt	1 000			100%
3mm Clear glass For C2H F7 Steel W/Frame - Clisco Type C2H	each	1 500			
GLAZING PUTTY 1KG	pkt	1 000			
CARBOLINIUM 1L	item	4 000			
DULUX GLOSS ENAMEL OXIDE RED 5LTR	item	1 200			
ROCKGRIP SOFT VELVET PLUS PVA WHITE 5L	item	2 800			
DULUX B/MASTER NUKOTE PVA PASTEL 20LTR	item	2 250			
ROCKGRIP PLASTER PRIMER WHITE 20L	item	2 800			
MEDAL QD RED OXIDE PRIMER 5L	item	1 200			
Undercoat ( pink - doors) - 5l	item	2 250			
Polyfilla - 1kg	item	1 800			
Varnish on wooden doors Swartland Maxicare	item	4 730			

MINERAL TURPENTINE [5 l]	item	2 560			
GUTTER SABS DOWNPIPE PVC 3.0M DPH310	item	960			100%
Nutec External Corner Fibre Cement Gutters (1,8m)	item	1 920			
Down pipe Brackets	item	140			100%
Gutter Bracket screws	item	140			100%
90 deg bends (swanneck)	item	140			100%
GUTTER SABS PVC RO 6.0M DGH520	item	1 920			100%
GUTTER SABS PVC RO BRACKET FASCIA DK501	item	1 920			100%
GUTTER SQ OFFSET CRIM. GALV. 600MM 0.4MM	item	1 920			100%
PVC GUTTER STOP END DE501	item	140			100%
PVC GUTTER OUTLET DO503	item	140			100%
Pvc Weld 100ml	item	140			100%
Gutter SABS PVC RO pipe clip DC 302	item	140			100%
Euro Brass Window Casement Handle	each	212			
GS-69W - 600x900mm window	each	2 364			
GS-113W - 1000x1300mm window	each	2 364			
GS-99W - 900x900mm window	each	2 364			
GS-1811W - 800x1100mm window	each	2 364			
Tile adhesive (Goldstar)	/20kg	1 000			
200 x 200mm Glazed Ceramic Floor tiles	box	4 420			
200 x 200mm Glazed Ceramic Wallstiles	box	3 640			
Toilet roll holder	no	100			
Jointing compound (4.50/kg)	m <sup>2</sup>	273			
W/proof tinted jointing	m <sup>2</sup>	273			
Epoxy jointing	m <sup>2</sup>	273			
Internal skirting tile	no	182			
External skirting tile	no	182			
End tile	no	182			
TAL Keycoat	Ltr	200			
2.5mm "Marley Superflex"	m <sup>2</sup>	625			
Wax polish for vinyl tiles	m <sup>2</sup>	625			
Wrot meranti skirting	m	425			
Wood Filler (200g)	each	500			
<b>Estimated Total Over Project Duration(SECTION 2 TOTAL)</b>				<b>R</b>	

PRICING SCHEDULE		
NORMAL SERVICES		
Item No.	Activity Description	Amount R                      c
1.	Material Supply and Mentorship Services	
<b>TOTAL OF PRICING SCHEDULE CARRIED FORWARD TO SUMMARY</b>		

**SUMMARY OF ACTIVITY SCHEDULE**

A: TOTAL OF SECTION 1 (Incl VAT) R .....

B: TOTAL OF SECTION 2 (Prices to include VAT) R .....

\_\_\_\_\_

C: SUB-TOTAL (SECTION 1 + 2) R .....

**D: TENDER PRICE CARRIED FORWARD TO P1.1 FORM OF OFFER AND ACCEPTANCE** R .....

I, the undersigned, do hereby declare that the above is a properly priced Activity Schedule forming part of this Contract Document upon which my/our tender for BID No. ....: **PROVISION OF LOCAL MATERIAL SUPPLIER MENTORSHIP SERVICES** has been based.

**SIGNED ON BEHALF OF THE TENDERER:**  
.....

# Database for the Provision of Material Supplier Mentorship Services

## P1.1 Form of Offer and Acceptance

### Form of Offer and Acceptance

#### Offer

The *Employer*, identified in the Acceptance signature block, has given notice to the *Supplier* **Error! Reference source not found.** to submit a quotation for the procurement of: **Database for the Provision of Material Supplier Mentorship Services.**

The *Supplier*, identified in the offer signature block, has examined the documents listed in the quotation data and addenda thereto as listed in the returnable schedules, and by submitting this quotation has accepted the conditions of this quotation.

By the representative of the *Supplier*, deemed to be duly authorised, signing this part of this *Supplier's* Offer, the *Supplier* offers to perform all of the obligations and liabilities of the *Supplier* under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the tender document.

#### THE OFFERED TOTAL OF THE PRICES EXCLUSIVE OF VALUE ADDED TAX IS:

.....  
.....Rand (in words);

R..... (in figures).

This offer may be accepted by the *Employer* by signing the *Employer's* Acceptance and returning one copy of this document to the *Supplier* before the end of the period of validity stated in the quotation data, whereupon the *Supplier* becomes the party named as the *Supplier* in the *conditions of contract* identified in the Contract Data, and this quotation enquiry document becomes the order instructing the execution of this supplier service.

#### For the *Supplier*:

<b>AUTHORISED SIGNATURE OF <i>Supplier</i></b>

Name: .....

Capacity: .....

Name and address of organisation: .....

Name and signature of witness: .....

Date: .....

## The *Employer's* Acceptance

By signing this Acceptance, the *Employer* identified below accepts the *Supplier's* offer. In consideration thereof, the *Employer* shall pay the *Supplier* the amount due in accordance with the *conditions of contract* identified in the tender document and addendums. Acceptance of the *Supplier's* offer shall form an Agreement between the *Employer* and the *Supplier* upon the terms and conditions contained in this Agreement and in the contract that is the subject of this Agreement.

The terms of the contract are contained in the schedules and documents or parts thereof, which may be incorporated by reference.

Deviations from and amendments to the documents listed in the quotation data and any addenda thereto as listed in the quotation schedules as well as any changes to the terms of the offer agreed by the *Supplier* and the *Employer* during this process of offer and acceptance, are contained in the schedule of deviations attached to and forming part of this Agreement. No amendments to or deviations from said documents are valid unless contained in this schedule.

The *Supplier* shall within two weeks after receiving a completed copy of this Agreement, including the schedule of deviations (if any), contact the *Employer's* agent to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this Agreement comes into effect on the date when the *Supplier* receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the *Supplier* within five working days of the date of such receipt notifies the *Employer* in writing of any reason why he cannot accept the contents of this Agreement, this Agreement shall constitute a binding contract between the Parties.

### For the *Employer*:

<b>SIGNATURE OF <i>Employer</i></b>

Name: .....

Capacity: .....

Name and signature of witness: .....

.....

Date: .....

## Schedule of Deviations

(Append separate page if not enough space)

1 Subject: .....

Details: .....

.....

.....

2 Subject: .....

Details: .....

.....

.....

3 Subject: .....

Details: .....

.....

.....

4 Subject: .....

Details: .....

.....

.....

5 Subject: .....

Details: .....

.....

.....

6 Subject: .....

Details: .....

.....

.....

By the duly authorized representatives signing this Agreement, the *Employer* and the *Supplier* agree to and accept the foregoing schedule of deviations as the only deviations from and amendments to the documents listed in the quotation data and addenda thereto as listed in the quotation schedules, as well as any confirmation, clarification or changes to the terms of the offer agreed by the *Supplier* and the *Employer* during this process of offer and acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the quotation enquiry document and the receipt by the *Supplier* of a completed signed copy of this Agreement shall have any meaning or effect in the contract between the Parties arising from this Agreement.



**For the *Supplier*:**

<b>AUTHORISED SIGNATURE OF <i>Supplier</i></b>

Name: .....

Capacity: .....

Name and address of organisation: .....

.....

Name and signature of witness: .....

.....

Date: .....

**For the *Employer*:**

<b>SIGNATURE OF <i>Employer</i></b>

Name: .....

Capacity: .....

Name and signature of witness: .....

.....

Date: .....

Number of additional pages appended to this Schedule: .....(If nil, enter NIL).

**PART 4: THE CONTRACT**

**SBD 7.2**

**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 .....

<b>WITNESSES</b>	
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 AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

**WITNESSES**

1 .....

2 .....

....

# GENERAL CONDITIONS OF CONTRACT

GOVERNMENT PROCUREMENT

## GENERAL CONDITIONS OF CONTRACT July 2010

### 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.

## TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

Initial and Sign: \_\_\_\_\_

## 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 anything 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.

**Initial and Sign:** \_\_\_\_\_

- 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.

Initial and Sign: \_\_\_\_\_

- 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](http://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.

Initial and Sign: \_\_\_\_\_



- 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;
  - (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.

Initial and Sign: \_\_\_\_\_

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.

Initial and Sign: \_\_\_\_\_

**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.

Initial and Sign: \_\_\_\_\_

- 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 contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 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.

Initial and Sign: \_\_\_\_\_

## 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.

Initial and Sign: \_\_\_\_\_

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.

Initial and Sign: \_\_\_\_\_

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

**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

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**

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

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

Initial and Sign: \_\_\_\_\_

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

**34.Prohibition  
of Restrictive  
Practices**

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Initial and Sign: \_\_\_\_\_