

Block A | 4th Floor | Meintjiesplein Building | 536 Francis Baard Street | Arcadla | 0002 Private Bag X935 | Pretoria | 0001 Tel: 012 341 1115 | Fax: 012 341 1811/1911 http://www.namc.co.za

INVITATION TO TENDER

Bid number: NAMC032/01/2018

Internal Audit Service

The National Agricultural Marketing Council (NAMC) is a statutory body established in terms of the Marketing of Agricultural Products Act, 1996. The main function of the council is to advice the Minister of Agriculture Forestry and Fisheries on issues relating to the marketing of agricultural products.

Section 51(1) (a) (ii) of the Public Finance Management Act: No. 1 of 1999 (PFMA) states that an accounting authority for a public entity must ensure that, that public entity has and maintains a system of internal audit under the control and direction of an audit committee complying with and operating in accordance section 27.2.2 with regulations. Its role and functions are explained under sections 27.2.5 up to 27.2.11 of the Treasury Regulations.

SCOPE OF WORK

The NAMC invites tenders from reputable consulting firms for the provision of internal audit services for a three-year period, commencing on the 2018/2019 up to 2020/2021 financial years.

- a) The successful bidder will be required to perform, inter alia, the following types of internal audits (only list the applicable items):
 - Risk based audits (this includes, but are not limited to, audits on the Financial, Human Resource and Supply Chain Management processes);
 - Compliance audits;
 - Performance audits;
 - Audits on predetermined objectives (performance information);
 - Information Technology (IT) audits; and
 - Ad hoc project and consulting services as requested by management and /or the Audit Committee such as forensic auditing, risk management and the like.

- b) The scope of internal audit work entails testing and evaluating the adequacy and effectiveness of the organization's systems of internal control and to make recommendations where applicable. The controls subject to evaluation should encompass the following:
 - i. includes, but is not limited to: Annual review and update the Internal Audit Charter and Audit Committee Charter.
 - ii. Review and update where necessary the current and existing NAMC risk management strategy.
 - iii. Establishment of a rolling three-year strategic and annual internal audit plan based on the results of the risk review and the execution of audits in accordance with these plans.
 - Review the reliability and integrity of financial and operating information and the means used to identify measure, classify and report such information.
 - Review the systems established by management to ensure compliance with those policies, laws, regulations and controls that could have a significant impact on operations and determine whether the department is in compliance with Public Finance Management Act of 1999 and other relevant legislation that governs the department/entity/municipality.
 - Reviewing the means of safeguarding assets and verifying the existence of assets.
 - Appraising the economy, effectiveness and efficiency with which resources are employed and identifying opportunities to improve operating performance.
 - Reviewing operations or programmes to ascertain whether the results are consistent with established objectives or goals and whether the operations or programs are being carried out as planned.
- iv. Develop a rolling three-year strategic and annual internal audit plan based on the results of the risk review and the execution of audits in accordance with these plans.
- v. Liaise with the external auditors to prevent duplication of work and share information to obtain efficiencies.
- vi. Submit reports to the audit committee for the duration of the contract. The successful bidder will be required (i) To report on progress of the work against the approved Annual Internal Audit Plan to the Audit Committee at all Audit Committee meetings (ii) To attend a strategic workshop to obtain knowledge of the procedures of the department. Exact dates of possible submission deadlines will be arranged with the successful bidder.

- vii. Develop / update the Internal Audit Charter that contains the purpose, authority, and responsibility of the internal audit activity. The Internal Audit Charter must be consistent with the Definition of Internal Auditing, the Code of the Ethics, and the Standards.
- viii. In an outsourced contract, the service provider will use their own methodology and the department will have to make arrangements with the audit firm for retention of the audit methodology.
- c) Execution of audit assignments will be as follows:
 - Assignments are to be performed in accordance with the International Standards for the Professional Practice of Internal Auditing (Standards).
 Compliance with the IIA Standards will be evaluated through conducting External Quality Assurance Review undertaken by the NAMC.
 - ii. The execution of each assignment shall be in accordance with the Annual Internal Audit Plan.
 - iii. In carrying out the work, the successful bidder must ensure its staff maintains their objectivity by remaining independent of the activities they audit.

(e) Location of services

The required service of internal audit will be rendered at NAMC's offices situated at 536 Francis Baard Street in Pretoria.

TECHNICAL REQUIREMENTS

Thorough research must be conducted for benchmarking purposes and estimation of overall hours by the organization inviting tenders, the overall hours should be the basis for evaluation of the following in the bidding process:

- a) Explanation of the approach to performing an internal audit, including the audit methodology, nature, timing and extent of audit procedures to be performed;
- b) Demonstration of experience and expertise of internal auditing in the public sector. Providing an activity plan (project plan) of actions to achieve the objectives of the internal audit function, specifying budgeted hours, timelines and sequence for its audit procedure and level of staff to be assigned.

- c) Incorporating CV's of the proposed professional staff of the core management team proposed for the engagement and the authorized representative submitting the proposal. Key information should include the position of the individual in the company, the role that the individual will have in the engagement, number of years' experience, all tertiary and professional qualifications, professional memberships, experience, and degree of responsibility held in various assignments during the last three (3) years. CVs must be maximum one (1) page per staff member.
- d) Proof of experience in performing internal audit services. List current and past public sector internal audit clients along with the name of the organization, contact person, designation, contact number, nature of the internal audit service (outsourced / co-sourced) and length of the appointment for at least three (3) public sector organisations where you have rendered internal audits services in the last three (3) years.
- e) Proposals must remain valid from the submission date. NAMC will make its best effort to complete negotiations within this period. If the Proposal validity period of 90 days is extended, bidders have the right to withdraw their Proposals.

CONTRACT MANAGEMENT

- a) Delivery of the goods and services shall be made by the supplier in accordance with the terms specified in the service level agreement. The details of shipping and/or other documents to be furnished by the supplier are specified in General Conditions of Contract (GCC).
- b) Ongoing reviews based on either terms of reference or any other resolutions that have been passed by management should be conducted by NAMC on services rendered.

NAMC will allocate fictitious hours to the above activities and use the average rate to calculate a ceiling price for the 3 -year contract period. The ceiling price will be used for evaluation purposes only.

The nature and number of audit activities to be conducted on an annual basis will be decided when compiling the Annual Internal Audit Plan and the above indicated rates will be used to calculate the service provider's budget for the specific year.

Disbursements

The bid documentations will be made available to bidders free of charge.

Submissions requirements

No tender will be evaluated for approval without the following documents:

- Application forms to be registered on NAMC database
- Original Tax Clearance Certificate
- Original BEE certificate or certified copy
- Central Supplier Database (CSD) Summary Report
- SBD documents can be obtained from NAMC website at <u>www.namc.co.za</u> or at NAMC offices). Kindly provide 4 copies of proposals and one should be the original.

A document with terms of reference can be obtained from NAMC website (www.namc.co.za) or for collection between office hours: 08h00 to 16h00 Monday-Friday at the attached address.

Applications/submission should be addressed to the:

Chief Executive Officer

National Agricultural Marketing Council

Private Bag x935

Pretoria

0001

Or

Old Mutual Building, Block A, 4th Floor, 536 Francis Baard Street, Meintjiesplein, Arcadia, Pretoria 0001.

On or before 23 February 2018 at 11h00am, enquires can be directed to:

Sarah Netili at (012) 341 1115/ (012) 400 9733

Email address: sarah@namc.co.za



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TERMS OF REFERENCE FOR THE PROVISION OF INTERNAL AUDIT SERVICES FOR A PERIOD OF THREE YEARS FOR THE NATIONAL AGRICULTURAL MARKETING COUNCIL

BID-NUMBER: NAMC032/01/2018

DUE DATE 23 February 2018

The National Agricultural Marketing Council (NAMC) is a statutory body established in terms of the Marketing of Agricultural Products Act, 1996. The main function of the council is to advice the Minister of Agriculture Forestry and Fisheries on issues relating to the marketing of agricultural products.

Section 51(1) (a) (ii) of the Public Finance Management Act: No. 1 of 1999 (PFMA) states that an accounting authority for a public entity must ensure that, that public entity has and maintains a system of internal audit under the control and direction of an audit committee complying with and operating in accordance section 27.2.2 with regulations. Its role and functions are explained under sections 27.2.5 up to 27.2.11 of the Treasury Regulations.

SCOPE OF WORK

The NAMC invites tenders from reputable consulting firms for the provision of internal audit services for a three-year period, commencing on the 2015/2016 up to 2017/2018 financial years.

- a) The successful bidder will be required to perform, inter alia, the following types of internal audits (only list the applicable items):
 - Risk based audits (this includes, but are not limited to, audits on the Financial, Human Resource and Supply Chain Management processes);
 - Compliance audits;

Council Members: Prof P.K. Chauke (Chairperson), Mr. H. Prinsloo (Deputy Chairperson), Mr. S. Faku, Ms. F. Mkile, Mr. H. Mohane, Mr. B. Mokgatle, Ms. N. Mokose, Prof. D. Rangaka, Mr. G. Schutte, Mr. Z. Wapi

- Performance audits:
- Audits on predetermined objectives (performance information);
- Information Technology (IT) audits; and
- Ad hoc project and consulting services as requested by management and /or the Audit Committee such as forensic auditing, risk management and the like.
- b) The scope of internal audit work entails testing and evaluating the adequacy and effectiveness of the organization's systems of internal control and to make recommendations where applicable. The controls subject to evaluation should encompass the following, but is not limited to:
 - i. Review the effectiveness and efficiency of the risk management process.
 - ii. Review and update where necessary the current and existing NAMC risk management strategy.
- iii. Appraising the economy, effectiveness and efficiency with which resources are employed and identifying opportunities to improve operating performance.
- iv. Review the reliability and integrity of financial and operating information and the means used to identify measure, classify and report such information.
- v. Review the systems established by management to ensure compliance with those policies, laws, regulations and controls that could have a significant impact on operations and determine whether the entity is in compliance with Public Finance Management Act No 1 of 1999 and other relevant legislation that governs the entity.
- vi. Ensure that the entity adheres to the corporate governance requirements as prescribed by King III report.
- vii. Reviewing operations or programmes to ascertain whether the results are consistent with established objectives or goals and whether the operations or programs are being carried out as planned.
- viii. Develop a rolling three-year strategic and annual internal audit plan based on the results of the risk review and the execution of audits in accordance with these plans.
- ix. Liaise with the external auditors to prevent duplication of work and share information to obtain efficiencies.
- x. Submit quarterly reports to the Audit & Risk Committee for the duration of the contract. The successful bidder will be required (i) To report on progress of the work against the approved Annual Internal Audit Plan to the Audit and Risk Committee at all Audit and Risk Committee meetings (ii) To attend a strategic workshop to obtain knowledge of the procedures of the

- department. Exact dates of possible submission deadlines will be arranged with the successful bidder.
- xi. Develop / update the Internal Audit Charter that contains the purpose, authority, and responsibility of the internal audit activity. The Internal Audit Charter must be consistent with the Definition of Internal Auditing, the Code of the Ethics, and the Standards.
- xii. Perform ad hoc requirements, as requested by Council or the Audit and Risk Committee.

c) Execution of audit assignments will be as follows:

- Assignments are to be performed in accordance with the International Standards for the Professional Practice of Internal Auditing (Standards).
 Compliance with the IIA Standards will be evaluated through conducting External Quality Assurance Review undertaken by the NAMC.
- ii. The execution of each assignment shall be in accordance with the Annual Internal Audit Plan.
- iii. In carrying out the work, the successful bidder must ensure its staff maintains their objectivity by remaining independent of the activities they audit.

(e) Location of services

The required service of internal audit will be rendered at NAMC's offices situated at 536 Francis Baard Street in Pretoria.

TECHNICAL REQUIREMENTS

Thorough research must be conducted for benchmarking purposes and estimation of overall hours by the organization inviting tenders, the overall hours should be the basis for evaluation of the following in the bidding process:

- a) Explanation of the approach to performing an internal audit, including the audit methodology, nature, timing and extent of audit procedures to be performed;
- b) Demonstration of experience and expertise of internal auditing in the public sector. Providing an activity plan (project plan) of actions to achieve the

- objectives of the internal audit function, specifying budgeted hours, timelines and sequence for its audit procedure and level of staff to be assigned.
- c) Incorporating CV's of the proposed professional staff of the core management team proposed for the engagement and the authorized representative submitting the proposal. Key information should include the position of the individual in the company, the role that the individual will have in the engagement, number of years' experience, all tertiary and professional qualifications, professional memberships, experience, and degree of responsibility held in various assignments during the last three (3) years. CVs must be maximum one (1) page per staff member.
- d) Proof of experience in performing internal audit services. List current and past public sector internal audit clients along with the name of the organization, contact person, designation, contact number, nature of the internal audit service (outsourced / co-sourced) and length of the appointment for at least three (3) public sector organisations where you have rendered internal audits services in the last three (3) years.
- e) Proposals must remain valid from the submission date. NAMC will make its best effort to complete negotiations within this period. If the Proposal validity period of 90 days is extended, bidders have the right to withdraw their Proposals.

EVALUATION CRITERIA

Proposals will be evaluated on the 80/20 preference points scoring system: that is, 80% of the points awarded will be based on price, as indicated in the table below; and 20% of the points awarded will be based on B-BBEE codes system, allocated as indicated in the table below.

B-BBEE status level of contributor	Number of points	Price
1	20	
2	18	
3	14	
4	12	
5	8	80
6	6	
7	4	
8	2	
Non-compliant contributor	0	
Total maximum points	20	20

- Proposals should make clear the <u>relevant</u> skills, experience and capacity of the participant, in respect of this particular TOR
- Proposals must contain the details of the proposed approach to be adopted in order to deliver the service in accordance with the TOR
- Proposals should clearly indicate whether or not bid participants have the internal capacity to meet the requirements of the TOR

FUNCTIONALITY EVALUATION CRITERIA

No	Description	Subdivision of Functional Criteria	Points Weighting	Total Points
1	Experience, Skills and Ability of Service Provider	Experience of service provider in the regulatory environment or public sector. (2 points for each year's experience, maximum 10 points)	10	
		Experience of service provider in Internal Audit, Governance and Risk Management. (2 points for each year's experience, maximum 10 points)	10	30
		20 minutes presentation of detailed proposal to the NAMC (Only applicable if service provider is short listed)	10	
2	Technical Approach and Methodology	Proposals must contain the details of the proposed approach to be adopted in order to deliver the service in accordance with the TOR. (These criteria will be evaluated using the format as detailed in the table below)	20	20

4	References (contactable clients that were serviced in the past 12 months)	Reference Letters with positive feedback (1 points for reference letter, maximum 5 points)	5	5
5	Project management	 Bidders must allocate a project manager for this project The proposal should contain a work plan, showing tasks, timelines Did the bidder give, submit clear proposed project timelines for the project Does the project plan cater for risk management associated with this project and mitigation strategy Project management and turn around management (Ability to Deliver on Time) 	10	10
6	Experience and	Experience of Internal Audit		
	qualification of	Partners/Directors) (1 points for each year's		
	partners, managers	experience, maximum 5	5	
	and audit staff	points)		
	• Provide a			35
	comprehensive CVs	Experience of Internal Audit Managers (2 points for each year's		
	Proposals should clearly indicate whether or not bid	experience, maximum 10 points)	10	

participants have the internal capacity to meet the requirements of the TOR)	Specialists in Performance Information.	10	
	Experience of Internal Audit Specialists in IT. (Certified Information System Auditor) 1 point for each year's experience, maximum 5 points)	5	
	(Affiliation to or membership of professional bodies)	5	
TOTAL			100
Minimum threshold for functionality			

The technical approach and methodology portion of the approach paper will be read in conjunction with the work plan.

The scoring of the approach paper will be as follows:

	Technical approach and methodology (workplan)
Poor (score less than 8)	The technical approach, methodology and/or workplan is poor / is unlikely to satisfy project objectives or requirements.
	The technical approach fails to not deal with the critical aspects of the project as outlined in the terms of reference.

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Satisfactory (score max 14)	The approach to performing an internal audit, including the audit methodology, nature, timing and extent of audit procedures to be performed are generic and not tailored for NAMC needs.
	The approach does not adequately address all the requirements as stipulated in the terms of reference.
Good (score max 18)	The approach to performing an internal audit, including the audit methodology, nature, timing and extent of audit procedures to be performed are tailored to address NAMC needs.
	The approach is flexible to accommodate possible changes that could appear during execution. The workplan is also comprehensive and easily understandable. The approach adequately addresses the requirements as stipulated in the terms of reference.
Very good (score max 20)	The approach to performing an internal audit, including the audit methodology, nature, timing and extent of audit procedures to be performed are excellent.
	The approach provides an Innovative strategy to adequately address the requirements as stipulated in the terms of reference.

Bidders are required to score a minimum of 65% points on functionality to qualify to be evaluated in the next level (HDI and price). Bidders who do not score the minimum of 65% points on functionality will be disqualified and not be evaluated on price and BBBEE

Submission requirements

No Tender will be evaluated for approval without the following documents:

- Application forms to be registered on NAMC database
- Original Tax Clearance Certificate
- Original BEE certificate or certified copy
- Central Supplier Database (CSD) Summary Report
- SBD 1, SBD 2, SBD 3, SBD 4, SBD 6.1, SBD 7.2, SBD 8, SBD 9 (Documents attached)
- General Condition of contract (Documents attached)

5. PRESENTATION BY SHORT LIST

The short-listed candidate may be required to deliver a 20 minutes presentation of their detailed proposal to the NAMC. Candidates will be advised of their specific presentation time at least **3 days** prior to the presentation date.

CONTRACT MANAGEMENT

a) Delivery of the goods and services shall be made by the supplier in accordance with the terms specified in the service level agreement. The details of shipping and/or other documents to be furnished by the supplier are specified in General Conditions of Contract (GCC). b) Ongoing reviews based on either terms of reference or any other resolutions that have been passed by management should be conducted by NAMC on services rendered.

NAMC will allocate fictitious hours to the above activities and use the average rate to calculate a ceiling price for the 3 -year contract period. The ceiling price will be used for evaluation purposes only.

The nature and number of audit activities to be conducted on an annual basis will be decided when compiling the Annual Internal Audit Plan and the above indicated rates will be used to calculate the service provider's budget for the specific year.

Disbursements

The bid documentations will be made available to bidders free of charge

Submissions requirements

A document with specific deliverables can be obtained from NAMC website (www.namc.co.za) or for collection between office hours: 08h00 to 16h00 at the attached address.

Applications/submission should be addressed to the:

National Agricultural Marketing Council

Old Mutual Building, Block A, 4th Floor

536 Francis Baard Street

Meinjiesplein

Arcadia

Pretoria

0001

OR

Chief Executive Officer

National Agricultural Marketing Council

Private Bag x935

Pretoria

001

On or before 23 February 2018 at 11h00am, enquires can be directed to:

Sarah Netili at (012) 341 1115/ (012) 400 9733

Email address: sarah@namc.co.za

Supplier of Goods and Services



Application to be listed on the National Agricultural Marketing Council's (NAMC) database for the supply of goods and services (in terms of the Preferential Procurement Act, 2000 No 5 of 2000)

NATIONAL AGRICULTURAL
MARKETING COUNCIL (NAMC)
Private Bag X935
PRETORIA
0001
Tel: 012 400 9750
Fax: 012 341 1811
E-mail: meshack@namc.ce.za

Name of Company	:		
PHYSICAL ADDRESS	:		
POSTAL ADDRESS	:		
CONTACT DETAILS			FAX :
CONTACT PERSON		***************************************	
CORE BUSINESS	:		
Names of Owners/Directors	•		
BANKING DETAILS			
NAME OF BANK		***************************************	
NAME OF BRANCH	:	*	
BRANCH CODE	:		
ACCOUNT NO	:		
TYPE OF ACCOUNT	:		
	•		
LIST OF PRODUCTS / SERVICES	;	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
RENDERED			
QUANTITY AND FREQUENCY OF	:	***************************************	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
DELIVERY			

TEAM EXPERIENCE/EXPERTISE

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EQUITY OWNERSHIP %						
B-BBEE STATUS						
IDNO						
POSITION						
NAME						

CONSORTIUM/JOINT VENTURE

IN THE EVENT THAT PREFERENCE POINTS ARE CLAIMED FOR BBBEE MEMBERS BY CONSORTIUMS/JOINT VENTURES, THE FOLLOWING INFORMATION MUST BE FURNISHED IN ORDER TO BE ENTITLED TO THE POINTS CLAIMED IN RESPECT OF THE BBBEE MEMBER

			PERCENTAGE OF THE CONTACT
	NAME (BBBEE MEMBER)		VALUE MANAGED BY BBBEE MEMBER
			ANTOT INMINISTED BY DEPARTMENT
		<u></u>	
			DOCUMENTATION
No regis	STRATION FORM WILL RE EVA	ILLIATED FOR A	PPROVAL WITHOUT THE FOLLOWING FORMS:
ITO NEGIS	THE DE LES		
(1)	ORIGINAL TAX CLEARANC	E CERTIFICATE	
- 1	CERTIFIED CK1 COMPANY		
			R FROM BANK, CANCELLED CHEQUE OR BANK STATEMENT
			MEMBER'S IDENTITY DOCUMENTS
	ORIGINAL OR CERTIFIE		
(6)			
(7)	CENTRAL SUPPLIER DATAB	AGE REFERENCI	E AND UNIQUE NUMBER
(IE ANV C	SE THESE DOCUMENTS ARE N	IOT AVAILARI F	AT THE TIME OF SUBMISSION TO THE NAMC, PLEASE SUPPLY A MOTIVATION AND
	ION DATE OF THE SPECIFIC DO		, , , , , , , , , , , , , , , , , , ,
300(4)(33	ION DATE OF THE SPECIFIC DE	OCOMENT	DECLARATION
ı			, HEREBY CERTIFY THAT ALL THE INFORMATION IS CORRECT AND TRUE.
1, ,,,,,,,,,,	***************************************		
 SIGNAT			DATE
51011711			
		<u> </u>	
	FICIAL USE ONLY:		The surrey white
i applic	ATION RECEIVED DATE:	I	Docs outstanding:

ARRANGEMENT:

ALL DOCUMENTATION RECEIVED:

RECOMMENDATION:

INVITATION TO BID

YOU ARE HEREBY INVITED TO	BID FOR REQUIREMENTS OF THE (NAME OF DEP	ARTMENT/PUBLIC ENTITY)
BID NUMBER:	CLOSING DATE:	CLOSING TIME; 11:00
DESCRIPTION	***************************************	
The successful bidder will be requ	ired to fill in and sign a written Contract Form (SBD	7).
BID DOCUMENTS MAY BE POSTE	D TO:	
OR	48	***************************************
DEPOSITED IN THE BID BOX SITU	ATED AT (STREET ADDRESS)	
***************************************	***************************************	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Bidders should ensure that bids are for consideration.	e delivered timeously to the correct address. If the bi	d is late, it will not be accepted
The bid box is generally open 24 hou	rs a day, 7 days a week.	
ALL BIDS MUST BE SUBMITTED OF	N THE OFFICIAL FORMS - (NOT TO BE RE-TYPED)	
THIS BID IS SUBJECT TO THE PREI PROCUREMENT REGULATIONS, 21 OTHER SPECIAL CONDITIONS OF	FERENTIAL PROCUREMENT POLICY FRAMEWORK / 011, THE GENERAL CONDITIONS OF CONTRACT (GO CONTRACT	ACT AND THE PREFERENTIAL CC) AND, IF APPLICABLE, ANY
	FOLLOWING PARTICULARS MUST BE FURNISHED O DO SO MAY RESULT IN YOUR BID BEING DISQU	
NAME OF BIDDER		***************************************
POSTAL ADDRESS		121441121411111111111111111111111111111
STREET ADDRESS		
TELEPHONE NUMBER	CODENUMBER	***************************************
CELLPHONE NUMBER	***************************************	
FACSIMILE NUMBER	CODENUMBER	***************************************
E-MAIL ADDRESS		
VAT REGISTRATION NUMBER	***************************************	***************************************
HAS AN ORIGINAL AND VALID TAX CLEAR	ANCE CERTIFICATE BEEN SUBMITTED? (SBD 2)	YES or NO
HAS A B-BBEE STATUS LEVEL VERIFICAT	ION CERTIFICATE BEEN SUBMITTED? (SBD 6.1)	YES or NO
F YES, WHO WAS THE CERTIFICATE ISSU	JED BY?	
AN ACCOUNTING OFICER AS CONTEMPLA A VERIFICATION AGENCY ACCREDITED B A REGISTERED AUDITOR TICK APPLICABLE BOX	ATED IN THE CLOSE CORPORATION ACT (CCA)Y THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS); ()R
(A B-BBEE STATUS LEVEL VERIF PREFERENCE POINTS FOR B-BBE	FICATION CERTIFICATE MUST BE SUBMITTED IN	ORDER TO QUALIFY FOR

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

YES or

[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 RE	GARDING	THE BIDDING PROCEDURE MAY BE DIRECTED TO	:
Department:	************	***************************************	
Contact Person:			
Tel:	*************		
Fax:			
E-mail address:	**************	***************************************	
ANY ENQUIRIES REC	GARDING 1	TECHNICAL INFORMATION MAY BE DIRECTED TO:	
Contact Person:			
Tel:	1100>>>>=	***************************************	
Fax:		***************************************	
E-mail address:			

TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

- 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.
- 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.
- 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.
- In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 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.
- 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.

Jeyrel: Widk416-SBD2 tax clearance

PRICING SCHEDULE - FIRM PRICES (PURCHASES)

NOTE:

*Delete if not applicable

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

	1	Bid number				
OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.						
NO.	QUANTITY DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)				
		® 1				
,	Required by:	***************************************				
le:	At:	101.000.000.000.000.000.000.000.000				

N.	Brand and model	***************************************				
()	Country of origin	*** *** 184****************************				
	Does the offer comply with the specification(s	*YES/NO				
	If not to specification, Indicate deviation(s)	******************************				
	Period required for delivery	*Delivery: Firm/not firm				
	Delivery basis	*************************************				
lote:	All delivery costs must be included in the bld	price, for delivery at the prescribed destination.				
* "all a	pplicable taxes" includes value- added tax, pa	IV as you eam, income tax unemployment				

PRICING SCHEDULE - NON-FIRM PRICES (PURCHASES)

NOTE:

PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

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

(Name of Bidder					
ITI	EM QUANTITY D.	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)			
-	Required by:					
1 (%) I	Brand and model Country of origin					
-	Does the offer comply with the sp		*YES/NO			
e.	If not to specification, indicate de Period required for delivery	viation(s)				
-	Delivery:		*Firm/not firm			

^{** &}quot;all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

^{*}Delete if not applicable

PRICE ADJUSTMENTS

- A NON-FIRM PRICES SUBJECT TO ESCALATION
- IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES 1.
- E

2.	IN THIS CATEGORY F	PRICE ESCALATIONS WILL ONLY I	BE CONSIDERED IN TERMS OF THE			
	Pa = (1 -	$V)Pt\left(D1\frac{R1t}{R1o}+D2\frac{R2t}{R2o}+D3\frac{R3t}{R3o}\right)$	$+D4\frac{R4t}{R4o}+VPt$			
	Where:					
	Pa = (1-V)Pt = D1, D2 =	original bid price and not an escalated price.				
	R1t, R2t ≃ R1o, R2o = VPt	100%. Index figure obtained from n factors used). Index figure at time of bidding.	new Index (depends on the number of			
3.	The following index/indices must be used to calculate your bid price:					
	Index Dated	Index Dated	Index Dated			
	Index Dated	Index Dated	Index Dated			
4.	FURNISH A BREAKDOY TOTAL OF THE VARIOU	VN OF YOUR PRICE IN TERMS OF A IS FACTORS MUST ADD UP TO 100%.	ABOVE-MENTIONED FORMULA. THE			
	(D1, D2 etc. eg.	ACTOR Labour, transport etc.)	PERCENTAGE OF BID PRICE			

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

 Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

 Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

PRICING SCHEDULE (Professional Services)

NAME O		ER:					
		11.00		LUSING DATE.	11 61 - 1 - 0 - 0 2 3 5 5 7 - 0 0 1 0 2 1 4 1 5 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.							
TEM NO		DESCRIPTION	BID F	PRICE IN RSA (CURRENCY (ES INCLUDED)		
	1.	The accompanying Information must be used for the formulation of proposals.					
	2.	Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.	R,,,,,	4 >>+114114714441914411	44241210)24412174)2446		
	3.	PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)					
	4.	PERSON AND POSITION	HOURLY RATE	. D	AILY RATE		
			R				
	60 mil State		R	Britaria			
		Officers and published the second			The second secon		
	Sierra	an and the state of the state o					
	5.	PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT	Russia hitaria arrea sona argog pe		alamaninan'i apidilike taliki ning himan nan amangga kawa aman		
			R		days		
					days		
		The second secon	R		days		
			R		days		
	5.1	Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.					
		DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT		
			***************************************		R		
			######################################	***************************************	R		
		THE PROPERTY AND ADDRESS OF THE PROPERTY OF TH	101211111111111111111111111111111111111	***************************************	R		
			E147********	*** *** ****	R		
			TOTAL: R		. 9844 20 2488 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2		

^{** &}quot;all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance contributions and skills development levies.

Bid No.:

Name of B	Bidder		*********	***********	24444444444
8	8 e	Other expenses, for example accommodation (specify, eg. Three tar hotel, bed and breakfast, telephone cost, reproduction cost, stc.). On basis of these particulars, certified involces will be checked or correctness. Proof of the expenses must accompany involces.			
	D	ESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
					R R R
			TOTAL: R		*********************
6	6. Po ac	eriod required for commencement with project after cceptance of bid	***************************************	************************	*******************************
7	7. E	stimated man-days for completion of project	9 9 4 4 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9	*********************	168548::
8	8. Ai	re the rates quoted firm for the full period of contract?			*YES/NO
9.	9. If ac	not firm for the full period, provide details of the basis on which djustments will be applied for, for example consumer price index.	***************************************	*14177117721714144442546	***************************************
			******************************	-64 141 144 104 109 165 50-244	******************
				, 24 4 2 26 7 6 2 2 2 2 2 9 9 9 9 9 9 9 9 9	
		·	** 4	&	***********************
*p	DELE	ETE IF NOT APPLICABLE			
Any enquiries re	egardir	ng bidding procedures may be directed to the -			<u> </u>
		ADDRESS OF DEPARTMENT/ENT/TY)			
		•			
Tel:					
Or for technical in	inform	nation ~			
INSERT NAME	OF C	ONTACT PERSON)			
Tel:					

DECLARATION OF INTEREST

- 1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
 - the bidder is employed by the state; and/or
 - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
- 2. in order to give effect to the above, the following questionnaire must be completed and submitted with the bid. 2.1 Full Name of bidder or his or her representative: 2.2 Identity Number: 2.3 Position occupied in the Company (director, trustee, shareholder²): 2.4 Company Registration Number: 2.5 Tax Reference Number: 2.6 VAT Registration Number: 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax
- "State" means -
 - (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);

reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3

- (b) any municipality or municipal entity:
- (c) provinciai legislature:
- (d) national Assembly or the national Council of provinces; or
- (e) Parllament.

below.

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

2.7	Are you or any person connected with the bidder presently employed by the state?	YES / NO
2.7.1	If so, furnish the following particulars:	
	Name of person / director / trustee / shareholder/ member: Name of state institution at which you or the person connected to the bidder is employed:	
	Position occupied in the state institution:	1311
	Any other particulars:	
	100 110 150 150 150 150 150 150 150 150	
2.7.2	If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?	YES / NO
2.7.2.1	If yes, did you attached proof of such authority to the bid document?	YES / NO
	(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.	
2.7.2.2	If no, furnish reasons for non-submission of such proof:	
2.8	Did you as you as you as a second the second of the second	VIII 1110
2.0	Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?	YES / NO
2.8.1	If so, furnish particulars:	

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

	2.9.1lf so, furnish particula	ars.					
	*** *** *** *** *** *** *** *** *** ***		1.134.184 1.111.14 1.141.144				
2.10	aware of any relationsh any other bidder and a	n connected with the bidde nip (family, friend, other) be ny person employed by the rith the evaluation and or a) between the state				
2.10.1	I If so, furnish particulars	x.					
	121 518001 011 110 000 280 4 12 01 1 177 1	T# LA = = = = = 1	******				
	***************************************	**************************	*****				

	Do you or any of the direct of the company have any i whether or not they are bid if so, furnish particulars:	nterest in any other related	d companies	YES/NO			
3 F	uil details of directors / tr	ustees / members / shar	eholders.				
	Full Name	Identity Number	Personal Reference	Tax Number	State Number Number	E 11	ployee Persal
_							_

4	DECLARATION	
	I, THE UNDERSIGNED (NAME)	
	I ACCEPT THAT THE STATE MA	N FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT. AY REJECT THE BID OR ACT AGAINST ME IN TERMS OF L CONDITIONS OF CONTRACT SHOULD THIS DECLARATION
	Signature	Date
	Position	Name of bidder

May 2011

This document must be signed and submitted together with your bid

THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME

INTRODUCTION

The National Industrial Participation (NIP) Programme, which is applicable to all government procurement contracts that have an imported content, became effective on the 1 September 1996. The NIP policy and guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchases / lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The industrial Participation Secretariat (IPS) of the Department of Trade and Industry (DTI) is charged with the responsibility of administering the programme.

1 PILLARS OF THE PROGRAMME

- 1.1 The NIP obligation is benchmarked on the imported content of the contract. Any contract having an imported content equal to or exceeding US\$ 10 million or other currency equivalent to US\$ 10 million will have a NiP obligation. This threshold of US\$ 10 million can be reached as follows:
 - (a) Any single contract with imported content exceeding US\$10 million.
 - (b) Multiple contracts for the same goods, works or services each with imported content exceeding US\$3 million awarded to one seller over a 2 year period which in total exceeds US\$10 million.
 - (c) A contract with a renewable option clause, where should the option be exercised the total value of the imported content will exceed US\$10 million.
 - (d) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to or exceeds US\$ 3 million worth of goods, works or services to the same government institution, which in total over a two (2) year period exceeds US\$10 million.
- 1.2 The NIP obligation applicable to suppliers in respect of sub-paragraphs 1.1 (a) to 1.1 (c) above will amount to 30 % of the imported content whilst suppliers in respect of paragraph 1.1 (d) shall incur 30% of the total NIP obligation on a *pro-rata* basis.
- 1.3 To satisfy the NIP obligation, the DTI would negotiate and conclude agreements such as investments, joint ventures, sub-contracting, licensee production, export promotion, sourcing arrangements and research and development (R&D) with partners or suppliers.

- 1.4 A period of seven years has been identified as the time frame within which to discharge the obligation.
- 2 REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY
- 2.1 In order to ensure effective implementation of the programme, successful bidders (contractors) are required to, immediately after the award of a contract that is in excess of R10 million (ten million Rands), submit details of such a contract to the DTI for reporting purposes.
- 2.2 The purpose for reporting details of contracts in excess of the amount of R10 million (ten million Rands) is to cater for multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as provided for in paragraphs 1.1.(b) to 1.1. (d) above.
- 3 BID SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF BIDDERS AND SUCCESSFUL BIDDERS (CONTRACTORS)
- 3.1 Bidders are required to sign and submit this Standard Bidding Document (SBD 5) together with the bid on the closing date and time.
- In order to accommodate multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub-paragraphs 1.1 (b) to 1.1 (d) above and to enable the DTI in determining the NIP obligation, successful bidders (contractors) are required, immediately after being officially notified about any successful bid with a value in excess of R10 million (ten million Rands), to contact and furnish the DTI with the following information:
 - Bid / contract number.
 - Description of the goods, works or services.
 - Date on which the contract was accepted.
 - Name, address and contact details of the government institution.
 - · Value of the contract.
 - Imported content of the contract, if possible.
- The information required in paragraph 3.2 above must be sent to the Department of Trade and Industry, Private Bag X 84, Pretoria, 0001 for the attention of Mr Elias Malapane within five (5) working days after award of the contract. Mr Malapane may be contacted on telephone (012) 394 1401, facsimile (012) 394 2401 or e-mail at Elias@thedti.gov.za for further details about the programme.
- 4 PROCESS TO SATISFY THE NIP OBLIGATION
- 4.1 Once the successful bidder (contractor) has made contact with and furnished the DTI with the information required, the following steps will be followed:
 - a. the contractor and the DTI will determine the NIP obligation;
 - b. the contractor and the DTI will sign the NIP obligation agreement;

- c. the contractor will submit a performance guarantee to the DTI;
- d. the contractor will submit a business concept for consideration and approval by the DTI;
- e. upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
- f. the contractor will implement the business plans; and
- g. the contractor will submit bi-annual progress reports on approved plans to the DTI.
- 4.2 The NIP obligation agreement is between the DTI and the successful bidder (contractor) and, therefore, does not involve the purchasing institution.

Bid number	Closing date:
Name of bidder	***************************************
Postal address	***************************************
***************************************	***************************************
Signature	Name (in print)
Date	

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

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

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

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to all bids:
 - the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
 - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

- a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (delete whichever is not applicable for this tender).
- 1.3 Points for this bid shall be awarded for:
 - (a) Price: and
 - (b) B-BBEE Status Level of Contributor.
- 1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	
B-BBEE STATUS LEVEL OF CONTRIBUTOR	
Total points for Price and B-BBEE must not exceed	100

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

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

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

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right)$$
 or $Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

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

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

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

5.	B	D	D	EC	:L.	AR	A	T	O	Ν

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

6.	B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1
6.1	B-BBEE Status Level of Contributor: =(maximum of 10 or 20 points)
	(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE

7. SUB-CONTRACTING

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

(*Tick applicable box*)

YES	NO	
-----	----	--

status level of contributor.

7.1.1 If yes, indicat	te	car	ıdi	in	ves.	lf	1	1	1	7
-----------------------	----	-----	-----	----	------	----	---	---	---	---

i)	What	percentage	of	the	contract	will	be
	subcontra	cted		%			
ii)	The name	of the sub-contrac	tor				
iii)	The B-BB	EE status level of t	he sub-co	ntractor		************	
iv)	Whether t	he sub-contractor i	s an EME	or QSE			
•	(Tick app	licable box)					
	YES	NO					

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		

Black people who are military veterans			
	OR		
Any EME		 	
Any QSE			

8.	DECLARATION WITH REGARD TO COMPANY/FIRM
8.1	Name of company/firm:
8.2	VAT registration number:
8.3	Company registration number:
8.4	TYPE OF COMPANY/ FIRM
	Partnership/Joint Venture / Consortium One person business/sole propriety Close corporation Company (Pty) Limited [TICK APPLICABLE BOX]
8.5	DESCRIBE PRINCIPAL BUSINESS ACTIVITIES
8.6	COMPANY CLASSIFICATION
	Manufacturer Supplier Professional service provider Other service providers, e.g. transporter, etc. [TICK APPLICABLE BOX]
8.7	Total number of years the company/firm has been in business:
8.8	I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level o contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:
	i) The information furnished is true and correct;

- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a

fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have —

- (a) disqualify the person from the bidding process;
- recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation:
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES		
1		GNATURE(S) OF BIDDERS(S)
2	DATE: ADDRESS	
	ADDICESS	

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

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

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

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

Where

x is the imported content in Rand

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

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on http://www.thedti.gov.za/industrial development/lp.jsp at no cost.

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

2. Definitions

- 2.1. "bid" includes written price quotations, advertised competitive bids or proposals;
- 2.2. "bid price" price offered by the bidder, excluding value added tax (VAT);
- 2.3. "contract" means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. "designated sector" means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. "duly sign" means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility(close corporation, partnership or individual).
- 2.6. "imported content" means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 2.7. "local content" means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. "stipulated minimum threshold" means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. "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.
- 3. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

Stipulated minimum threshold	Description of services, works or goods
%	
%	
%	

4.	Does any portion of the services, works or goods offered have any imported content? (Tick applicable box)
	(. von milozonius pur)

VES	NO	
1120	NO	

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za

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

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

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

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

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)								
IN R	ESPECT OF BID NO.							
ISSL	JED BY: (Procurement Authority / Name of Institution):							
NB	***************************************							
1	The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.							
2	Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on http://www.thdti.gov.za/industrial_development/ip.isp . Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below. Declarations D and E should be kept by the bidders for verification purposes for a period of at							

least 5 years. The successful bidder is required to continuously update Declarations

	C, D and E with the actual values for the	duration of the contract.	
do h	e undersigned, ereby declare, in my capacity as		
enti	y), the following:	***************************************	or plage.
(a)	The facts contained herein are within my	own personal knowledge.	
(b)	I have satisfied myself that:		
		lelivered in terms of the above-spontent requirements as specified is \$1286:2011; and	
(c)	The local content percentage (%) indiformula given in clause 3 of SATS 12 paragraph 4.1 above and the information been consolidated in Declaration C:	86:2011, the rates of exchange in	dicated in
Bi	price, excluding VAT (y)	R	
lm	ported content (x), as calculated in terms	of SATS 1286:2011 R	
St	pulated minimum threshold for local cont	ent (paragraph 3 above)	
Lo	cal content %, as calculated in terms of S	ATS 1286:2011	
prod The form	the bid is for more than one product, duct contained in Declaration C shall be local content percentages for each mula given in clause 3 of SATS 1286: agraph 4.1 above and the information of accept that the Procurement Authority local content be verified in terms of the results.	e used instead of the table above product has been calculated to 2011, the rates of exchange incontained in Declaration D and E.	using the
(e)	I understand that the awarding of the information furnished in this application incorrect data, or data that are not verificable in the Procurement Authority / Insprovided for in Regulation 13 of the promulgated under the Preferential Polif of 2000).	n. I also understand that the sub- fiable as described in SATS 1286:2 titution imposing any or all of the re Preferential Procurement Regulation	mission of 2011, may medies as ons, 2011
	SIGNATURE:	DATE:	
	WITNESS No. 1	DATE:	
į	WITNESS No. 2	DATE:	

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.

		F	PART 1 (TO BE FILLED IN BY THE	E BIDDER)				
1.	I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents (name of institution)							
2.	The fo	llowing docume	nts shall be deemed to form and be read and cor	nstrued 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 Contribute 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 accep	ot full responsibil ler this agreemen	ity for the proper execution and fulfilment of t as the principal liable for the due fulfillment of	all obligations and conditions devolving on f this contract.				
5,	I declar or any	re that I have no other bid.	participation in any collusive practices with a	ny bidder or any other person regarding this				
5.	I confi	m that I am duly	authorised to sign this contract.					
	NAME	(PRINT)	ftasetass4fattstt024vastast024vasetast04000					
	CAPA	CITY	-14511244-444554445155441544454545545454477755546	WITNESSES				
	SIGNA	TURE	***************************************	1				
	NAME	OF FIRM		2				
	DATE		4.4.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	DATE:				

CONTRACT FORM - PURCHASE OF GOODS/WORKS PART 2 (TO BE FILLED IN BY THE PURCHASER)

1.	accept your bid under reference number							
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	DELIV PERIO		B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)	
4.	I confirm that	I am duly authorised	d to sign this cont	tract.				
SIGNEI	D AT	*****************	ON	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		\$ 4 , = 4 pp		
NAME	(PRINT)	***************************************	****************					
SIGNA'	TURE	4441414181958993891711441	*4+;*********					
OFFICE	AL STAMP	<u> </u>			WITNES	SSES	7	
					1.	14111461114641466114161141611		
					2.	************************		
				į	DATE	*********************		

CONTRACT FORM - RENDERING OF SERVICES

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

		PART 1	(TO BE FILLED IN BY 1	THE SERVICE PROVIDER)				
1.	I hereby undertake to render services described in the attached bidding documents to (name of the institution)							
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); Filled in task directive/proposal; Preference claims for Broad Based Black Economic Empowerment Status Level of Contributi 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.	quoted cov	er all the se	rvices specified in the bidding	ness and validity of my bid; that the price(s) and rate(s); documents; that the price(s) and rate(s) cover all my e(s) and rate(s) and calculations will be at my own risk.				
4.	I accept ful me under th	ll responsibili his agreement	ty for the proper execution and as the principal liable for the due	fulfilment of all obligations and conditions devolving on a fulfillment of this contract.				
5.	I declare th	at I have no p r bid.	articipation in any collusive pra	actices with any bidder or any other person regarding this				
6.	I confirm th	at I am duly a	uthorised to sign this contract.					
	NAME (PR	RINT)	***************************************	WITNESSES				
	CAPACITY	Y	*****************************	1				
	SIGNATUI	RE	######################################	2				
	NAME OF FIRM		POSESPECCES GEORGE DATE DE CENTRO DE TRE					
	DATE			DATE:				

CONTRACT FORM - RENDERING OF SERVICES ART 2 (TO BE FILLED IN BY THE PURCHASER)

1.

1.	I								
2.	An official order indicating service delivery instructions is forthcoming.								
3.									
	DESCRIPTION OF SERVICE		PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION		B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (If applicable)		
					!				
4.	I confirm that I s	m duly authorised to sign	this contract.						
SIGNE	ED AT	***************************************	ON,	*********	******	************			
NAME	(PRINT)	******************************	*	****					
SIGNA	TURE	****************	**************	****					
OFFIC	IAL STAMP			7 [WITN	ESSES			
	1								
2						**********			
	DATE: ,								

CONTRACT FORM - SALE OF GOODS/WORKS

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

			PART 1 (TO BE FILLED IN BY TE	IE BIDDER)				
1.	•							
2.	The following documents shall be deemed to form and be read and construed as part of this agreement:							
	(i) (ii) (iii)	Bidding docu - Invit - Tax - Prici - Deck - Deck - Spec	ments, viz ation to bid; clearance certificate; ng schedule(s); aration of interest; aration of bidder's past SCM practices; ial Conditions of Contract; itions of Contract;					
3.	I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) cover all my obligations and I accept that any mistakes regarding price(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 fulfillment of this contract.							
5.			ment for the goods/works as specified in the b					
6.	I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.							
7.	I confi	m that I am duly	authorised to sign this contract.					
	NAME	(PRINT)						
	CAPAC	CITY	<pre>444544444514401000000000000000000000000</pre>	WITNESSES				
	SIGNA	TURE	101f0}}:=01561/{1 eveloapp0}4eveloapp0}4eveloapp0	1				
	NAME	OF FIRM	***************************************	2.				
	DATE			DATE:				

CONTRACT FORM - SALE OF GOODS/WORKS PART 2 (TO BE FILLED IN BY THE SELLER)

1.			in my capacity as		the purchase of				
2.	goods/works indicated hereunder and/or further specified in the annexure(s). I undertake to make the goods/works available in accordance with the terms and conditions of the contract.								
	ITEM NO.	DESCRIPTION	PRICE (ALL APPLICABLE TAXES INCLUDED)	5					
4.		I am duly authorised to sign							
SIGNE	D AT	~;~~;~;~;~;~;~;~;~;~;~;~;~;~;~;~;~;~;	.ON	********					
NAME	(PRINT)	*************************							
SIGNA'	TURE		## #						
OFFICI	AL STAMP		WITNE	esses	7				
			1.	P440013300178931341111111111111111111111111111111111					
			2.	***************************************					
			DATE	***************************************					
					I				

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Iten		Yes	No
4.1	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? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the audi alteram partem rule was applied). 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.	Yes	No 🗆
4.1.1	If so, furnish particulars:	:	
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.zg) by clicking on its link at the bottom of the home page.	Yes	No
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes	No 🗆
4.3.1	If so, furnish particulars:		•

4.4	Was any contract between the bidder and any organ of state five years on account of failure to perform on or comply wi	terminated during the past th the contract?	Yes	No 2		
4.4.1	If so, furnish particulars:			FOR		
SBD 8 CERTIFICATION						
I, THE UNDERSIGNED (FULL NAME)						
I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.						
Sign	ature	Date	0 0 2 <u>0</u> 0 3			
Posit	ion	Name of Bidder		165bW		

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 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 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

¹ includes price quotations, advertised compatitive 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 b, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:	
(Bid Number and Description)	
in response to the invitation for the bid made by:	
(Name of Institution)	
do hereby make the following statements that I certify to be true and complete in every response	ect:
certify, on behalf of:that	at:
(Name of Riddon)	

(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 bld, 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:
 - has been requested to submit a bid in response to this bid invitation; (a)
 - could potentially submit a bld in response to this bid invitation, based on (b) their qualifications, abilities or experience; and
 - provides the same goods and services as the bidder and/or is in the same (C) line of business as the bidder

- 6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium^a 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

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.

TABLE OF CLAUSES

ł.	Definitions
2.	Application
3.	General
4.	Standards
5.	Use of contract documents and information; inspection
6.	Patent rights
7.	Performance security
8,	Inspections, tests and analysis
9.	Packing
10.	Delivery and documents
11.	Insurance
12.	Transportation
13.	Incidental services
14.	Spare parts
15.	Warranty
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18.	Contract amendments
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20.	Subcontracts
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22.	Penalties
23.	Termination for default
24.	Dumping and countervailing duties
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26.	Termination for insolvency
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29.	Governing language
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34.	Prohibition of restrictive practices

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

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:
 - 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:
 - 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

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 33.] Industrial Participation (NIP) Programme

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.

Js General Conditions of Contract (revised July 2010)