



# **BLUE CRANE ROUTE MUNICIPALITY**

**BID NUMBER : 06/2015**

**DESCRIPTION: SUPPLY AND DELIVER OF FLEET FOR BCRM**

<b>SERVICE PROVIDER</b>		
<b>TELEPHONE / FACSIMILE</b>		
<b>CLOSING DATE</b>	<b>24 AUGUST 2015</b>	

**ISSUED BY: Supply Chain Office**

**Blue Crane Route Municipality  
P.O.BOX 21  
Somerset East  
5820  
Enquiries: Mr L. Landu (SCM)**

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## Bid Advertisement

**BID NUMBER: 06/2015**

**Description: Supply and Delivery of Fleet for Blue Crane Route Municipality.**

Bids are invited for the **Supply and Delivery of Fleet for Blue Crane Route Municipality.**

Bid documents with the necessary specifications may be obtained at a non-refundable cost of **R250.00** from 67 Nojoli Street, Somerset East, 5850, Telephone number 042 243 6488 (Ms Yoliswa or Vuyiseka)

Bids in a sealed envelope clearly marked "**BID NUMBER: 06/2015; Description: Supply and Delivery of Fleet for Blue Crane Route Municipality**" must be placed in the Bid box at 88 Nojoli Street, Somerset East, 5850. The closing date for submission is **24 August 2015 by no later than 12h00; no late submission will be considered.** Thereafter bids will be opened in public at Corporate Service Boardroom, same building.

Bids will be evaluated on the **90/10 preferential points system and the pre-condition is that only registered car dealers with proof of registration will be considered. Failure to submit a proof will lead to automatic disqualification.**

### Classification or grouping of vehicles:

Section (for pricing purpose)	Description and Engine Capacity
Section A	Eight(8) LWB LDV's (Raised Body) 2.5 Diesel
Section B	Three(3) Double Cab (Raised Body) 2.5 (1 petrol and two diesel)
Section C	One(1) Bakkie 1300 (Petrol)
Section D	Two(2) LWB LDV's(Low Body) 2.5 Diesel

**A compulsory briefing session will be held on 18 August 2015, 11:00am at Corporate Services Boardroom, 88 Nojoli Street, Somerset East, 5850.** Failure to attend the briefing session will result in immediate rejection/disqualification of the bid. Failure to submit any compulsory document(s) may render the bid null and void.

For any technical enquiries, please contact Mr Vuyani Appolis (**Head Electrical Unit**) @ email: [appolisv@bcm.gov.za](mailto:appolisv@bcm.gov.za) or Tel: 083 220 1368 / Lundi Landu @ email: [lundil@bcm.co.za](mailto:lundil@bcm.co.za) Tel: 042 243 6405

Any enquiries regarding collection or downloading of Bid documents and verification of contractor or supplier on the BCRM Supplier Database can be directed to Ms Thuletu Jack @ Tel: 042 243 6480 or ext: 6479

No late, incomplete, facsimile or email bids will be accepted for consideration. The only or lowest bid received shall not necessarily be accepted. BCRM reserve the right to accept part of or the full bid.

NOTICE 32 /2015

**Mr T Klaas**

**MUNICIPAL MANAGER**

Blue Crane Route Local Municipality

P O Box 21

Somerset East  
5850

**INVITATION TO BID (MBD 1)**

**YOU ARE HEREBY INVITED TO BID FOR THE PROVISION OF ADVERTISING SERVICES IN THE CLASSIFIED SECTION IN VARIOUS NEWSPAPERS**

**BID NUMBER: 06/2015; Description: Supply and Delivery of Fleet for Blue Crane Route Municipality**

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**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD 7).**

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BID DOCUMENTS MUST BE DEPOSITED IN THE BID BOX SITUATED AT: 88 Nojoli Street, Corporate Services, Boardroom, Somerset East, 5850. The closing date for submission is **24 August 2015 by no later than 12h00; no late submission will be considered.**

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

The Bid box is open during office hours, namely 8H00 to 16H30, Monday to Thursday and from 08H00 to 16h00 Fridays

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL ORIGINAL FORMS.

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

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

<p>THE FOLLOWING PARTICULARS MUST BE FURNISHED  <b>(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)</b></p>
---

NAME OF BIDDER .....

POSTAL ADDRESS .....

STREET ADDRESS.....

CONTACT NAME.....

TELEPHONE NUMBER: .....

CELL PHONE NUMBER:  
 .....

FACSIMILE: .....

E-MAIL ADDRESS: .....

VAT REGISTRATION NUMBER.....

1. HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED? (MBD 2) **YES / NO**
2. HAS A MUNICIPAL BILLING CLEARANCE BEEN ATTACHED (MBD 8) **YES / NO**
3. HAS PROOF OF REGISTRATION WITH THE CONSTRUCTION INDUSTRY DEVELOPMENT BOARD BEEN ATTACHED  
**YES / NA**
4. HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN ATTACHED? (MBD 6.1)  
**YES / NO**

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

- ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)
- A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)
- A REGISTERED AUDITOR

(Tick applicable box)

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

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE  
GOODS/SERVICES/WORKS OFFERED?  
(IF YES ENCLOSE PROOF)

YES/NO

SIGNATURE OF BIDDER .....

DATE .....

CAPACITY UNDER WHICH THIS BID IS SIGNED

.....

**TOTAL BID PRICE (PRICING SCHEDULE) -N/A**

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**ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:**

**Municipality:** Blue Crane Route Local Municipality

**Department:** Finance - Supply Chain Management Unit

**Contact Person:** Mr Lundi Landu

**Tel:** 042 243 6406

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**ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:**

**Contact Person:** Mr V. Appolis (Project Manager)

**Cell:** 083 220 1368

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**Service Providers shall take note of the following Bid Conditions:**

- Prices must be valid for at least ninety (90) days from the closing date.
- Prices quoted must be firm and must be inclusive of VAT and be filled in on **Form MBD 3.1 Pricing Schedule – Firm Prices (Purchases)**.
- BCRM Municipality does not bind itself to accept the lowest bid or any other bid and reserves the right to accept the whole or part of the bid.
- Bids that are late will not be considered, whilst the lowest or only quotation will not necessarily be accepted. Quotations per fax or E-mail will also not be considered.
- An original tax clearance certificate issued by SARS must accompany all tenders.
- Bidders must complete Council's Declaration of Interest form (**MBD4**).
- Bidders must complete Certificate of Independent Bid Determination (**MBD9**).
- Bidders who wish to claim for preferential points in terms of the Preferential Procurement Regulations, 2011, must submit a completed form **MBD 6.1** as well as a certified copy of the proof of B-BBEE status level of contribution.
- Bids in respect of each item number will be evaluated separately.
- It should be noted that the 80/20 points system will be applied, 80 being for price and 20 for the B-BBEE status level as defined in the Preferential Procurement Regulations, 2011.
- The award will be made in terms of the Municipality's Supply Chain Management Policy.
- A Municipal Billing Clearance Certificate must accompany all bids.

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**To be displayed on all municipal notice boards**

Bids will be evaluated according to the Supply Chain Management policy of the Blue Crane Route Municipality, with a maximum score of **90 points for price and 10 points for BBEE Status Level Contribution**. If the Proposal does not exceed the budget set aside for the project, the supplier scoring the highest points will be awarded the contract.

The procedure for the evaluation of responsive tenders is **Method 2**

	Maximum number of tender evaluation points
<b>Price Component</b>	<b>90</b>
<b>Preferential Component</b>	<b>10</b>
<b>Total Evaluation Points</b>	<b>100</b>

**Calculation of Points for Price**

( $P_s$ )

The points scored for Price will be calculated using the following formula:

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

Where  $P_s$  = points scored for price by tender under consideration

$P_{min}$  = price of lowest acceptable tender

$P_t$  = price of tender under consideration

Fractions will be rounded off to two places after the decimal comma.

**Preferential Component ( Max =10 points)**

$N_{PC}$

**B-BBEE Status Level of Contributor (MAX = 10 points)**

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



## SPECIFICATION (TERMS OF REFERENCE) (Section A)

### SUPPLY AND DELIVERY OF FLEET FOR BLUE CRANE ROUTE LOCAL MUNICIPALITY

#### Six (8) X Diesel 4 x 2 LWB LDVs (ELECTRICAL DEPARTMENT)

Term : Purchase –Outright  
Vehicle Type : 4x2 LDV  
Engine Capacity : 2.5cc Diesel  
Colour : White

General Specs

- Diesel Engine
- 6 Speed Manual Transmission
- 1Ton high ground clearance/Raised body 4x2 LWB LDV
- Diesel engines with minimum 85kW
- Torque 260Nm@1600 (minimum)
- Power steering
- Minimum of two airbags
- Tyre size 16 inch X 245
- Air conditioner
- Central Locking
- CD/Radio with USB
- Alarm/Immobiliser
- 4x2 must have a diff lock
- Must have single seats
- Load bodies to be rubberised
- 5 vehicles fitted with canopy with front and rear roll bars to carry ladder (6m extendable ladder) ladder to be bolted to roll bars through canopy. Ladder carrier to fit single ladder.
- On road fees included
- Full tank of fuel
- Remote fuel cap release
- 3 Year/ 100 000 KM Warranty
- 3 Year/ 100 000 KM Service/Maintenance Plan
- Load bodies to be rubberized
- **NB: 3 vehicle with canopy, no roll bars and ladder rack (rubberized load box)(These must be quoted separate)**

#### **OPTIONAL EXTRAS: RATE ONLY**

- Tow bar with a step bumper
- Bulbar

## **SPECIFICATION (TERMS OF REFERENCE) (Section B)**

### **Six (1) X Diesel 4 x 2 LWB LDVs (MECHANICAL WORKSHOP)**

Term : Purchase –Outright  
Vehicle Type : 4x2 LDV  
Engine Capacity : 2.5cc Diesel  
Colour : White

General Specs

- Diesel Engine
- 6 Speed Manual Transmission
- 1Ton Low body 4x2 LWB LDV
- Diesel engine with minimum 85kW
- Torque 260Nm@1600 (minimum)
- Power steering
- Minimum of two airbags
- Tyre size 16 inch X 245
- Air conditioner
- Central Locking
- CD/Radio with USB
- Alarm/Immobiliser
- 4x2 must have a diff lock
- Must have single seats
- Load bodies to be rubberised
- On road fees included
- Full tank of fuel
- Remote fuel cap release
- 3 Year/ 100 000 KM Warranty
- 3 Year/ 100 000 KM Service/Maintenance Plan
- Load bodies to be rubberized

#### **OPTIONAL EXTRAS: RATE ONLY**

- Tow bar with a step bumper
- Bulbar
- Canopy

## **SPECIFICATION (TERMS OF REFERENCE) (Section C)**

### **One (1) X Petrol 4 x 4 LWB LDV's (COMMUNITY SERVICES)**

Term : Purchase –Outright  
Vehicle Type : 4 x 4 LWB LDV  
Engine Capacity : 2.5L (Petrol)  
Colour : White

#### **General Specs**

- Petrol Engine
- Power steering
- Minimum of four airbags
- Tyre size 16 inch X 245
- Air conditioner
- White canopy
- Power (kw)@rpm 122 @5 500
- Torque 226 @4500 (minimum)
- 4 Cylinders
- Central Locking
- CD/Radio with USB
- Alarm/Immobiliser
- 4x4 must have a diff lock
- 6 Speed Manual Transmission
- On road fees included
- Black leather seats
- Torque 85Nm Kw
- Full tank of fuel
- Remote fuel cap release
- 3 Year/ 100 000 KM Warranty
- 5 Year/ 100 000 KM Service/Maintenance Plan

#### **OPTIONAL EXTRAS: RATE ONLY**

- Tow bar with a step bumper
- Bulbar
- Nudge Bar

## **SPECIFICATION (TERMS OF REFERENCE (Section D))**

### **Two (2) X Diesel 4 x 2 Double Cabs with 4 Doors (Finance and Corporate Services)**

Term : Purchase –Outright  
Vehicle Type : 4x2 Double Cabs  
Engine Capacity : 2.2 Diesel  
Colour : White

General Specs

- Diesel Engine
- 2.2 litres
- High ground clearance/Raised body 4x2 Double Cab
- Torque 260Nm@1600 (minimum)
- 4x2 must have a diff lock
- Tyre size 265/65 R17
- Diesel engines with minimum 85kW
- Torque 285 @1500-2300
- Power 88@ 3700
- 4 Cylinders
- Power steering
- Steering wheel with controls
- ABS
- Front and Rear mud flaps
- Air conditioner
- Side steps
- Tow bar
- One touch function on front windows
- Must have single seats
- Transponder immobilizer, alarm and central locking
- Radio with USB or SD card
- 3 Year Warranty and Service/Maintenance Plan
- Remote fuel cap release

#### **OPTIONAL EXTRAS: TO BE PRICED SEPARATELY**

- Canopy

## **SPECIFICATION (TERMS OF REFERENCE) (Section D)**

### **One (1) (Community Services)**

Term	: Purchase –Outright
Vehicle Type	: 2 Doors
Engine Capacity	: Base 1.4 to 1.6
Colour	: White

General Specs	<ul style="list-style-type: none"><li>- 5 speed manual</li><li>- 1.4 to 1.6 (Size of the engine)</li><li>- 4 cylinders</li><li>- Front wheel drive</li><li>- Power output 68 kW @ 6000 rpm</li><li>- Torque 120 Nm @ 3200 rpm</li><li>- Front wheel drive</li><li>- 185/65/R14</li><li>- Ground Clearance(mm) 170</li><li>- Power steering</li><li>- Steering wheel with controls</li><li>- ABS</li><li>- Front and Rear mud flaps</li><li>- Air conditioner</li><li>- Tow bar</li><li>- One touch function on front windows</li><li>- Must have single seats</li><li>- Transponder immobilizer, alarm and central locking</li><li>- Radio with USB or SD card</li><li>- 3 Year Warranty and Service/Maintenance Plan</li><li>- Remote fuel cap release</li><li>- Canopy</li></ul>
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#### **OPTIONAL EXTRAS: TO BE PRICED SEPARATELY**

- Bulbar
- Nudge Bar

**BLUE CRANE ROUTE LOCAL MUNICIPALITY**

**RETURNABLES FOR BID NUMBER: 06/2015**

**DESCRIPTION: SUPPLY AND DELIVER OF FLEET FOR BCRM**

**Please note that if any of the Returnables are not returned, not signed or partially completed, the bid will be viewed as non responsive, and will not be considered.**

**COMPANY'S RETURNABLES:**

**CHECKLIST**

1. AUTHORITY FOR SIGNATORY	<input type="checkbox"/>
2. TAX CLEARANCE CERTIFICATE	<input type="checkbox"/>
3. PRICING SCHEDULE – FIRM PRICES (PURCHASES) ( <b>MBD 3.1</b> )	<input type="checkbox"/>
4. DECLARATION OF INTEREST ( <b>MBD 4</b> )	<input type="checkbox"/>
5. PREFERENCE POINTS CLAIM FORM IN TERMS OF PREFERENTIAL PROCUREMENT REGULATIONS 2012 ( <b>MBD 6.1</b> ) <u>including BBBEE Certificate</u>	<input type="checkbox"/>
6. CONTRACT FORM - RENDERING OF SERVICES PART 1 AND 2 ( <b>MBD7</b> )	<input type="checkbox"/>
7. DECLARATION OF BIDDER'S SUPPLY CHAIN MANAGEMENT PRACTICES ( <b>MBD8</b> )	<input type="checkbox"/>
8. CERTIFICATE OF INDEPENDANT BID DETERMINATION ( <b>MBD 9</b> )	<input type="checkbox"/>
9. PROOF OF GOOD STANDING WITH THE COMPENSATION COMMISSIONER	<input type="checkbox"/>
10. MUNICIPAL BILLING CLEARANCE CERTIFICATE/LEASE AGREEMENT	<input type="checkbox"/>
11. DELEARSHIP REGISTRATION CERTIFICATE	<input type="checkbox"/>
12. PREVIOUS EXPERIENCE WITH CONTACTABLE REFERENCE	<input type="checkbox"/>
13. SUPPLIER MUST SIGN OR INITIAL EACH PAGE	<input type="checkbox"/>

.....  
SIGNED BY BIDDER'S REPRESENTATIVE

.....  
DATE

# BLUE CRANE ROUTE MUNICIPALITY

## RETURNABLES FOR BID NUMBER: 06/2015

### DESCRIPTION: SUPPLY AND DELIVER OF FLEET FOR BCRM

**1 : AUTHORITY FOR 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.

<b>A Company</b>	<b>B Partnership</b>	<b>C Joint Venture</b>	<b>D Sole Proprietor</b>	<b>E Close Corporation</b>

**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 and any contract resulting from it on behalf of the company.

**As witnesses :**

1. .... Chairman : .....
2. .... Date : .....

**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 , au  
 ..... , 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. Signature : Sole owner : .....
2. Date : .....

**E. Certificate for Close Corporation**

We, the undersigned, being the key members in the business trading as .....  
 ..... hereby authorize Mr/Mrs .....  
 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.



**BLUE CRANE ROUTE MUNICIPALITY**

**RETURNABLES FOR BID NUMBER: 06/2015**

**DESCRIPTION: SUPPLY AND DELIVER OF FLEET FOR BCRM**

<p><b>2 : TAX CLEARANCE CERTIFICATE</b></p>
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The tenderer must attach to this page an **original** South African Revenue Services Tax Clearance Certificate in respect of his/her company, close corporation or partnership. In the case of a joint venture between two or more firms, the tenderer shall attach the Tax Clearance Certificate for each of the joint venture partners.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

**PRICING SCHEDULE – FIRM PRICES**

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

Name of Bidder.....	Bid Number.....
Closing Time .....	Closing Date .....
<b>Offer to be Valid for 90 Days from the closing date of Bid</b>	

**Section A (Pricing Schedule)**

**Six(6) Diesel 4 x 2 LWB LDVs**

<u>Quantity</u>	<u>Unit Price</u>	<u>Vat</u>	<u>Total(Vat)</u>
6	R.....	R.....	R.....

**Six(3) Diesel 4 x 2 LWB LDVs**

3	R.....	R.....	R.....
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*3 vehicle with canopy, no roll bars and ladder rack (rubberized load box)(These must be quoted separate)*

**Optional Item-Rate only: (with Vat)**  
**Towbar (With a step bumper)** R.....

**Buklbar** R.....

**Section B (Pricing Schedule)**

**One (1) X Petrol 4 x 4 LWB LDV's**

<u>Quantity</u>	<u>Unit Price</u>	<u>Vat</u>	<u>Total(Vat Inclusive)</u>
1	R.....	R.....	R,.....

**One (2) X Diesel 4 x 4 LWB LDV's**

**Optional Item-Rate only(with Vat)**  
**Towbar (With a step bumper)** R.....

**Buklbar** R.....

**Section C (Pricing Schedule)**

**One (1) X Petrol SWB 1300 (Bakkie)**

<u>Quantity</u>	<u>Unit Price</u>	<u>Vat</u>	<u>Total(Vat Inclusive)</u>
1	R.....	R.....	R.....

**Optional Item-Rate only(with Vat)**  
**Towbar (With a step bumper)** R.....

**Nudge Bar** R.....

**Section D(Pricing Schedule)**  
**Six (1) X Diesel 4 x 2 LWB LDVs**

<u>Quantity</u>	<u>Unit Price</u>	<u>Vat</u>	<u>Total(Vat Inclusive)</u>
1	R.....	R.....	R.....
<b>Optional Item-Rate only (with Vat)</b>			
	<b>Towbar (With a step bumper)</b>	R.....	
	<b>Bulbar</b>	R.....	
	<b>Canopy</b>	R.....	
<b>SECTION A</b>		R.....	
<b>SECTION B</b>		R.....	
<b>SECTION C</b>		R.....	
<b>SECTION D</b>		R.....	
<b>TAOTAL (Vat Inclusive)</b>		R_____	

Please refer to the terms of reference for sizes and other features of the vehicles. The supplier must submit a detailed specification of the vehicles that he/she intend to supply the council with. Such information will be used during evaluation.

.....  
 Signature

.....  
 Date

.....  
 Position

.....  
 Name of Bidder

**DECLARATION OF INTEREST**

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

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

3.1 Full Name: .....

3.2 Identity Number: .....

3.3 Company Registration Number: .....

3.4 Tax Reference Number: .....

3.5 VAT Registration Number: .....

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

3.6.1 If so, furnish particulars.

.....  
 .....

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

3.7.1 If so, furnish particulars.

.....  
 .....

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

- (a) a member of –
  - (i) any municipal council;
  - (ii) any provincial legislature; or
  - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

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

3.8.1 If so, furnish particulars.

.....  
.....

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

3.9.1 If so, furnish particulars.

.....  
.....

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

3.10.1 If so, furnish particulars.

.....  
.....

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

3.11.1 If so, furnish particulars.

.....  
.....

**CERTIFICATION**

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

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

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

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011.**

**1. GENERAL CONDITIONS**

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

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (VAT inclusive); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (VAT inclusive).

1.2 The value of this Bid is estimated to **exceed R1 000 000** (VAT inclusive) for a three year period and therefore the **90/10** system shall be applicable.

1.3 Preference points for this Bid shall be awarded for:

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

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

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

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

1.5. The municipality 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 municipality.

**2. DEFINITIONS**

2.1 **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;  
**“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

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

2.4 **“Bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive Bid processes or proposals;

- 2.5 **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 **“consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 2.8 **“contract”** means the agreement that results from the acceptance of a Bid by an organ of state;
- 2.9 **“EME”** means any enterprise with an annual total revenue of R5 million or less .
- 2.10 **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 **“functionality”** means the measurement according to predetermined norms, as set out in the Bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a Bidder;
- 2.12 **“non-firm prices”** means all prices other than “firm” prices;
- 2.13 **“person”** includes a juristic person;
- 2.14 **“rand value”** means the total estimated value of a contract in South African currency, calculated at the time of Bid invitations, and includes all applicable taxes and excise duties;
- 2.15 **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

### 3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The Bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more Bids have scored equal total points, the successful Bidder must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more Bids have scored equal points including equal preference points for B-BBEE, the successful Bid must be the one scoring the highest score for functionality.

3.6 Should two or more Bids be equal in all respects, the award shall be decided by the drawing of lots.

**4. POINTS AWARDED FOR PRICE**

**4.1 THE 90/10 PREFERENCE POINT SYSTEMS**

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

**90/10**

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

Where

Ps = Points scored for comparative price of Bid under consideration

Pt = Comparative price of Bid under consideration

Pmin = Comparative price of lowest acceptable Bid

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

5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a Bidder for attaining the B-BBEE status level of contribution in accordance with the following table:

<b>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>	<b>Number of points (80/20 system)</b>
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate (Original or Certified copy) issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA’s approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.

5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.



- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate Bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the Bid documents that such a Bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a Bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

**6. BID DECLARATION**

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

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

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

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

**8 SUB-CONTRACTING**

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

8.1.1 If yes, indicate:

- (i) what percentage of the contract will be subcontracted? .....%
- (ii) the name of the sub-contractor?.....
- (iii) the B-BBEE status level of the sub-contractor? .....
- (iv) whether the sub-contractor is an EME? **YES/ NO** (delete which is not applicable)

**9 DECLARATION WITH REGARD TO COMPANY/FIRM**

- 9.1 Name of firm : .....
- 9.2 VAT registration number : .....
- 9.3 Company registration number .....

- 9.4 TYPE OF COMPANY/ FIRM**
- Partnership/Joint Venture / Consortium
  - One person business/sole propriety
  - Close corporation
  - Company
  - (Pty) Limited
- [TICK APPLICABLE BOX]

**9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....

**9.6 COMPANY CLASSIFICATION**

- Manufacturer
  - Supplier
  - Professional service provider
  - Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

**9.7 MUNICIPAL INFORMATION**

Municipality where business is situated.....

Registered Account Number .....

Stand Number .....

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

.....

**9.9** I / we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBEE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the service provider/contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the Bid process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;

- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) restrict the Bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

**10 DECLARATION WITH REGARD TO EQUITY**

10.1 Name of firm : .....

10.2 VAT registration number : .....

10.3 Company registration number .....

**10.4 TYPE OF FIRM**

- Partnership
  - One person business/sole trader
  - Close corporation
  - Company
  - (Pty) Limited
- [TICK APPLICABLE BOX]

**10.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

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

**10.6 COMPANY CLASSIFICATION (Tick applicable box)**

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

**10.7 MUNICIPAL INFORMATION**

Municipality where business is situated: .....

Registered Account No: .....

Stand No: .....

**10.8 TOTAL NUMBER OF YEARS THE FIRM HAS BEEN IN BUSINESS?**

.....

**10.9 Current Contract and Obligations**

Description	Value (R)	Start date	Duration	Expected Completion date

10.10 I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm certify that points claimed, based on the equity ownership, indicated in paragraph 8 of the foregoing certificate, qualifies the firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct.
- (ii) The Equity ownership claimed is in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 8, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
- (iv) If the claims are found to be incorrect, the purchaser may, in addition to any other remedy it may have -
  - (a) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct; and
  - (b) 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;

**WITNESSES:**

1. ....

2. ....

DATE .....

ADDRESS: .....

.....  
SIGNATURE (S) OF BIDDERS

## CONTRACT FORM - RENDERING OF SERVICES (MBD 7.2)

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

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

1. I hereby undertake to render services described in the attached Bid documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the Bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bid documents, viz
    - Invitation to Bid
    - Tax clearance certificate
    - Pricing schedule(s)
    - Filled in task directive/proposal
    - Preference claims in terms of the Preferential Procurement Regulations 2001
    - Declaration of interest
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my Bid; that the price(s) and rate(s) quoted cover all the services specified in the Bid documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any Bidder or any other person regarding this or any other Bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

WITNESSES	
1	.....
2	.....
DATE:	.....

**CONTRACT FORM - RENDERING OF SERVICES**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

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

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

2. An official order indicating service delivery instructions is forthcoming.

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

DESCRIPTION OF SERVICE	PRICE (VAT INCL)	COMPLETION DATE	BBBEE POINTS CLAIMED

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

SIGNED AT ..... ON .....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

3 .....

4 .....

DATE: .....

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

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p><b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		



4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
<b>Item</b>	<b>Question</b>	<b>Yes</b>	<b>No</b>
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

**CERTIFICATION**

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a pe se prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

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

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Municipality / Municipal Entity)

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

I certify, on behalf

of: \_\_\_\_\_ that:

(Name of Bidder)

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

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

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

**BLUE CRANE ROUTE MUNICIPALITY**

**RETURNABLES FOR BID NUMBER: 06/2015**

**DESCRIPTION: SUPPLY AND DELIVER OF FLEET FOR BCRM**

**MUNICIPAL BILLING CLEARANCE CERTIFICATE/LEASE AGREEMENT**

Tenderers must ensure that they are up-to-date with their payments of municipal accounts. The tenderer shall attach to this page, a Municipal Accounts Tender Clearance Certificate, which provides proof that his payment of Municipal accounts is up-to-date.

Should the tenderer not be based in the Blue Crane Route Municipality, he must submit a Rates Clearance Certificate issued by the municipality in which he is based.

\*\*\*\*\*

DATE ..... TENDERER .....

## **General Conditions of Contract**

---

### **TABLE OF CLAUSES**

1. Definitions
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34. Amendments of contracts
35. Prohibition of restrictive practices

### **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa**

#### **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 Bid documents for the receipt of Bids.
- 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

- 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 "Day" means calendar day.
- 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
- 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
- 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the 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.

**GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT  
THE NATIONAL TREASURY: Republic of South Africa**

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the to, acts of the purchaser in its sovereign capacity, wars or evolutions, 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.
- 1.16 "Imported content" means that portion of the Bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or 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 Bid 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 Bid 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 **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa** 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 Bid 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 Bid 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 Bid 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 **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa** extends 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 Bid 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. **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT  
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## **8. Inspections, tests and analyses**

- 8.1 All pre-Bid 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 Bid 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 **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa** 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: **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa** (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 fulfilment of other obligations stipulated in the contract.  
**GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa**
- 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. **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa**

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 posts 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. **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa**

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 Bid 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 **THE NATIONAL TREASURY: Republic of South Africa**

## **24. Antidumping 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.

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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 wilful misconduct, and in the case of infringement pursuant to Clause 6;

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

## **29. Governing language**

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

## **30. Applicable law**

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

## **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. **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa**
- 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**

- 35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of **restrictive practices** 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 Bid.
- 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.

Revised July 2010