

EMALAHLENI LOCAL MUNICIPALITY



BID NO: ELM 19/2019 (RE-ADVERT)

**APPOINTMENT OF A SERVICE PROVIDER TO DO CUT OFF
ACTION FOR EMALAHLENI LOCAL MUNICIPALITY FOR A PERIOD
OF THREE (3) YEARS**

NAME OF BIDDER: _____

PHYSICAL ADDRESS: _____

TELEPHONE NO: _____

FAX NO: _____

EMAIL ADDRESS: _____

CONTACT PERSON: _____

EMALAHLENI LOCAL MUNICIPALITY



TENDER NOTICE AND INVITATION

ELM 19/2019 (RE-ADVERT): APPOINTMENT OF A SERVICE PROVIDER TO DO CUT OFF ACTION FOR EMALAHLENI LOCAL MUNICIPALITY FOR A PERIOD OF THREE (3) YEARS

Emalahleni Local Municipality hereby invites service providers for the execution of cut off action for Emalahleni Local Municipality for a period of three (3) years.

Bid documents are available on www.etenders.gov.za and can also be downloaded from www.emalahleni.gov.za

A compulsory briefing will not be conducted for this tender in order to prevent the spread of the Covid-19 virus through interactions. Bidders may send electronic mails for any enquiries related to the bid.

Closing date: 05 June 2020 at 11h00

The **two-envelope system** will be applicable to this tender where each proposal must be submitted in two separate envelopes comprising of **the technical proposal** and **financial proposal**.

Fully completed tender documents, clearly marked with the **“NAME of the Tenderer”** must be placed in a sealed envelope and placed in the **tender box** situated on the **first floor**, Emalahleni Local Municipality, Civic Centre, Corner Mandela & Arras Street, eMalahleni 1039 **OR** sent via courier services to the above mentioned address. **Couriered documents should be delivered to the First Floor, Supply Chain Management** Offices at the aforementioned address. The envelope must be endorsed with the bid number, title of the bid and closing date as indicated above. **No late or faxed bids will be considered.**

- For enquiries please contact F.E Macassa on (013) 690 6908 during working hours or e-mails can be sent to macassaf@emalahleni.gov.za.
- Supply Chain Management Office : (013) 690 6497 or emails to masangonz@emalahleni.gov.za

**H.S MAYISELA
MUNICIPAL MANAGER**

Civic Centre
Mandela Street
eMalahleni
www.emalahleni.gov.za

**P.O Box 3
eMalahleni**

BID REQUIREMENTS

BID NO: ELM 19/2019 (RE-ADVERT): APPOINTMENT OF A SERVICE PROVIDER TO DO CUT OFF ACTION FOR EMALAHLENI LOCAL MUNICIPALITY FOR A PERIOD OF THREE (3) YEARS

- 1) Bid proposals are hereby invited from accredited service providers to do cut off action for Emalahleni Local Municipality monitoring for a period of three (3) years.
- 2) The conditions contained in the General Conditions of Contract (GCC), and the attached bid forms, as well as any other conditions accompanying this invitation are applicable.
- 3) The work procedure, the bidder proposes to follow in order to obtain the required result must be clearly outlined and its terms may not conflict with those contained in the General Conditions of Contract.
- 4) All documents accompanying this invitation must be completed in detail where applicable, be sealed in an envelope and be deposited in the bid box or sent via courier services before the closing date and time.
- 5) Duly completed and signed original bid documents should be sealed in an envelope marked:

Bid no: *ELM 19/2019 (Re-advert)*
Description of Bid: *APPOINTMENT OF A SERVICE PROVIDER TO DO CUT OFF ACTION FOR EMALAHLENI LOCAL MUNICIPALITY FOR A PERIOD OF THREE (3) YEARS*
Closing date: *05 June 2020*
Closing time: *11:00*
Name of bidder: _____

- 6) Fully completed tender documents, clearly marked with the "NAME of the Tenderer" must be placed in a sealed envelope and placed in the tender box situated on the first floor, Emalahleni Local Municipality, Civic Centre, Corner Mandela & Arras Street, eMalahleni 1039 OR sent via courier services to the above mentioned address. Couriered documents should be delivered to the First Floor, Supply Chain Management Offices at the aforementioned address. The envelope must be endorsed with the bid number, title of the bid and closing date as indicated above.
- 7) Late bids / proposals will not be accepted. Please note that bids are late if they are not received at the address given in the invitation after the bid closing date and time,
- 8) No telegraphic or facsimile bids / proposals will be considered.
- 9) The Emalahleni Local Municipality reserves the right to accept any bid in whole or in part and does not bind itself to accept the lowest or any bid at all
- 10) Bids / proposals will be valid for a period of 90 days after the closing date.

- 11) All bid prices must be quoted in South African currency on a fixed price basis and include VAT.
- 12) All relevant documents attached to this bid must be completed and signed in black ink by an authorized representative of the business.
- 13) The authorized representative of the business is required to initial each page of the bidding document.

14) Bid Requirements:

- Bidders must be registered on the Central Supplier Database (CSD) of the National Treasury and attach their CSD Report
- Original completed and signed applicable bid documents and preference claim forms in terms of the Preferential Procurement Regulations.
- Tax compliance status pin
- Municipal water and lights statement or written confirmation that municipal rates and Taxes and municipal service charges of the prospective bidder and all Executive Directors of the business are not in arrears from their respective municipality or lease agreement in the case of rental.
- Submission of a Certified B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a B-BBEE sworn affidavit (only if applicable)
- Joint Venture Agreement in case of a Joint Venture signed by both parties authority of signatory (Attached on Bid document)
- Proof of qualifications of the project team
- Proof of previous work experience of a similar project
- Site inspection of the offices and machinery will be done before the appointment of the service provider

PART A

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE EMALAHLENI LOCAL MUNICIPALITY					
BID NUMBER:	ELM 19/2019 (RE-ADVERT)	CLOSING DATE:	05 June 2020	CLOSING TIME:	11:00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO DO CUT OFF ACTION FOR EMALAHLENI LOCAL MUNICIPALITY FOR A PERIOD OF THREE (3) YEARS				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX
SITUATED AT

EMALAHLENI LOCAL MUNICIPALITY
CIVIC CENTRE
MANDELA STREET
eMALAHLENI

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT <input type="checkbox"/> Yes <input type="checkbox"/> No		
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE		R
SIGNATURE OF BIDDER		DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT	SCM		CONTACT PERSON	MR F. MACASSA	
CONTACT PERSON	MS Z. Moroku		TELEPHONE NUMBER	(013) 690 6908	
TELEPHONE NUMBER	(013) 690 6497		FACSIMILE NUMBER	NONE	
FACSIMILE NUMBER	(013) 690 6207		E-MAIL ADDRESS	macassaf@emalahleni.gov.za	

1. BID SUBMISSION:
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE</p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p>
2. TAX COMPLIANCE REQUIREMENTS
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.</p> <p>2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS
<p>3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <input type="checkbox"/> YES <input type="checkbox"/> NO</p>

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

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE.....

BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE) STATUS LEVEL CERTIFICATES

Bidders are required to submit original and valid B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims. Bidders who do not submit B-BBEE Status T Level Verification Certificates or are noncompliant contributors to B-BBEE do not qualify for preference points for B-BBEE but should not be disqualified from the bidding process. They will score points for out of 90 or 80 for price only and **zero** points out of 10 or 20 for B-BBEE.

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

¹“State” means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

²“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 **YES / NO** presently employed by the state?

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:

.....

Any other particulars:

.....

.....

.....

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

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

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

2.8.1 If so, furnish particulars:

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

2.9 Do you, or any person connected with the bidder, have **YES / NO** 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?

2.9.1 If so, furnish particulars.

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

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

2.10.1 If so, furnish particulars.

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

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

2.11.1 If so, furnish particulars:

.....
.....

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

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

4. DECLARATION

I THE UNDERSIGNED (NAME).....

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

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature	Date
.....
Position	Name of bidder

FORM B: 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 The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable.
- 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	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
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:

80/20

or

90/10

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

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\min} = Price of lowest acceptable bid

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

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

B-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. BID DECLARATION

- 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 status level of contributor.

7. SUB-CONTRACTING

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

(*Tick applicable box*)

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

- 7.1.1 If yes, indicate:

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

(*Tick applicable box*)

YES		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 MUNICIPAL INFORMATION

Municipality where business is situated:
.....

Registered Account Number:

Stand Number:.....

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not

exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution.

WITNESSES

1.

2.

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

DATE:

ADDRESS:

.....

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

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

1. General Conditions

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

- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

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

Where

x is the imported content in Rand

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

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) 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/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

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

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

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

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

(Tick applicable box)

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

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

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

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

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

IN RESPECT OF BID NO.

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

.....

NB

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

I, the undersigned, (full names),
do hereby declare, in my capacity as

of(name of bidder
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:

- (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

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

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

The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

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

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database 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 National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		

4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	<p>Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

CERTIFICATION

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

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

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

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
3. Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
4. This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
5. In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

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

MBD 9

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - a. prices;
 - b. geographical area where product or service will be rendered (market allocation)
 - c. methods, factors or formulas used to calculate prices;
 - d. the intention or decision to submit or not to submit, a bid;
 - e. the submission of a bid which does not meet the specifications and conditions of the bid; or
 - f. bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

EVALUATION AND ADJUDICATION CRITERIA

A double envelope system will be used. The double envelope system separates functionality and pricing in two separate and sealed envelopes. During the tender evaluation, the functionality envelope will be opened and evaluated first followed by the pricing. The functionality will be evaluated purely on its technical merits and its ability to meet the requirements set forth. Bidders will be expected to score 60% and above before the pricing can be evaluated.

N.B THE TENDER IS REQUIRED TO SCORE AT LEAST 60% IN TABLE A1-44 TO AVOID REJECTION OF THE TENDER

COMPETENCY ACHIEVEMENT SCHEDULES

REFER TO F.311 METHOD 4. THE TENDER IS REQUIRED TO SCORE AT LEAST 60% IN TABLE A1-44 TO AVOID REJECTION OF THE TENDER

TABLE A1 REPUTATION AND REFERENCES FOR SIMILAR PTOJECTS

	TARGETED GOALS	TENDERED GOAL	ALLOCATED POINTS (Do not complete)
1	The type and value of project (will be used to determine if the project was similar)	2	
2	Quality of work by the tender(attach letters of completed projects from consultants)	2	
3	Tender's Ability to keep to the program (Submit a letter of completed similar projects from consultants.	2	
	SUB-TOTAL: Reputation and references	6	

TABLE A2 FINANCIAL REFERENCES

	TARGETED GOALS	TENDERE D GOAL	ALLOCATED POINTS (Do not completed)
1	Tender summitted banking details proof attached.	1	
2	Bank rating of "C" or better (contractor to submit) for the APPROXIMATE <u>TENDERED AMOUNT</u> over 6 months.	5	
3	Audited financial statements	4	
	SUB TOTAL: Financial references	10	

Table A3: SPECIFIC KNOWLEDGE

NOTE: If Tendered claims points in this table, the CV's of the relevant personnel should be attached, as well as certified copies of any relevant qualifications.

	TARGETED GOALS	TENDERED GOAL	ALLOCATED POINTS (Do not complete)
1	Safety officer with First Aid plus OSHA (Construction regulations) Qualification Name:	1	
2	Supervisor has completed (3) SIMILAR (points per similar project) Name:	5	
3	Electricians has completed (3) SIMILAR (points per similar project) Name:	5	
4	SemiSkilled workers has completed (3) SIMILAR (points per similar project) Name:	5	
	SUB-TOTAL: Specific knowledge	16	

TABLE A4: PLANT AND EQUIPMENT

NOTE: The tenderer should attach relevant NATIS documentation proving ownership of the plant.

	TARGETED GOALS		TENDERED GOAL	ALLOCATED POINTS (Do not complete)
1	BAKKIES	1 point /bakkie	5	
2	CRANE TRUCK		3	
3	CHERRY PICKER		2	
	SUB-TOTAL: Plant and Equipment		10	

TABLE A5: SYSTEM AND DEVICE CAPABILITY

	TARGETED GOALS		TENDERED GOAL	ALLOCATED POINTS (Do not complete)
1	Availability		2	
2	Mobile Devices for capture		4	
3	Types of report generated by system		4	
	SUB- TOTAL: System and device capability		10	

TABLE A6: PROGRAMME, METHOD STATEMENT AND STRUCTURE

NOTE: If Tenderer claims points in this table, DETAILED
PROGRAMME, METHODOLOGY, STRUCTURE should be clearly outlined.

	TARGETED GOALS	TENDERED GOAL	ALLOCATED POINTS (Do not complete)
1	Programme	3	
2	Method statement	12	
3	Structure	3	
	SUB-TOTAL: Program, Method statement and Structure	18	

1. SPECIFICATION OF A PROJECT

- Undertake the following actions in Emalahleni:
- The disconnection; reconnection
- Inspection of electrical services/meters for tampering locking of electrical boxes where boxes are open to prevent illegal reconnection and for safety reasons
- Removing bees/obstacles which prevent the tenderer from performing the cut off/reconnection duty where necessary.
- Follow up on prepaid meters with zero sales for tampering
- Normalization of individual meters
- Marking of kiosks
- Removal of illegal connections

2. SCOPE OF WORK

- eMalahleni
- Ga-Nala
- Ogies
- Kwaguqa
- Rietspruit
- All other areas identified by ELM

3. SKILLS TRANSFER

Train the internal staff with the latest techniques in data capturing and the successful execution of the CUT OFF ACTION.

4. GENERAL CONDITIONS

- Before commencement of work on site by any appointed contractor, the necessary Insurances shall be arranged by the contractor to the satisfaction of the ELM.
- All materials and plant shall be supplied by the contractor.
- The Contractor shall provide his own tools, equipment, transport and security as well as providing his own sundry/disposable items necessary to carry out the work required.
- . The transporting of all materials, plant and equipment that belongs to Council and safekeeping of these materials, shall be the responsibility of, the Contractor if in his possession.

- Each contractor shall be responsible for the quality of work of his own employees.
- All cable jointing/termination staff employed to work under this contract shall be required to pass a jointing and termination test, to satisfy the Electrical Department that they are competent to do the necessary jointing and/or terminations required as per South Africa National Standard Electricity regulations. The test shall take place at the Emalahleni Electricity Department. All the necessary jointing and terminating material shall be supplied by the contractor, and the contractor shall provide his own tools and transport.

If Council finds any Jointing/terminations that were not done according to the specifications, the contractor shall be penalized 5 times the rate of the particular action. The penalty will be subtracted from the monthly invoice of the responsible contractor.

- The Contractor shall guarantee his workmanship with the normalization of meters for a period of 12 months, during which time all faulty workmanship shall be made good at no cost to ELM.
- No persons shall undertake any work in terms of this contract before approval is provided by ELM.

ELM reserves the right **to not accept** any of the contractor's personnel who have been allocated to this project, if it is deemed that the person(s) don't have sufficient experience or qualifications or who have previously had their certificates of competency revoked or who has proved to be unreliable. ELM may give reasons for the non-acceptance of any of the contractor's personnel, but is not obliged to do so.

- Furthermore, due to the nature and urgency of the restoration of the electricity supply, the Contractor shall be given the option to repair the fault within 12hours and in the event of the Contractor not being able to repair the fault during the period given, ELM shall repair the fault that has occurred as a result of poor workmanship, and then charge accordingly for the repaired work.

5. CUT OFF TEAMS

Cut off/ reconnection team:

The contractor shall be required to provide:

- a **minimum** of six electrician crews,

Additional crews may be required on request or if necessary to perform the required tasks.

Each electrician crew shall at least consist of the following:

- One (1) competent Electrician, who shall have been deemed competent by ELM.
- Two (2) Semi-skilled Workers especially trained to do wire cuts, who shall assist the Electricians with disconnecting Services with at least 3 months experience – must do test on cutting and reconnecting wires.
- Six (6) Field workers to assist the electricians with normal cuts.
- Sufficient security.
- Suitable transport as approved by the ELM, with lock-able weather- proof canopy, suitable ladder racks, and metal truck to carry equipment.
- One set of equipment per electrician as defined in the Conditions of the Contract.
- One Specifically Trained Person to do inspections on contractors.
- Suitable reliable transportation as approved by ELM
- Equipment if necessary.

6. DURATION OF CONTRACT COMMENTED

It is anticipated that this contract will be in effect for a period of 36 calendar months and will commence on **xxxxxx or on the date agreed upon by ELM and the contractor.**

7. CODE OF CONDUCT

All staff will be issued with the Contracting companies identity cards and shall be visibly worn at all times. The Contractor shall be responsible to supply their staff members with identity cards. Any Contractor who is guilty of accepting bribes of any kind from Emalahleni's Electricity customers, or who conducts himself in an unacceptable manner shall be withdrawn from performing the service immediately. The Chief Financial Officer's decision in this respect shall be final and not subject to negotiation.

When approaching Emalahleni's Electricity Customer's, all crews must and comply with the following:

7.1 All Contractors staff must:

- (a) be suitably dressed as specified in the conditions of the contract.
- (b) wear their personal contracting companies identification card on their overall or shirt jacket.
- (c) approach the relevant Customer in a courteous manner and identify themselves.
- (d) Inform the Customer of their intentions.
- (e) strive to be Customer Services oriented.

STANDARD DRESS CODE

- The Contractors staff shall be required to comply with a standard dress code of a blue two piece overalls with name tags (picture, Id number and company number), safety shoes and socks, or an alternative dress code approved by ELM at all times whilst attending to their field duties.
- It shall be the contractor's responsibility to provide all necessary clothing to comply with this dress code. Contractor's staff are prohibited from purchasing or wearing uniforms with ELM logos. Such uniforms will be confiscated without compensation.

7.2 Competency of contractor's staff

- It shall be a requirement that the Contractor's electricians/handyman and field workers employed to carry out work in terms of this contract, be deemed competent in terms of ELM Codes of Practice and Safety Rules.
- A copy of the letter(s) of competency of each electrician/handyman/general worker/Field worker should be submitted with the return tender documentation. Where no letters of competency are submitted, it shall be assumed that the individual has not been deemed competent.
- All workers of the contractor must be at least 18 years of age and must have at least 3 months experienced. Experience gained must have been acquired through a recognized Electricity Supply Authority such as a Municipality, government department or Eskom.

8. SUPERVISION

- 8.1** Tenderers shall indicate **their** respective staff complement and list the background, experience and qualifications of said members of (permanent) staff. Where, at the discretion of ELM, the supervision levels falls below that which would be normally expected to ensure standards of workmanship and safety as defined under the technical specification, such tenderers shall be disqualified.
- 8.2** The Contractor shall cause all work to be carried out under the direct supervision of a Designated Person appointed by the ELM in writing in accordance with the Occupational Health and Safety Act of 1993 as amended.
- 8.3** Should the person appointed in terms of the Contract cease to be in charge before the contract has expired, the contractor shall make a further appointment immediately and shall lodge a copy of such new appointment with the Emalahleni Local Municipality.

9. HOURS OF SERVICE

The Contractor shall ensure that his staff are available 7 days a week, from Mondays to Sunday.

10. ADMINISTRATIVE AND STORAGE FACILITIES

All tenderers must clearly state:

- their respective administrative headquarters, branch offices, etc., with accompanying a. staffing levels; and
- storage facilities (addresses and telephone numbers requires and the name(s) and b. Positions of responsible staff).
- As indicated, all materials used will be supplied by the contractor. Accordingly and in
- view of the value of such materials, tenders will not be accepted from Contractors who
- cannot provide adequate storage and safe-keeping facilities for such materials.
- It will therefore be expected that the successful Contractor/s have sizeable premises and/or site office(s) /depot(s).
- In addition to the requirements, each successful tenderer must have an administrative centre having secretarial/reception facilities which cater for telephonic, facsimile and e-mail communication at all times during the working day.

10.1 CONTROL AND SAFE-KEEPING OF MATERIALS

- In the course of execution of projects as envisaged under the scope of this specification, all materials will be provided by the contractor. Any damage sustained on Council equipment/material whilst in the possession of the Contractor for some reason, shall be charged to the account of the Contractor at a full replacement value, plus administration charge of 20%.
- In view of the increasing loss/theft of electricity meters, and the seriousness of such loss/theft, where a contractor is unable to account for any meter/s, removed by him, the contractor shall be required to pay a penalty charge for each lost meter at the following rates:

Single phase Prepaid Meter:	R 2 500.00
3 phase Prepaid Meter:	R 3 500.00
Credit Meter (Three phase)	R 2 500.00
Credit Meter (Single Phase)	R 1 000.00

10.2 STORAGE AND CONTROL OF RECLAIMED SERVICES/EQUIPMENT

Contractors must take note:

Each appointed contractor will be responsible for the storage and control of all reclaimed services cables and associated equipment. Contractors will be responsible for the following:

- (a) Tagging and storage of all removed meters. Contractors will be required to deliver all removed meters to a place specified by the ELM on a daily basis.
- (b) Measuring, labeling & storage of all removed services cables.
- (c) Monthly stock count of all reclaimed equipment and associated report back to a person appointed by the Electrical Department.
- (d) Reconciliation of materials/equipment.

11. PLANT AND EQUIPMENT

11.1 Tenderers need to note that a minimum level of plant and equipment shall be a pre-requisite for qualification under this tender enquiry. Accordingly, all tenderers must schedule such assets, clearly identifying the size, capacity,

11.2 Tools and equipment shall be provided by the Contractor and shall be in according to the specifications below.

12. COMMUNICATION

In order to report all completed work the Contractor shall be required to provide the following equipment to communicate with Finance, Electrical Department and other staff/other contractor's staff and supervisory staff:

- (a) Cellular phones for all disconnection/reconnection crews and/or radio pagers at the discretion of the ELM. All cellular phones are to include mobile charging unit back up batteries and must be equipped with Voice mail and SMS facilities.
- (b) Cellular phones for all of the Contractors supervisory staff.
- (c) An electronic device to instruct or report on disconnections/reconnections completed, from the field worker/electrician to the workstation.

System requirements:

- The planning of monthly cut off programs shall be the responsibility of the Emalahleni Local Municipality.
- Cut off programs shall be available electronically and in hard copies. IF there are any change due to unforeseen circumstances, it will be updated immediately on the system to view.
- It must be possible to see whom the actions were allocated to.
- The system must indicate whether the action was already performed or not and if performed the date and time stamp must be available on the system.
- All reconnections shall be logged on the system of the ELM and be submitted to the contractors. It must be possible to log normal reconnections as “urgent” if necessary due to an error.
- Once the reconnection was done the system shall indicate the name of the worker that performed the action as well as the date and time stamped.
- It must be possible to reflect the following actions immediately on the system
 - Number of disconnections done during the day
 - Number of reconnections done during the day
 - Number of tampers found during the day
 - Number of cable cuts done on tampers
 - Number of normalization on tamper meters
 - Payments received on cuts during the cut off day.
 - Number of site visits done during the day with the information on why a certain action couldn't be performed.
 - Number of site visits done where electricity supply was still off.
 - List of inspections done during the day and the result there of.
 - Number of boxes locked due to boxes that were open and unsafe.
 - Number of boxes where bees etc. was removed.
 - List of tampers found on normal cut that could not be cable cut during the day.
 - List of complaints received during the day.

13. CONTRACTORS WHO DO NOT REPORT THE RELEVANT INFORMATION WITH REGARDS TO THE DAILY WORK WILL BE DEEMED INEFFICIENT.

The contractor shall provide on a daily basis, electronically, information or printouts of all the work issued to him on the previous day. This written documentation must reach the Finance: Revenue Section no later than 09h00 the next working day.

Failure to submit documentation timeously, shall result in non-payment due to the fact that this information will be reconciled to verify monthly invoices from the contractors. If a contractor do submit, but submit information regularly later than required a penalty of R500.00 per instance will be subtracted from his monthly invoice.

14. RELIABLE TRANSPORT

14.1 Ownership of transport

In view of the importance of providing an efficient and reliable service, it is imperative that the Contractor/s be in possession of suitable vehicles that are reliable and roadworthy. Tenderers shall, at the time of tendering, be in possession of a minimum of four suitable vehicles with suitable equipment and ladder racks, which shall be registered in the name of the tenderer/contractor. Further to this, the successful tenderer/s shall, upon appointment, provide additional vehicles which the tenderer may lease, purchase or hire if required. Where the tenderer chooses to hire vehicles, such vehicles shall to be obtained from a legitimate vehicle hire company. The ELM may, at the time of adjudication, request confirmation that the tenderer is in a position to obtain the additional vehicles prior to commencement of this contract. The tenderer shall list the details of vehicles. The tenderer shall also affix to the tender returnable, registration documents of these.

14.2 Reliability of transport

Should frequent vehicle breakdowns result in inefficient service and undue delays, the Contractor may be instructed to hire or purchase reliable vehicles at his own expense or the remedies for non-performance in terms of the contract may be applied.

15. CONTRACTORS PERFORMANCE

The contractor shall be required to reconnect electrical services within 2 hours of the instruction being issued to the contractor by the ELM. "Urgent reconnections" (Electricity that was disconnected incorrectly) shall be done within 1 hour. If circumstances warrant an extension period, the ELM may sanction this. The decision of ELM in this regard shall be final and not subject to negotiation. All reconnections are to be completed on the day of issue. Where a reconnection cannot be completed due to no access to properties, etc., the contractor shall leave a calling card@ with his/her name and contact telephone number.

The CC shall make provision for at least one person to be available from 9h00 on a daily basis for reconnections. The other team members will perform disconnections until 13h00, where after only reconnections will be done by the whole team. The contractor is required to make every effort to complete **all disconnection/ reconnections**, inspections, investigations, etc. on the day of issue. Where the contractor fails, the remedies for non-performance shall be applied at the discretion of the ELM. This issue must be considered as extremely important due to the fact that all consumers will be charged with a disconnection/reconnection fee. It is illegal to charge a fee on a consumer which was not cut at all. When and if a consumer complains about the disconnection/reconnection fee due to the fact that he was not cut, the following will be done:

- a) Council will do a full investigation
- b) If it was found that the consumer was not cut, then
 - The consumer will be refunded
 - Council will subtract the fee from the invoice of the contractor as well as one penalty fee of the same instruction.

Where it is found that reconnections have not been effected within 2 hours of the instruction being issued by the ELM, the contractor may be penalized, nonpayment for three (3) reconnections. If a reconnection has not been effected during the same day of the reconnection instruction, the contractor may be penalized by three (3) reconnections per day for late reconnection.

In instances where electricity supply are disconnected in error, the contractor shall be penalized by nonpayment of (three) 3 disconnections for each instance.

NB: it is the responsibility of the contractor to mark the circuit breakers should the marking not be visible / incorrect

Remedies for non-performance

Should ELM be of the opinion that the contractor has failed to carry out any of the obligations in terms of this contract, or if ELM, in its absolute discretion, is in any way dissatisfied with the services rendered, ELM may give the Contractor notice, in writing, of such non-performance and if the situation is not rectified within seven (5) days of such notice ELM may forthwith cancel this contract.

16. METER DISCONNECTION / RECONNECTION AND INSPECTION PROCEDURES

16.1 Disconnection/reconnection.

There are five basic types of disconnections, the reconnections being the reversal of the disconnection process:

16.2 Normal Disconnections

- These are arrear disconnections. In the event of the meter being supplied via a circuit breaker, the Disconnecter (Specifically Trained Person – normal cuts) is required to switch off the circuit breaker at the meter position and apply a disconnection sticker seal over the circuit breaker in the off position. The reading shall be taken and recorded with the disconnection.
- In the event of the meter being fed via a fuse, the Specifically Trained Person-Normal cut is required to withdraw the fuse carrier at the meter position, remove the fuse from the carrier, replace the carrier in the base and apply a sticker seal over the fuse carrier and base.

The reading shall be taken and recorded with the disconnection.

16.3 Wire Disconnection.

The Specially trained disconnecter shall remove the wiring between the meter and the circuit breaker. In conjunction with above.

The reading shall be taken and recorded with the disconnection.

16.4 Pole/Fuse Disconnections

- The Disconnecter (Specifically Trained Person) shall be required to disconnect the supply at the source ie. remove the fuse at the pole.

- The Disconnecter (Specifically Trained Person) shall be required to disconnect the supply at the source ie. remove the fuse at the CDU (customer distribution unit) the reading shall be taken and recorded with the disconnection.

16.5 Cable Cut:

A Competent Electrician shall be required to:

- (a) Isolate the supply at the circuit breaker or fuse.
- (b) Disconnect and remove the service cable at the circuit breaker or fuse and CDU, where applicable.
- (c) Measure, label and return the cable to the Store/Sections as agreed upon by ELM.

The reading shall be taken and recorded with the disconnection.

16.6 Total RIP of cable:

A Competent Electrician shall be required to:

- (a) Isolate the supply at the pole or ground CDU.
- (b) Cut the cable 1 meter away from base of pole and remove.
- (c) Cut the cable 1 meter away from the base of building structure on which the meter is located.
- (d) Remove all associated electrical components.
- (f) Ends of cable in ground to be taped and buried at a minimum depth of 500mm below ground level if the original cable is a underground cable.
- (e) Cut away the customers mains in the meter box.
- (f) Reclaim and measure removed cable, and tag it with the relevant disconnection order reference.
- (g) The reading shall be taken and recorded with the disconnection .

(h) Return all removed cables and equipment to the store/section as agreed upon by the ELM.

(i) Only qualified Electricians with sufficient relevant experience will be authorized to perform Cable cuts as well as Total RIP of Cables.

In each instance, a visual inspection of the meter shall be conducted and reported on accordingly. The reading of the meter at all disconnections and reconnections shall be taken and compared with each other. A report will be submitted to the Finance Section of meter reading differences and customers shall be levied with tamper fees if applicable.

17. INSPECTION

An inspection shall consist of a visual check of the electricity connection after the contractor performed the cut off actions by the ELM to ensure that the cut off contractor has disconnected the meter.

18. AN AUDIT

With an audit, the contractor is required to complete an audit form and report on the physical condition of the meter, seals and any irregularity, including any evidence of tampering. Where the supply is found disconnected, the contractor shall inspect the premises to identify the existence of an alternative or illegal connection.

Photos if all tampered meters shall be supplied to Finance.

19. ACTIONING OF DISCONNECTION ORDERS

Disconnection orders may only be effected between the hours of 07h30 to 13h00 on any working day but excluding the day before a public holiday, the public holiday and weekends unless otherwise directed by the ELM. In instances where the contractor is repeatedly unable to disconnect the supply to a premises during the above mentioned times, the Chief Financial Officer may instruct the contractor to perform such disconnection after hours or on a weekend or public holiday. All urgent disconnection orders shall be executed within five hours of the instruction being issued.

20. THE REPORTING OF COMPLETED DISCONNECTIONS

Contractors must immediately report, by means of an electronic device, all disconnections performed to Revenue: Credit Control Section, as specified by the Chief Financial Officer. The meter reading must form part of information reported on.

21. TECHNICAL SPECIFICATION FOR THE RECONNECTION AND INSPECTION OF ELECTRICAL SERVICES/METERS.

RECONNECTIONS, METER AND FUSE REPLACEMENT.

Normal/Wire/Cable reconnections

Authorized reconnections shall be made available to the contractor at regular intervals between 07h30 and 22h00 Monday to Friday, and between 08h00 and 22h00 on Saturdays and Sundays. The contractor shall be required to dispatch these reconnection orders to his staff timeously. The contractor shall complete all reconnections, within five hours of issue. All reconnections shall be completed **on the day of issue**. Prior to reconnection, the contractor shall conduct a visual inspection of the meter. Where tampering is evident, the contractor shall advise the Technical services immediately, prior to reconnection.

21.1 Meter replacements/normalizations, where tampering fees are paid.

The contractor shall:-

(a) Isolate the electricity supply at the meter.

(b) Remove existing meter.

(c) Install new meter.

(d) Connect all relevant conductors.

(e) Seal meter terminal cover.

(f) Re-energies electricity supply.

NB. Only a competent electrician is permitted to replace three phase meters.

21.2 Cable Reconnections

The Contractor shall:

- (a) ascertain the length of cable required,
- (b) install the cable and reconnect the service using material as specified in the relevant codes of practice.
- (c) conduct a Earth Fault Loop Impedance Test at the meter.

21.3 Site Call

Standard Site Call:

Where a customer has produced proof of payment of the full arrear amount or where the contractor is unable to gain access to inspect, disconnect or reconnect a meter, the Contractor will be required to leave a standard site call letter. Only legitimate reasons will be accepted.

Electrician Site Call:

Where an instruction has been issued to an electrician and where such instruction cannot be carried out for reasons beyond his control. The electrician is required to inspect and report on the meter/connection where possible. Only legitimate reasons will be accepted.

22. INSURANCE OF WORKS

The Contractor shall insure materials in his possession in the joint names of ELM and the Contractor against all damage or loss from whatever cause arising in the amount of R 500 000, 00 with a maximum first loss excess of any one claim or event of R 1 000, 000.

The period of insurance shall be effective for the duration of the contract.

Such insurance shall be effected with an insurer registered in South Africa, and in items approved by ELM and the contractor shall before commencing the work produce to the Deputy City Manager: Treasury the policy or proof that such has been and the receipts for payment of the current premium.

22.1 Excepted Risks

- a) In the event of any damage, loss or injury occurring as the result of riot (insofar as it is insurable) war, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or, as a result of any cause solely due to the use of occupation by the ELM or any portion of the works in respect of which a Handing Over certificate has been issued or, as a result of a fault in the ELM design or the works (all of which are herein collectively referred to as the Expected Risks@ the Contractor **shall be liable** for such damage, loss or injury.
- b) Notwithstanding that the Clause (a) provides for riot to be Expected Risk only insofar as it is uninsurable, political riot is also deemed to be an Excepted Risk for the purpose of this contract.

22.2 Insurance: Damage to persons and property

The Contractor shall indemnify and keep indemnified the ELM against any claim for injury, damage or loss (including consequential loss) to any persons or property whatsoever which may arise out of or in consequence of the execution of the works and against all claims, demands, proceedings, damages, costs, charges and expenses Claim for damages due to the negligence of Contractors/ contractors staff shall be for the account of the Contractor. Where so instructed by the ELM, the contractor shall honor such claim directly with the customer within a seven day period.

Failure to honor such claim will result in no work being given to the contractor until:

- a) a settlement agreement is reached with the customer
- b) the claim is honored by the contractor/ contractor's insurer
- c) the contractor/ contractor's insurer has brought the matter to finality.

22.3 Meter kiosk doors.

Where a door of a kiosk is damaged, removed or missing, the Contractor is required to report to the Electrical Department to install a new door. This information must be electronically reported to the Finance Section and followed up to ensure the replacement of the door. Where a meter room door lock is missing, damaged or faulty, the contractor may be required to replace the lock. Where required the meter room locks shall be supplied by the Store at ELM.

22.4 Normalization of meters.

The contractor may be required to replace a fuse base and carriers on a meter frame or in a meter box with a circuit breaker or, in the case of a CDU or on a pole, with a similar type of fuse base and carrier or normalize a tampered meter after the necessary fees has been paid.

23. EXCAVATIONS AND TRENCHING

The Contractor shall, before excavations commence with cable cuts, familiarize himself with the route and conditions on site. The Contractor shall be responsible for obtaining information regarding the positions of electric cables, Telkom cables, water pipes, storm water pipes, and sewers, along the routes to be excavated and he shall be held responsible for damage caused by him to these existing plant and services. The work shall be under the general supervision of a responsible person as required in terms of the provisions of General Safety regulation 11 of the Occupational Health and Safety Act. The excavations shall be so executed that all railways, walls, roads, sewers, drains, pipes, cables, structures and such like, shall be secure against risk of their subsidence or injury to personnel and shall be carried out to the satisfaction of the Authorities concerned.

24. JOINTING AND TERMINATING OF CABLES

Jointing and/or terminating shall only be carried out by personnel who are fully trained in the jointing and/or terminating of the type of cables. Tenderers shall give details of their proposed jointer's experience and training in jointing and/or terminating of the required cables. Jointing and/or terminating shall be carried out strictly in accordance with ELM Underground Cables Code of Practice and Safety Rules. The Contractor shall carry out all jointing and/or terminating on dead equipment. Where cables are to be left in the ground and jointed or terminated at a later stage by the Contractor, MV cables shall be suitably lead sealed and LV cables shall be suitably taped to prevent the ingress of moisture. The termination of underground cables into the consumer distribution units shall be done by the Contractor and in accordance with the relevant Code of Practice. In the case of cable terminations, a separate 35 mm PVC insulated copper conductor shall be connected between the neutral busbar and the earth busbar by the Contractor.

All the necessary lugs and fittings will be provided by the contractor. The cable end in the consumer distribution unit shall be terminated into the fuse base, neutral and earth terminal blocks. The other end shall be gladded off into the meter box. All aluminum cable terminations onto the busbar shall be suitably greased with Penetrox or Biccon grease.

25. PREPAYMENT METERS

26.1. Prepayment meters may be installed by the contractor if necessary and instructed by the Electrical Department or as part of a normalization of a prepaid meter in formal dwellings that are wired in the conventional manner. The Contractor shall fix the meter in an aerial CDU and the customer interface unit (8 I U) adjacent to the distribution board and carry out all necessary final connections including those of the incoming supply cable. Distribution board mains conductors, communication wires and earth will be provided by the consumer.

26. NOTICE OF INTERRUPTION

If it is necessary to de-energize any electricity main to carry work that will require an outage time in excess of two hours, consumers need be advised 48 hours in advance. The Contractor shall be responsible for advising consumers of the impending electricity outage by placing warning boards on electricity poles at the beginning, middle and end of the circuits affected and the removal of such boards on completion of the required work.

27. SECURITY

It will be the Contractor's responsibility to supply sufficient security to carry out the work as specified in this tender.

28. SUB-LETTING

The Contractor undertakes and agrees that he will not sub-let, cede or assign this contract or any part thereof, without the consent of the Chief Financial Officer first having been obtained.

29. FINANCIAL CONTRACT ARRANGEMENTS:

The following financial conditions are set by Council:

- a) No payment of the milestones shall be made prior to an inspection to be done by Council to determine whether the work is complete and satisfactory
- b) Payment will be made upon completion of milestones as agreed to in the tender.

30. PRICING GUIDELINES:

- 30.1.1 All tendered prices quoted by the contractor must be in South African Rands (Currency).
- 30.1.2 The Council is not bound to accept any of the bids submitted and reserve the right to call for Final Offers from short-listed bidders before final selection.
- 30.1.3 Bidder must provide a detailed pricing schedule indicating unit prices.
- 30.1.4 The Council reserves the right to negotiate price with preferred bidder.
- 30.1.5 Bidders must note that equity points will not be allocated if not claimed or properly claimed in the MBD 6.1

31. PAYMENT

Tenderers shall note that payment shall be made in terms of ELM: General Conditions of Contract (Goods/Services).

32. CONDITIONS OF TENDER:

32.1 Validity of tender

Failure to adhere to tender specifications and regulations will render the bid document null and void.

FACSIMILE AND E-MAIL TENDERS will not be considered.

32.2 Alterations to tender documents

This tender is to be left intact in its original format and no pages are to be removed and or rearranged. Should there be inadequate or no space for the Tenderer to enter a particular item, then such information shall be submitted in a covering letter and referred to as Annexure "B". Failure to comply with this clause shall result in rejection of the tender.

32.3 Qualifications of tenders

Tenders should be submitted on the unaltered official forms and should not be indiscriminately qualified by the Tenderer's own conditions of the tender. Failure to comply with these requirements, or to renounce the conditions of the tender, may invalidate or prejudice the Tender.

32.4 Cost incurred by tenderer

The municipality will not be responsible to pay any expenses or losses which may be incurred by any Tenderer in the preparation and submission of the Tender or in visiting the site in connection therewith.

32.5 Interview with tenderers

The ELM reserves the right to have interviews with the lowest or any other tenderers to endeavour to resolve matters like those stated above. The purpose of the interview will solely be to clear up discrepancies in the tender as supplied by the tenderer. Under no circumstances will changes to documents be admitted.

32.6 Value added tax

After appointment of service provider all prices quoted should include Value Added Tax.

32.7 Authority of signatory

Company

If the Tenderer is a company, a certified copy of the resolution of the board of directors (personally signed by the Chairman of the Board) authorizing the person who signs this tender to do so, as well as to sign any contract resulting from this tender and any other documents and correspondence in connection with this tender and/or contract on behalf of the company, must be submitted with their tender. Failure to comply with this clause shall render the tender document invalid.

Partnership

If the tenderer is a partnership, a certified copy of the resolution of the partners (personally signed by all partners) authorizing the person who signs this tender to do so, as well as to sign any contract resulting from the tender and any other documents and correspondence in connection with this tender and/or contract on behalf of the partnership, must be submitted with this tender.

Failure to comply with this clause shall render the tender document invalid.

Sole Proprietor

Where the tender constitutes a one-man business, certified proof must be submitted that the person signing this tender as well as any contract resulting from this tender and any other documents and correspondence in connection with this tender and/or contract is the sole owner of the one-man business.

32.8 Breach and termination:

If the service provider (the “defaulting party”) commits any material breach of any of its obligations in terms of this Agreement, the other party (the “aggrieved party”) shall be entitled to-

33.1 in writing describe the breach to the defaulting party and call on the defaulting party to remedy its breach within 7 (seven) days of the aggrieved party serving such notice on the defaulting party; and

33.2 if the defaulting party has not remedied the breach within the aforesaid period, then the aggrieved party shall be entitled to cancel this Agreement forthwith.

AUTHORITY OF SIGNATORY

Indicate the status of the tenderer by ticking the appropriate box hereunder.

The tenderer must complete the certificate set out below for the relevant category.

A Company	B Partnership	C Joint Venture	D Sole Proprietor	E Close Corporation

A. Certificate for Company

I,, chairperson of the board of directors of ...
, hereby confirm that by resolution of the
 board **(copy attached)** taken on 20..., Mr/Ms
 acting in the capacity of, was authorized to sign all documents in
 connection with this tender for contract and any contract resulting from it on
 behalf of the company.

As witnesses :

- | | |
|---------|------------------|
| 1. | Chairman : |
| 2. | Date : |

Tenderers must attach a copy of the Resolution of the Board.

B. Certificate for Partnership

We, the undersigned, being the key partners in the business trading as
 hereby authorize Mr/Ms,
 acting in the capacity of to sign all documents in
 connection with the tender for Contract and any contract resulting from it
 on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

NOTE : This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of the Partnership as a whole

C. Certificate for Joint Venture

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorise Mr/Ms, authorised signatory of the company
, acting in the capacity of lead partner, to sign all documents in connection with the tender offer for Contract and any contract resulting from it on our behalf.

This authorization is evidenced by the attached power of attorney signed by legally authorized signatories of all the partners to the Joint Venture.

NAME OF FIRM	ADDRESS	AUTHORISING SIGNATURE, NAME & CAPACITY
Lead partner		

D. Certificate for Sole Proprietor

I,hereby confirm that I am the sole owner of the business trading as

As witnesses:

1.
 2.
- Date :

3.

Signature :

Sole owner

.....

E. Certificate for Close Corporation

We, the undersigned, being the key members in the business trading as
..... hereby authorize Mr / Ms
acting in the capacity of , to sign all documents in connection with the tender
for Contract and any contract resulting from it on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

NOTE: This certificate is to be completed and signed by all of the key-partners upon who rests the direction of the affairs of the Partnership as a whole

CERTIFICATE OF AUTHORITY FOR JOINT VENTURES (if applicable)
--

This returnable schedule is to be completed by joint ventures.

We, the undersigned, are submitting this tender offer in joint venture and hereby authorize Mr/Ms, authorised signatory of the company, close corporation or partnership, acting in the capacity of lead partner, to sign all documents in connection with the tender offer and any contract resulting from it on our behalf.

NAME OF FIRM	ADDRESS	DULY AUTHORISED SIGNATORY
Lead partner		<div style="text-align: right; padding-right: 10px;"> Signature</div> <div style="text-align: right; padding-right: 10px;"> Name</div> <div style="text-align: right; padding-right: 10px;"> Designation</div>
		<div style="text-align: right; padding-right: 10px;"> Signature</div> <div style="text-align: right; padding-right: 10px;"> Name</div> <div style="text-align: right; padding-right: 10px;"> Designation</div>
		<div style="text-align: right; padding-right: 10px;"> Signature</div> <div style="text-align: right; padding-right: 10px;"> Name</div> <div style="text-align: right; padding-right: 10px;"> Designation</div>

NOTE: A copy of the Joint Venture Agreement showing clearly the **percentage contribution of each partner** to the Joint Venture shall be appended to this schedule.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

BILL OF QUANTITIES: CUT OFF CONTRACTORS

The bidder shall indicate the unit prices for actions to be executed under the Credit Control Management: Cut Off actions contract. Prices shall exclude VAT. An annual escalation equal to the CPIX rate will be applicable as from date of appointment.

(Contractors shall make provisions for cellular communication for all staff, transportation, petrol, etc.)

Item No & Type	Unit	Unit Price Exc. VAT (R)
<u>Item 1.</u> Normal Disconnection (Single & three phase) & reporting	Each	
<u>Item 2.</u> Disconnection of Wires (Single phase)	Each	
<u>Item 3.</u> Disconnection of Wires (Three phase)	Each	
<u>Item 4.</u> Disconnection at Pole (Single phase)	Each	
<u>Item 5.</u> Disconnection at Pole (Three phase)	Each	
<u>Item 6.</u> Cable cut (Single phase)	Each	
<u>Item 7.</u> Cable cut(Three phase)	Each	
<u>Item 8.</u> Total RIP of cable (Single phase)	Each	
<u>Item 9.</u>Total RIP of cable (Three phase)	Each	
<u>Item 10.</u> Normal reconnection (single phase meter)	Each	
<u>Item 11.</u>Normal reconnection (three phase meter)	Each	
<u>Item 12.</u> Reconnection: wire cut (Single phase)	Each	
<u>Item 13.</u> Reconnection of a wire cut (Three phase)	Each	
<u>Item 14.</u> Reconnection: Pole disconnection (Single phase)	Each	
<u>Item 15.</u>Reconnection: Pole disconnection (Three phase)	Each	
<u>Item 16.</u> Reconnection of a cable cut	Each	

(Single phase)		
<u>Item 17.</u> Reconnection of a cable cut (Three phase)	Each	
<u>Item 18.</u> Reconnection of a total RIP (Single phase)	Each	
<u>Item 19.</u> Reconnection of a total RIP (Three phase)	Each	
<u>Item 20.</u> Follow-up on cut only site visit “Still off”	Each	
<u>Item 21.</u> Zero sales audit on Prepaid meter	Each	
<u>Item 22.</u> Normalization of meter – conventional (Single phase)	Each	
<u>Item 23.</u> Normalization of meter – conventional (Three phase)	Each	
<u>Item 24.</u> Normalization of meter – prepaid (Single phase)	Each	
<u>Item 25.</u> Normalization of meter –_prepaid meter (Three phase)	Each	
<u>Item 26.</u> Replacement of lock on Meter kiosk door	Per lock	
<u>Item 27.</u> Audit:(Single phase) meter		
<u>Item 28.</u> Audit: (Three phase) meter		
<u>Item 29.</u> A “Dome” Disconnection	Each	
<u>Item 30.</u> A “Dome” reconnection	Each	
<u>Item 31.</u> A removal of illegal connections	/hour	
<u>Item 32.</u> A removal of bees	/hour	
<u>Item 33.</u> Marking of kiosk		
<u>Item 34.</u> Site visit		

Council may adjust quantities according to the approved budget of the Council.

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

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General Conditions of Contract

1. Definitions

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

1.26 "Tort" means in breach of contract.

1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.

1.28 "Written" or "in writing" means hand-written 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 (excluding professional services related to the building and construction industry), 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 goods, 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 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

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.
- 6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

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.

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 goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 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 goods 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 goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Goods 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 goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods 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 goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods 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 22 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

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, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

- 10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

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.

12. Transportation

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

13. Incidental Services

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

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

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

14. Spare parts

- 14.1 As specified, 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.
- 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 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, 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.
- 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.

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 or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

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 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 goods are required, or the supplier's services are not readily available.

21.4 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 22.2 without the application of penalties.

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

22. Penalties

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

23. Termination for default

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

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgement 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.

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- 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 supplier as having no objection and proceed with the restriction.
- 23.5 . Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, 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 purchaser actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
 - (ii) the date of commencement of the restriction
 - (iii) the period of restriction; and
 - (iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

28. Limitation of Liability

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

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

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

30. Applicable law

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

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 SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.
- 33. Transfer of contracts** 33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser
- 34. Amendment of contracts** 34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.
- 35. Prohibition of restrictive practices** 35.1 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.
- 35.2 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 section 59 of the Competition Act No 89 Of 1998.
- 35.3 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.