



FRANCES BAARD DISTRICT MUNICIPALITY

TENDER

BID: 15/11 SUPPLY AND DELIVERY OF THE MEDIUM PUMPER FIRE FIGHTING VEHICLE

Frances Baard District Municipality (FBDM) hereby invites suitable service providers to submit proposals for the above mentioned project.

This Bid will be evaluated in terms of the 90/10 preference point system as prescribed in the Preferential Procurement Regulations 2011 pertaining to the PPPF Act (No 5 of 2000) and the Supply Chain Management Policy of Frances Baard District Municipality. Council is not bound to accept the lowest bid. Council reserves the right to partial acceptance of one or more bids.

The closing date for submissions is 10 February 2012 at 12h00. Bids will be opened in public immediately after the stated closing time.

Proposals should be clearly marked: BID: 15/11 SUPPLY AND DELIVERY MEDIUM PUMPER FIRE FIGHTING VEHICLE and submitted to The Municipal Manager, Frances Baard District Municipality, Private Bag X6088 Kimberly, 8300, or hand delivered to the Frances Baard District Offices: 51 Drankensberg Avenue, Carters Glen, Kimberley.

Bids documents are obtainable at FBDM's offices during working hours or on the FBDM Website (www.francesbaard.gov.za). Enquiries on SCM matters, may be directed to Mr. E. Tlhageng at tel. (053) 838 0946 during office hours and for technicalities to Mr. C. Jones (053) 838 0911

If no response received within 90 days after the closing date, consider your proposal unsuccessful.

ACTING MUNICIPAL MANAGER
FRANK MDEE

FRANCES BAARD DISTRICT MUNICIPALITY



INVITATION TO BID

BID: 15/11 SUPPLY AND DELIVERY THE MEDIUM PUMPER FIRE FIGHTING VEHICLE

BIDDER:

ADDRESS:

.....

.....

TEL:

FAX:

BID AMOUNT (VAT Incl.)

SPECIFICATIONS FOR MEDIUM PUMPER FIRE FIGHTING VEHICLE

1. SCOPE

1.1. This document establishes the performance and design for a Medium Pumper Fire Fighting Vehicle and must be read in conjunction with the general requirements and standard requirements being part of this tender document.

1.2. The vehicle shall be designed for operation using a total crew of minimum six (6) persons including the driver, and shall be equipped to perform the specified tasks.

1.3. The vehicle offered must comply in all respects to the applicable requirements of the Road Traffic Act (Act 93 of 1996).

1.4. The vehicle offered must comply in all respects to the requirements of the SABS/SANS compulsory specifications applicable to the vehicle category concerned.

1.5. The braking system of the vehicle supplied must meet all applicable SABS/SANS requirements. (An ABS breaking system is preferred).

1.6. The vehicle supplied must have 4 wheel drive capabilities.

1.7. Vehicle Colour: Red

1.8. Sign writing shall be instructed by the end user and shall include specific striping.

1.9. The vehicle must be registered and licensed in the name of the Frances Baard District Municipality before the delivery of it.

2. DESIGN AND CONSTRUCTION

The manufacture of the unit shall be in accordance with the requirements outlined in this document and shall comply with the following:

2.1. Chassis and Cab Assembly

2.1.1. Vehicle Cab: An extended double cab is required capable of housing the driver and a crew of minimum five.

- 2.1.2. Access to the vehicle, for the driver, and the crew shall be unobstructed and as large as possible with wide opening forward hung doors.
- 2.1.3. The cab shall be of metal construction. Some covers or design parts may be manufactured from other material.
- 2.1.4 The driver's seat shall be adjustable for driver's comfort. All seats shall be upholstered.
- 2.1.5. The cab's side windows shall be manually or electrically operated from inside the cab. (All glass shall be safety glass).
- 2.1.6. The interior shall be well ventilated with windows that can be opened.

3. SUPERSTRUCTURE

The manufacture and mounting process carries the approval of the Original Equipment Manufacturer (OEM).

3.1. Underbody Support System

- 3.1.1. The underbody support system forms the backbone of the entire fire engine superstructure and provides extremely high compartment load ratings.
- 3.1.2. The support system consists of a 9.5mm thick steel vertical angle support bolted to the chassis frame rails.
- 3.1.3. Horizontal angles must be gusseted and welded to the bottom of the vertical angles, extending to the outside edge of the body.
- 3.1.4. An all steel superstructure frame is mounted on top of this with neoprene elastomer isolators.

3.2. Additional reinforcing for extra support

3.2.1. Aluminium Construction

- 3.2.2 Alumin category to be used: 6061T6 and 6063T6
- 3.2.3. Thickness: 6mm, 4mm, 5mm and 3mm depending on the application.
- 3.2.4. The apparatus body shall be constructed entirely of folded aluminium plates.
- 3.2.5. All horizontal walkway surfaces shall be constructed from Tread Brite aluminium fire apparatus quality diamond plate.

3.2.6. The wheel well frame shall be constructed from formed aluminium and shall be fitted with an aluminium wheel arch. Aluminium tread plate shall finish off the skirt.

3.2.7. The entire superstructure roof shall be covered with aluminium diamond plate.

3.2.8. The entire exterior body shall be completely sanded and deburred to assure a smooth finish prior to painting.

4. BODY WORK

4.1.1. The design of the vehicle shall take into consideration the need to ensure that all equipment, whether loose or fixed, will remain in a secured position during travel.

4.1.2. The vehicle shall be fitted with a fuel tank with a minimum capacity for 6 hours continuous driving.

4.1.3. The fuel cap shall be readily accessible and not higher than 1.2 metres from ground level.

4.2 Bulbar and Tow- Bar

The vehicle shall be fitted with a bulbar. The bulbar shall have mountings for a winch. A channel type tow-bar with checker plate footsteps shall be provided. An electric trailer plug shall be fitted and shall be wired in accordance with SABS 1327 (1981) specification.

4.3 Electric Winch

4.3.1. A front mounted electric winch of a suitable size and 30 m cable for self-recovery of the vehicle.

4.3.2. The winch shall have a minimum single line pulling rate of 35 kN.

4.3.3. The winch cable shall be of the type and size recommended by the winch manufacturer.

4.3.4. The cable assembly, including all hardware such as clevises, hooks and snatch blocks provided for attachment to the winch, shall have a breaking strength greater than the line pull capacity of the winch.

4.3.5. Control of the electric motor shall be by means of a handheld switch with forward, neutral and reverse positions.

4.3.6. The switch shall be located at the end of a minimum 10 m electric cord that plugs into receptacle near the winch location.

4.4. Doors

All doors shall be lockable

4.5. Rub rail

The body shall have a body side protection rub rail along the length of the body on each side and at the rear. The rub rail shall be constructed of aluminium extrusion. The rub rail shall extend beyond the body width to protect compartment doors and the body side.

4.6. Access Steps

Access steps shall be provided on the offside of the vehicle. These steps shall be recessed into the fire superstructure. The steps shall be positioned directly behind the crew cab.

4.7. Handrails

Access handrails shall be provided at all step positions. All body handrails shall be constructed of maintenance free, corrosion resistant, extruded aluminium.

4.8. Storage Compartments

4.8.1. Four (4) equipment lockers must be provided in total.

4.8.2. Two (2) full height compartments must be positioned directly behind the cab, one (1) each side of the vehicle.

4.8.3. Two (2) shelves must be provided in this compartment equipped with vertically mounted tracks for height adjustment of the shelves.

4.8.4 The tracks must be of extruded aluminium and attached to the side walls with rivets.

4.8.5. Each shelf must be constructed of 4.7 mm smooth aluminium plate. The shelves must have bi-directional rigidity (side to side and front to back) and one-piece construction.

4.8.6. Each shelf must hold a maximum load of 45 kilograms.

4.8.8. Two (2) compartments must be positioned directly over the rear wheel arch, one (1) each side of the vehicle.

4.8.4. One (1) shelf must be provided in this compartment equipped with vertically mounted tracks for height adjustment of the shelves.

4.8.9. The tracks shall be of extruded aluminium and attached to the side walls with rivets.

4.8.10. Each shelf shall be constructed of 4.7 mm smooth aluminium plate.

4.8.11. The shelves shall have bi-directional rigidity (side to side and front to back) and one-piece construction. Each shelf shall hold a maximum load of 45 kilograms.

4.8.12. All body compartments shall be constructed from welded aluminium alloy plate.

4.8.13. Each compartment shall be modular in design and shall not be a part of the body support structure.

4.8.14. Compartment floors shall be constructed of aluminium fire apparatus quality smooth plate welded in place and shall be supported by aluminium extrusions.

4.8.15. A drain hole shall be provided in each compartment floor.

4.8.16 A grommet shall be fitted around all electrical wiring to prevent the ingress of dust.

4.8.17. An anodized aluminium drip rail shall be mounted over each compartment opening to assist with water runoff.

4.9. Roll-Up Doors

4.9.1. The side compartments shall be fitted with roll up doors.

4.9.2. The door slats shall be double wall box frame and manufactured from anodized

aluminium.

4.9.3. The slats shall have interlocking end shoes on each slat.

4.9.4. The slats shall have interlocking joints with a PVC/vinyl inner seal to prevent any metal to metal contact and inhibit moisture and dust penetration.

4.9.5. The track shall be anodized aluminium with a finishing flange incorporated to provide a finished look around the perimeter of the door without additional trim or caulking.

4.9.6. The track shall have a replaceable side seal to prevent water and dust from entering the compartment.

4.9.7. The doors shall be counterbalanced for ease in operation. A full width latch bar shall be operable with one hand, even with heavy gloves.

4.9.8. Securing method shall be a positive latch device.

4.9.10. The doors shall be fitted with a micro switch that shall energize a red warning lamp in the cab when the door is not in a fully closed position.

4.9.11. All roll-up doors shall be provided with a locking mechanism and (2) keys for the side compartment doors.

4.10. LADDER RACK

The vehicle must be supplied with a ladder rack.

5. WATER TANK

5.1. The booster tank shall be rectangular in configuration and shall have a minimum capacity of 2,500 litres. Manufactured by Polimatrix SA, the entire tank is constructed from welded 12mm polypropylene sheets.

5.2. The tanks are designed in accordance with recognized international standards and 3rd party verification is required on all designs.

5.3. Baffles shall be in the form of baffle balls which shall protect against any water surge during travel mode, irrespective of the volume of the content within the water tank.

5.4. The baffle design shall be such as to ensure that it occupies less than 1% of the tank content.

5.5. The baffle shall ensure a free flow of 98% of the tank contents during pumping operations.

5.6. The tank overflow shall be 100mm diameter and shall dump behind the rear wheels to permit maximum traction.

5.7. There shall be two (2) standard tank openings; one for the tank to pump suction line with an anti-swirl plate and one for a tank fill/drain line.

5.8. The tank shall be mounted on hard rubber cushions to isolate the tank from road shock and vibration.

5.9. The tank shall be completely removable without disturbing or dismounting the apparatus body structure.

5.1.1. Water Tank Level Gauge

There shall be an electronic level gauge supplied which shall monitor the water tank content.

5.1.2. Tank Fill

A 65mm hydrant direct tank fill valve with control shall be installed at the rear. The tank fill shall be fitted with a 65mm ball valve.

5.1.3. Tank-To-Pump Suction-Pneumatic

One (1) pneumatically operated 100mm valve shall be installed between the pump/s suction/s and the booster tank in order to pump water from the tank.

All fabricated piping shall be stainless steel for superior corrosion resistance and decreased friction loss.

6. PUMP SYSTEM

The pump provided shall be a rear mounted and must be two-stage

centrifugal pump featuring low and high pressure impellers on a stainless steel shaft.

- Maximum flow – Low pressure:
- 3 400 l/min
- Maximum pressure – Low pressure:17 bar
- Maximum flow – High pressure: 70/min
- Maximum pressure – High pressure: 54.5 bar
- Clockwise rotation when viewing pump drive flange

Twin automatic piston primer with electromagnetic clutch

- 1410 drive flange
- 6-way manifold with rear blanks for OEM use
- Manual HP-LP changeover
- 4" BSRT suction tube with 25° droop
- Thermal relief valve – 42/74° available
 - HP outlet – twin side-facing 1" BSP
 - 4 x UK 2.5" instantaneous screw-down delivery valves
 - Integral mounting base with drains
 - RTP foam proportioning system
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6.1. Pressure Relief Valve

The pump shall be equipped with an automatic pressure control device.

6.2. Priming System

The pump shall be supplied with a priming device.

6.3. Pump Shift

The pump shall be driven from a PTO fitted to the transmission.

7. FOAM TANK

A 150 liter foam tank shall be integrated into the water tank. The following openings shall be provided on the Foam tank.

- Top filler opening
- Drain line

Tank to pump line

8. Auxiliary Engine Cooler

An engine cooler used to lower engine water temperature during prolonged pumping operations and controlled at the pump operator and panel shall be provided. The engine cooler shall be installed in the engine coolant system in

9. Gauge and Control System

The following gauges and controls shall be provided and fitted to the pump control panel:

- One (1), 76mm master suction and one (1) 76mm master discharge gauge shall be pump panel mounted.
- These compound gauges shall be liquid filled.
- One (1) high pressure gauge for use with the booster hose reels.
- One (1) Tachometer - connected to the vehicle engine to monitor revolutions per minute.
- One (1) Oil pressure gauge - to monitor engine oil pressure
- One (1) Water temperature gauge - to monitor the water temperature of the engine
- One (1) Voltmeter
- One (1) Hour meter
- One (1) electronic throttle shall be mounted on the pump operator's panel and shall be used to control the engine RPM. An emergency shutdown button shall be provided to immediately shut the engine down in the

event of an emergency.

- One (1) pneumatic switch to operate the tank top pump valve
- One (1) “PTO engaged” light
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10. Discharge Manifold

The pump discharge manifold shall be fitted with three (3) 65mm screw down type deliveries, fitted with 65mm female instantaneous outlets with blank cap and chain and two (2) 25mm booster hose reel discharge connections.

11. Hose Reels

11.1. Two (2) all aluminium manual rewind hose reels, each complete with 30m x 25 mm high pressure hose, terminating in a TFT Quadra fog nozzle shall be capable of handling pressures up to 4800 kPa and must have a selectable flow rate of 50-95-150-230 l/min.

11.2. The nozzle shall be adjustable from straight stream to full fog.

11.3. The reels shall be fitted, one left, one right onto the pump platform. The reels shall be coupled to the high pressure side of the pump.

11.4. Each reel shall be supplied with chrome guide rollers to allow for ease of rewinding and to protect the superstructure and paint work when using the hose on the reel.

11.5. The hose reel shall be supplied with an automatic braking device. All high pressure couplings shall be hermaphrodite couplings.

12. Hard Suction Racks

Two (2) hard suction racks to hold 2 x 3m section of 150mm hard suction hose constructed of extruded aluminium shall be provided. Hose shall be secured by spring mounted latch handles.

12.1. Hard Suction Hoses

Two (2) x 3m hard suction hoses, complete with 150mm RT aluminium couplings, must be supplied.

12.2. Suction Wrenches

One (1) pair of suction wrenches must be provided.

12.3. Suction Strainer

One (1) aluminium suction strainer must be provided.

12.4. Two Way Collecting Head

One (1), two way collecting head must be supplied and fitted to the suction side of the pump

13. ELECTRICAL SYSTEM

13.1.1 All electrical equipment installed by the apparatus manufacturer must conform to current automotive electrical system standard.

13.1.2. All exposed wiring must run in a loom. All wiring looms must be properly supported and attached to body members along the entire run.

13.1.3. At any point where wire or looms must pass through metal, rubber grommets shall be installed to protect the wire from abrasion.

13.1.4. Electrical connections in exposed areas shall be protected by weather proof connections.

13.1.5. All circuits must be protected with automatic reset circuit breakers.

13.1.6. All electrical equipment switches shall be mounted on a switch panel mounted in the cab convenient to the operator.

13.1.7. Light switches shall be of the rocker type with integral indicator light to show when the circuit is energized.

13.1.8. All switches shall be appropriately identified as to function.

13.2. Cab and Body Lighting

13.2.1. Clearance lights and reflectors must include two (2) red clearance lights, four (4) red rectangular reflectors, two (2) amber rectangular reflectors, and three (3) red marker lights centered at the rear step, recessed in the rub-rail.

13.2.2. A rectangular shaped marker light with an amber coloured lens must be installed on either side of the apparatus body, recessed in the rub-rail at the front of the body.

13.2.3. The marker light shall be wired to the turn indicator.

13.2.4. A rectangular shaped marker light with a red coloured lens shall be installed at the trailing edge on either side of the apparatus body, recessed in the rub-rail.

13.2.5. The standard truck light package shall be fitted to the super structure.

13.2.6. A license plate light shall be installed on the rear of the vehicle.

13.3. Compartment Lighting

13.3.1. There must be one LED light stream fitted to each body compartment.

13.3.2. Each light must be in a resilient shock-absorbent mount.

13.3.3. There unit must be supplied with a compartment light with a switch installed to illuminate the pump area for service.

13.4. Step Lights

13.4.1. The apparatus shall have sufficient lights to properly illuminate the work areas, steps, walkways and ground areas around the apparatus.

13.4.2. Areas under the driver and crew area exits shall be activated automatically when the exit doors are opened.

13.4.3. Ground area lights must be switched from the cab dash with the work light switch.

13.5.Pump Panel Lights

Three (3) working lights must be provided above the pump panel to illuminate the working area during pumping operations.

13.5.1. Deck Lights

Two (2) 150mm 12-volt deck lights shall be installed at the rear of the apparatus. Each light shall be manually operated at the light.

14. Electronic Siren

A 100W siren system must be provided and mounted inside the cab within easy access of the officer. The system offers the following features:

- Compact, feature-packed, high powered
- Automatic selection of emergency lights when any tone is selected.
- Wail and Yelp siren tones as defined in the Road Traffic Act with Stenner tone for intersections.
- Air horn tone activated by hooter button when no siren tone is selected.
- Siren sound pressure level with HD110R driver system exceeds 123dB. and P.A. level exceeds 115dB.
- PTT switch on microphone allows for siren tone over-ride when selected.

14.1. Rotating Beacons, Rear Mounted

Two (2) rotating beacons must be fitted at the rear of the fire unit. A stainless steel wire mesh shall be mounted over the rotator to protect the unit when traveling off road.

14.2. Speaker

A light bar mounted 100 watt speaker for use with the electronic siren shall be installed.

14.3. Light Bar

A LED light bar shall be fitted on the cab roof. The static and rotating lights shall have red lenses.

15 MANUALS

The following manuals must be provided with delivery of each vehicle:

- Operator's manuals of all major components
- Individual service book (One only)
- Maintenance manual of all major components
- Spare parts manuals
- Pump test certificate according to either NFPA or EN standards shall be provided at delivery.
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15.1. Training

- Training must be provided free of charge, on-site for 3 - 6 personnel members by professionals and will be based on the following:
- Driving Techniques
- Fire Fighter Safety
- Operating Instructions
- Water Supply Systems
- Pumping Operations & Techniques
- Basic Vehicle Care & Preventative Maintenance
- Basic Equipment Care & Preventative Maintenance
- Basic Vehicle & Equipment Specifications

BID ADJUDICATION CRITERIA

The evaluation of this Bid will be conducted in the following Two stages.

Firstly, the specifications of the product offered will be verified. A proposal will be disqualified if it fails to meet the minimum specification as required in the bid

specification. Therefore the catalogue / brochure for the Medium Pumper Fire Fighting Vehicle must be submitted in order for functionality to be conducted.

Thereafter, only those qualified bids will be evaluated in terms of the 90/10 preference points systems, where the 90 will be used for Price **ONLY** and the 10 for B-BBEE Status Level of Contribution

Functionality Criteria

Criteria to be used for Functionality (see attached Functionality Evaluation Criteria Checklist).

CRITERIA
Specifications of the product offered will be verified

NB: The catalogue / brochure for the Medium Pumper Fire Fighting Vehicle must be submitted in order for functionality to be conducted.

NB: Proposal will be disqualified if it fails to meet the minimum specification as required in the bid specification

Evaluations Criteria (Price)

Only fixed prices for all deliverables will be accepted. The price should be inclusive of VAT.

Price	90
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Points awarded for B-BBEE Status Level of Contribution (10 points)

B-BBEE Status Level of Contributor	Number of Points (80/20 system)
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

NB: In order to claim for these points, Bidders are required to submit an original and valid B-BBEE Status level Verification Certificates or certified copies thereof together with their bids to substantiate their B-BBEE rating claims (see MBD 6.1 section 5).

STATUTORY AND GENERAL

The following conditions will apply:

- Price quoted must be valid for ninety (90) days from date of your offer.
- Price quoted must be firm and must be inclusive of VAT.
- A firm delivery period must be indicated.
- This Proposal will be evaluated in terms of the 90/10 preference point system as prescribed in the Preferential Procurement Regulations, 2011 pertaining to the PPPF Act (No 5 of 2000) and Supply Chain Management of Frances Baard District Municipality (NB: MDB forms are obtainable at FBDM Office during working hours as well as on the FBDM

Website: www.francesbaard.gov.za):

- MBD 1 Invitation to Bid
- MBD 2 Application for tax clearance certificate (**Original Valid Tax Certificate Tender**)
- MDB 3.3 Pricing Schedules
- MBD 4 Declaration of Interest
- MBD 6.1 Preference claim in terms of the Preferential Procurement Regulations
- MBD 6.10 RDP Goal (local business)
- MBD 7.2 Contract Form
- MBD 8 Past Supply Chain management Practice
- MBD 9 Certificate of Independent Bid Determination

DISQUALIFICATIONS

- **All bids that do not submit a Tax Clearance Certificate (Valid Tax Certificate Tender)**
- **Price quotation must be firm, fixed and VAT Inclusive (delivery date must be indicated).**
- **Proposals with no Catalogue / Brochure will be disqualified.**
- **All bids that are received late will be disqualified.**
- **All bids that are faxed e-mailed or telegraph will be disqualified.**
- **Failure to complete all required bid documents**
- **Terms and conditions that are not within this bid documents specifications**

Frances Baard District Municipality reserves the right to accept a portion of a tender, and the lowest and/or any tender will not necessarily have to be accepted

The closing date for submissions is 10 February 2012 at 12h00. Proposals should be clearly marked: BID: 15/11 SUPPLY AND DELIVERY MEDIUM PUMPER FIRE FIGHTING VEHICLE and must be submitted to The Municipal Manager, Frances Baard District Municipality, Private Bag X6088 Kimberly, 8300, or hand delivered to the Frances Baard District Offices, 51 Drankensberg Avenue, Carters Glen, Kimberley. For bid document enquiries, please contact the Supply Chain Management (Mr. E. Tlhageng) Unit at 053 - 838 0946; for technical assistance Mr. C. Jones at 053 838 0911

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE FRANCES BAARD DISTRICT MUNICIPALITY

BID: 15/11

CLOSING DATE: 10 FEBRUARY 2012

CLOSING TIME: 12:00

DESCRIPTION: SUPPLY AND DELIVERY THE MEDIUM PUMPER FIRE FIGHTING VEHICLE

The successful bidder will be required to fill in and sign a written Contract Form (MBD 7).

BID DOCUMENTS MAY BE POSTED TO: THE MUNICIPAL MANAGER
FRANCES BAARD DISTRICT MUNICIPALITY
PRIVATE BAG X6088
KIMBERLEY 8300

OR

DEPOSITED IN THE BID BOX SITUATED AT (*STREET ADDRESS*): 51 DRAKENSBERG AVENUE
CARTERS GLEN
KIMBERLEY

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is generally open 24 hours a day, 7 days a week.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)

**THE FOLLOWING PARTICULARS MUST BE FURNISHED
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)**

NAME OF BIDDER

POSTAL ADDRESS

STREET ADDRESS

TELEPHONE NUMBER CODE.....NUMBER.....

CELLPHONE NUMBER

FACSIMILE NUMBER CODENUMBER.....

E-MAIL ADDRESS

VAT REGISTRATION NUMBER

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE (Tender) BEEN ATTACHED? (MBD 2) YES/NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1) YES/NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)

A REGISTERED AUDITOR

(Tick applicable box)

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)

ARE YOU THE ACCREDITED REPRESENTATIVE
IN SOUTH AFRICA FOR THE GOODS/SERVICES/WORKS OFFERED ?

YES/NO
(IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER

DATE

CAPACITY UNDER WHICH THIS BID IS SIGNED

TOTAL BID PRICE..... TOTAL NUMBER OF ITEMS OFFERED

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Municipality / Municipal Entity: Frances Baard District Municipality
Department: Supply Chain Management Unit
Contact Person: Mr. P. Souden or Mr. E. Tlhageng
Tel: 053 838 0911
Fax: 053 861 1538

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Contact Person: Mr. C. Jones
Tel: 053 838 0911
Fax: 053 861 1538

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.



Application for a Tax Clearance Certificate

Purpose

Select the applicable optionTenders Good standing

If "Good standing", please state the purpose of this application

Two empty text input boxes for stating the purpose of the application.

Particulars of applicant

Name/Legal name (Initials & Surname or registered name)

Trading name (if applicable)

ID/Passport no Company/Close Corp. registered no

Income Tax ref no PAYE ref no

VAT registration no SDL ref no

Customs code UIF ref no

Telephone no Fax no

E-mail address

Physical address

Postal address

Particulars of representative (Public Officer/Trustee/Partner)

Surname

First names

ID/Passport no Income Tax ref no

Telephone no Fax no

E-mail address

Physical address

Particulars of tender (If applicable)

Tender number

Estimated Tender amount R ,

Expected duration of the tender year(s)

Particulars of the 3 largest contracts previously awarded

Date started	Date finalised	Principal	Contact person	Telephone number	Amount
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Audit

Are you currently aware of any Audit investigation against you/the company? YES NO

If "YES" provide details

Appointment of representative/agent (Power of Attorney)

I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding.

I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

- -

Date

Name of representative/agent

agent

Declaration

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer

- -

Date

Name of applicant/Public Officer

Notes:

- It is a serious offence to make a false declaration.
- Section 75 of the Income Tax Act, 1962, states: Any person who
 - fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - without just cause shown by him, refuses or neglects to-
 - furnish, produce or make available any information, documents or things;
 - reply to or answer truly and fully, any questions put to him ...
 As and when required in terms of this Act ... shall be guilty of an offence ...
- SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
- Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

**PRICING SCHEDULE – FIRM PRICES
(PURCHASES)**

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder:	Bid: 15/11
Closing Time: 12:00	On: 10 February 2012

OFFER TO BE VALID FOR (90) DAYS FROM THE CLOSING DATE OF BID.

DESCRIPTION	QUANTITY	TOTAL AMOUNT
MEDIUM PUMPER FIRE FIGHTING VEHICLE	1	R.....

NB: Proposals with no Catalogue / Brochure will be disqualified

-
- Does offer comply with specification? *YES/NO
 - If not to specification, indicate deviation(s)
 - Period required for delivery
*Delivery: Firm/not firm
 - Delivery basis (all delivery costs must be included in the bid price)

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

*Delete if not applicable

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state*.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.

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

3.1 Full Name:

3.2 Identity Number:

3.3 Company Registration Number:

3.4 Tax Reference Number:

3.5 VAT Registration Number:

3.6 Are you presently in the service of the state* YES / NO

3.6.1 If so, furnish particulars.

.....
.....

3.7 Have you been in the service of the state for the past twelve months? YES / NO

3.7.1 If so, furnish particulars.

.....
.....

* MSCM Regulations: "in the service of the state" means to be –

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of 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);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

3.8 Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? YES / NO

3.8.1 If so, furnish particulars.

.....
.....

3.9 Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? YES / NO

3.9.1 If so, furnish particulars

.....
.....

3.10 Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state? YES / NO

3.10.1 If so, furnish particulars.

.....
.....

3.11 Are any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in service of the state? YES / NO

3.11.1 If so, furnish particulars.

.....
.....

CERTIFICATION

I, THE UNDERSIGNED (NAME)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

CONTRACT FORM - PURCHASE OF GOODS/WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution)..... in accordance with the requirements and 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 time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Technical Specification(s);
 - 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;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. 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 goods and/or works 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.
4. 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.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2.
DATE:

CONTRACT FORM - PURCHASE OF GOODS/WORKS

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity as..... accept your bid under reference numberdated.....for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

2.

DATE

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities 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 rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 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 <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>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)?</p> <p>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.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other 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"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME)
CERTIFY THAT THE INFORMATION FURNISHED ON THIS
DECLARATION FORM 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

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ 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).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

- 4 This MBD 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 (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² 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 Municipality / Municipal Entity)

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 consortium³ 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.

³ 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

Js9141w 4

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011

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, 2011.

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 R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed R1 000 000 (all applicable taxes included) and therefore the 90/10 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

	POINTS
1.3.1.1 PRICE	90
1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION	10
Total points for Price and B-BBEE must not exceed	100

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.5 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

2.1 “**all applicable taxes**” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

2.2 “**B-BBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

2.3 “**B-BBEE status level of contributor**” means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic

Empowerment Act;

- 2.4 **“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 services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 **“consortium or joint venture”** 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;
- 2.8 **“contract”** Error! Bookmark not defined. means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 **“EME”** means any enterprise with an annual total revenue of R5 million or less .
- 2.10 **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 **“functionality”** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 **“non-firm prices”** means all prices other than “firm” prices;
- 2.13 **“person”** includes a juristic person;
- 2.14 **“rand value”** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid

must be the one scoring the highest number of preference points for B-BBEE.

- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

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

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid

5. Points awarded for B-BBEE Status Level of Contribution

- 5.1 In terms of Regulation 5 (2) and 6 (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-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a

Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA’s approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.

- 5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 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 bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

7.1 B-BBEE Status Level of Contribution: =(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

8 SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 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? YES / NO (delete which is not applicable)

9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of firm :.....

9.2 VAT registration number :

9.3 Company registration number

:

9.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

9.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

9.7 MUNICIPAL INFORMATION

Municipality where business is situated

Registered Account Number

Stand Number

9.8 TOTAL NUMBER OF YEARS THE COMPANY/FIRM HAS BEEN IN BUSINESS?

.....

9.9 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 contribution indicated in paragraph 7 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 paragraph 7, 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 contribution 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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, 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.

.....
SIGNATURE(S) OF BIDDER(S)

2.

DATE:.....

ADDRESS:.....

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

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

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.

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

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

obligations of the supplier covered under the contract.

1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security

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

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or

analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

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

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

10. Delivery and documents

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any

person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

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

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

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

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which

may be due to him

25. Force Majeure

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) 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
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 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.
- 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 Programme (NIP)** 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.