The Manager

Sir/Mam


The Department of Correctional Services requires the item(s)/service(s) as described per attached bid invitation.

You are requested to complete the bid documents and submit it to the address indicated in the SBD 1.

Bidders must take note of the following:

- The closing date of the bid will be at 11h00 on 10 APRIL 2017 and will be valid for a period of ninety (90) days after the closing date.

- Bidders must take note of the compulsory site meeting/briefing session that will take place on 15 MARCH 2017 (Detail of the session is available on the BD 6.1/6.2). (If applicable)

- Bids must be submitted in a sealed envelope. The name and address of the bidder, the bid number and closing date must be indicated on the envelope. The envelope must not contain documents relating to any other bid.

- It is the responsibility of bidders to ensure that bids reach the address indicated on the SBD 1 before the closing date and time. No late bids will be accepted.

- Bidders need to acquaint themselves with the contents of the attached General and Special Conditions of Contract.

- It is the responsibility of bidders to ensure that they are registered on the National Treasury Central Supplier Database (CSD).
A Compliance Checklist (BD 26) is provided in the bid document that will assist bidders to adhere to the conditions specified in the bid.

The following documentation must be submitted with your bid:

- Valid and original/certified copy of B-BBEE Certificate; or
- Sworn affidavit for B-BBEE Exempted Micro Enterprise/ B-BBEE Qualifying Small Enterprise; and
- Certified copies of your CIPLA Certificate;
- Certified copy(s) of ID document(s) of the directors/shareholders/members
- Certified Certificate of Acceptability

It will be expected of the successful bidder to sign a formal contract at this office after being notified of the acceptance of his/her bid.

Yours faithfully

FOR AREA COMMISSIONER
CORRECTIONAL SERVICES: WITBANK
MANAGER: SUPPLY CHAIN MANAGEMENT
MS M PHALANNDWA
INVITATION TO BID

THIS FORM IS ALSO APPLICABLE TO THE INVITATION OF PRICE QUOTATIONS EXCEEDING R30 000-00

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF CORRECTIONAL SERVICES.

BID NUMBER: WIT 05/2017  CLOSING DATE: 10 APRIL 2017  CLOSING TIME: 11:00

DESCRIPTION: SUPPLY AND DELIVERY OF GROCERY: WITBANK AND MIDDELBURG CORRECTIONAL CENTRE

The successful bidder will be required to fill in and sign a written Contract Form (SBD 7). (The SBD 7 is not applicable to price quotations)

BID DOCUMENTS MAY BE POSTED TO:

PRIVATE BAG X 7208
WITBANK PRISON
1035

OR

MAIN ENTRANCE GATE, PAXTON PRISON, WITBANK

THE BID DOCUMENTS MAY BE DEPOSITED IN THE BID BOX WHICH IS IDENTIFIED AS THE BID BOX OF THE DEPARTMENT OF CORRECTIONAL SERVICES IN THE

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

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

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

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT (RELEVANT BD 4-DOCUMENT)

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

NAME OF BIDDER

POSTAL ADDRESS

STREET ADDRESS

TELEPHONE NUMBER    CODE………NUMBER

CELLPHONE NUMBER

FACSIMILE NUMBER    CODE………NUMBER
HAS A TAX CLEARANCE CERTIFICATE BEEN SUBMITTED (SBD 2)? YES/NO

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

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

☐ AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)
☐ A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)
☐ A REGISTERED AUDITOR
   (TICK APPLICABLE BOX)

(A B-BBEEE 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 OFFERED BY YOU? YES/NO
   (IF YES ENCLOSE PROOF)

ARE YOU REGISTERED ON NATIONAL TREASURY CENTRAL SUPPLIER DATABASE (CSD) FOR GOVERNMENT? YES/NO

CSD NUMBER

UNIQUE REGISTRATION REFERENCE NUMBER

I HEREBY DECLARE THAT THE INFORMATION PROVIDED IN THIS BID DOCUMENT IS TRUE AND CORRECT;

THAT I AM DULY AUTHORIZED TO SIGN THIS DOCUMENT;

AND THAT ANY DOCUMENTARY PROOF REGARDING THIS BID WILL, WHEN REQUIRED, BE SUBMITTED TO THE SATISFACTION OF THE DEPARTMENT.

SIGNATURE OF BIDDER

NAME IN PRINT

DATE

CAPACITY UNDER WHICH THIS BID IS SIGNED

TOTAL BID PRICE........................................ TOTAL NUMBER OF ITEMS OFFERED
(Note: not applicable to bids with more than one (1) item)

LIST THE DETAILS OF ALL THE DIRECTORS OF THE COMPANY

Page 2 of 3

Amended 2016
<table>
<thead>
<tr>
<th>NAME</th>
<th>ID NUMBER</th>
<th>E-MAIL ADDRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>
PRICING SCHEDULE – NON-FIRM PRICES
(PURCHASES OF PERISHABLE PROVISIONS)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE SPECIAL CONDITIONS OF BID DOCUMENTS.

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

Name of bidder: .................................................................  Bid number: Wit 05/2017
Closing Time 11:00 on Date: 10/04/2017

OFFER TO BE VALID FOR……. DAYS FROM THE CLOSING DATE OF BID.

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>QUANTITY</th>
<th>DESCRIPTION</th>
<th>BID PRICE IN RSA CURRENCY (ALL APPLICABLE TAXES AND DELIVERY COST MUST BE INCLUDED IN THE PRICE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>+/-40000kg</td>
<td>MARGARINE YELLOW MEDIUM FAT SPREAD 20KG</td>
<td>R. ...................................................................../kg</td>
</tr>
<tr>
<td>2</td>
<td>+/-13000kg</td>
<td>WHEY MILK POWDER 25KG BAGS, MILK PROTEIN CONTENT CALCULATED ON A FAT FREE BASIS 20% MIN TOTAL FAT CONTENT 15% MIN MOISTURE 5% MAX CALCIUM 1% MAX TOTAL PHOSPHATES AS PER 0.05% MAX ENERGY</td>
<td>R. ...................................................................../kg</td>
</tr>
<tr>
<td>3</td>
<td>+/-14000kg</td>
<td>BROWN SUGAR 25KG</td>
<td>R. ...................................................................../kg</td>
</tr>
<tr>
<td>4</td>
<td>+/-48000kg</td>
<td>GOLDEN SYRUP 25KG</td>
<td>R. ...................................................................../kg</td>
</tr>
<tr>
<td>5</td>
<td>+/-48000kg</td>
<td>MIXED JAM 25KG</td>
<td>R. ...................................................................../kg</td>
</tr>
<tr>
<td>6</td>
<td>+/-40000kg</td>
<td>PEANUT BUTTER SMOOTH (ACCORDING TO CKS339-1997) 20KG</td>
<td>R. ...................................................................../kg</td>
</tr>
<tr>
<td>7</td>
<td>+/-72000kg</td>
<td>FRUIT DRINK POWDER ASSORTED: ORANGE, COCO PINE AND GRAPE 25KG</td>
<td>R. ...................................................................../kg</td>
</tr>
<tr>
<td></td>
<td>+/-</td>
<td>Description</td>
<td>Unit Price</td>
</tr>
<tr>
<td>---</td>
<td>-----</td>
<td>-------------</td>
<td>------------</td>
</tr>
<tr>
<td>8</td>
<td>100</td>
<td>POWDER SOUP ASSORTED: BEAN, BEEF, MUSHROOM AND CHICKEN 25KG</td>
<td>R................../kg</td>
</tr>
<tr>
<td>9</td>
<td>50</td>
<td>ROLLED OATS 25KG</td>
<td>R................../kg</td>
</tr>
<tr>
<td>10</td>
<td>360</td>
<td>MAIZE MEAL 50KG NB: SIMILAR OR EQUIVALENT TO PRIDE, SUPER SUN OR SUPER B, SUPER RICH, SHAYA, IWISA, ACE</td>
<td>R................../kg</td>
</tr>
<tr>
<td>11</td>
<td>50</td>
<td>MALTABELA 10KG</td>
<td>R................../kg</td>
</tr>
<tr>
<td>12</td>
<td>40</td>
<td>MEALIE RICE 50KG</td>
<td>R................../kg</td>
</tr>
<tr>
<td>13</td>
<td>40</td>
<td>SAMP 50KG</td>
<td>R................../kg</td>
</tr>
<tr>
<td>14</td>
<td>50</td>
<td>SUGAR BEANS 10KG</td>
<td>R................../kg</td>
</tr>
<tr>
<td>15</td>
<td>216</td>
<td>TOMATO PUREE (1 TIN =3 KG) (5 TIN IN A BOX = 18KG)</td>
<td>R................../kg</td>
</tr>
<tr>
<td>16</td>
<td>500</td>
<td>COOKING OIL 20LT (SUNFLOWER)</td>
<td>R................../LT</td>
</tr>
</tbody>
</table>

"ALL APPLICABLE TAXES" includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

NOTE: According to the VAT Act, 1991 (Act No. 89 of 1991), all contract prices are inclusive of 14% Value-Added Tax (VAT), except in the case of a person that is not required to register for Value-Added Tax.

Details of premises from where delivery will be made:

Physical Address:
Telephone number:
E-mail address:

Are you the Manufacturer/Producer/Dealer:
If not, kindly indicate the following:

What value you will add to the contract?

Details of your supplier (manufacturer/producer/dealer) from whom you will source the item.

| Name of supplier: | .............................................................. |
| Physical Address: | ..................................................................... |
| Telephone number: | .............................................................. |
| E-mail address:   | ..................................................................... |

Provide a Break down of Bid Price:

<table>
<thead>
<tr>
<th>Cost Component</th>
<th>% Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>(Specific to your commodity – well researched with the industry)</em> Provision should be made in the item questionnaires for this breakdown</td>
<td></td>
</tr>
<tr>
<td>D1 - Food product</td>
<td></td>
</tr>
<tr>
<td>D2 - Labour</td>
<td></td>
</tr>
<tr>
<td>D3 - Packaging</td>
<td></td>
</tr>
<tr>
<td>D4 - Transport</td>
<td></td>
</tr>
<tr>
<td>D5 - Other, (specify)</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL (Cost components must add up to 100%)</strong></td>
<td><strong>100 %</strong></td>
</tr>
</tbody>
</table>

The attached special conditions of bids for perishable provisions (BD 4.2) should be thoroughly studied before bid document is complete.

For estimated requirements, please refer to paragraph 13 of the attached BD 4.2

Delivery is required into the stores of the Institution as indicated below as and when required.

Correctional Centres:

---

PRICE ADJUSTMENTS

A

NON-FIRM PRICES SUBJECT TO ESCALATION

1. In cases of period contracts, non firm prices will be adjusted (loaded) with the assessed contract price adjustments implicit in non firm prices when calculating the comparative prices

2. In this category price escalations will only be considered in terms of the following formula:
\[ Pa = (1-V)Pt \left( D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{D4t}{D4o} \right) + VPt \]

Where:

- \( Pa \) = The new escalated price to be calculated.
- \( (1-V)Pt \) = 85% of the original bid price. Note that Pt must always be the original bid price and not an escalated price.
- \( D1, D2, \ldots \) = Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors \( D1, D2, \ldots \) must add up to 100%.
- \( R1t, R2t, \ldots \) = Index figure obtained from new index (depends on the number of factors used).
- \( R1o, R2o \) = Index figure at time of bidding.
- \( VPt \) = 15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

3. The following index/indices must be used to calculate your bid price:
   - \( D1 \): Food Product - P0142 (Producer Price Index: Table 1 for Food Products)
   - \( D2 \): Labour – P0141 (Consumer Price Index: Table E for All Items)
   - \( D3 \): Packaging – P0141 (Consumer Price Index: Table for All Items)
   - \( D4 \): Transport – P0141 (Consumer Price Index: Transport – Other Running Cost)

4. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%. (Refer to paragraph 14.1.6 of Special Conditions of Contract (BD 4.1))

<table>
<thead>
<tr>
<th>FACTOR (D1, D2 etc. eg. Labour, transport etc.)</th>
<th>PERCENTAGE OF BID PRICE</th>
<th>INDEX PPI/CPI etc.</th>
<th>TABLE NUMBER</th>
<th>INDEX FIGURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>D1: Food Product</td>
<td>Month of closing of bid</td>
<td>Table 1 (PPI for Food Products)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D2: Labour</td>
<td>Month of closing of bid</td>
<td>Table E (CPI for All Items)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D3: Packaging</td>
<td>Month of closing of bid</td>
<td>Table E (CPI for All Items)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D4: Transport</td>
<td>Month of closing of bid</td>
<td>Table E (CPI for Transport – Other Running Cost)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D5: Other (Specify)</td>
<td></td>
<td>100%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Omission to provide the information may invalidate your bid.

5. Number of price adjustments will be considered: As per paragraph 14.1.10 of Special Condition of Contract (BD 4.1).
DECLARATION OF INTEREST

(NB : In accordance with Sections 118 and 121 of the Correctional Services Act, 1998 (Act No. 111 of 1998), no member of the Department of Correctional Services may participate in the bidding process of the Department)

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 and/or take an oath declaring his/her interest, where –

- the bidder is employed by the state; and/or

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

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

2.1 Full name of bidder or his or her representative:

2.2 Identity number:

2.3 Position occupied in the Company (director, trustee, shareholder, member):

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

2.5 Tax Reference Number:

2.6 VAT Registration Number:

2.6.1 The names of all directors / trustees / shareholders² / members, their individual identity numbers, tax reference numbers and, if applicable, employee / personal 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, presently employed by the state?  

<table>
<thead>
<tr>
<th>Name of person/director/shareholder/member</th>
<th>Name of state institution to which the person is connected</th>
<th>Position occupied in the state institution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>

Any other particulars:


2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?  

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

2.7.2.1 If yes, did you attach proof of such authority to the bid document?  

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

(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/shareholders/members or their spouses conduct business with the state in the previous twelve (12) months?  

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

2.8.1 If so, furnish particulars:


2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>
the state and who may be involved with the evaluation and or adjudication of this bid?

2.9.1 If so, furnish particulars:

<table>
<thead>
<tr>
<th>Name of person/director/shareholder/member</th>
<th>Name of state institution to which the person is connected</th>
<th>Position occupied in the state institution</th>
<th>Nature of relationship</th>
</tr>
</thead>
<tbody>
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</tr>
</tbody>
</table>

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between the 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:

<table>
<thead>
<tr>
<th>Name of person/director/shareholder/member</th>
<th>Name of state institution to which the person is connected</th>
<th>Position occupied in the state institution</th>
<th>Nature of relationship</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

2.11 Do you or any of the directors/shareholders/members 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:

<table>
<thead>
<tr>
<th>Full name</th>
<th>Identity number*</th>
<th>Personal Tax Reference Number</th>
<th>State Employee Number / Persal Number</th>
</tr>
</thead>
<tbody>
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</tbody>
</table>

*Copies of Identity Document must be attached.
DECLARATION

I, THE UNDERSIGNED (NAME) ..........................................................................................
CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPH 2 TO 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 THE DECLARATION
PROVE TO BE FALSE.

.................................................................................. ..................................................................................
SIGNATURE DATE

.................................................................................. ..........................................................
POSITION NAME OF BIDDER

Note: Should the bidder or any of its directors/members or shareholders be employees of
any organ of state as contemplated in the Preferential Procurement Policy Framework
Act, 2000 (Act 5 of 2000), such member/director or shareholder must submit a certified
copy of the permission granted by the Executive Authority of his/her Department to
conduct remunerative work in the Public Service as contemplated in the Public Service
Act, 1994 (Act 103 of 1994) Chapter VII, Sections 30 and 31. Failure to submit the proof
will automatically invalidate the bid. Knowingly not submitting it will make the person
liable for fraud.
DEPARTMENT OF CORRECTIONAL SERVICES

SPECIAL CONDITIONS OF CONTRACT:
BID NO WIT 05/2017
SUPPLY AND DELIVERY OF PERISHABLE
PROVISIONS/GROCERIES TO WITBANK AND
MIDDELBURG MANAGEMENT AREA FOR A PERIOD
OF 24 MONTHS (2 YEARS)

NOTES

This bid and all contracts emanating therefrom will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999).

The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

These conditions form part of the bid and failure to comply therewith may invalidate the bid.
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1. CONTRACT PERIOD

1.1 The contract shall be for the period of 24 months (2 years).

2. QUANTITIES

2.1 The quantities furnished in the bid are estimated quantities and no guarantee can be given regarding the actual quantities that will be ordered.

3. RESPONSE FIELDS

3.1 It is imperative that bidders submit responsive bids by completing all mandatory response fields and item questionnaires for the individual items. In this regard bidder’s attention is drawn to the response field and price structure explanations and examples supplied in the bid document.

3.2 Unless specifically provided for in the bid document, no bids transmitted by telegram, facsimile or similar apparatus shall be considered.

3.3 The bid forms are drawn up so that certain essential information is to be furnished in a specific manner. Any additional particulars shall be furnished in the enclosed questionnaire or in a separate annexe.

3.4 The bid forms should not be retyped or redrafted but photocopies may be prepared and used. Additional offers may be made for any item but only on a photocopy of the page in question or on other forms obtainable from the relevant institution. Additional offers made in any other manner may be disregarded.

3.5 Bidder must initial every page of the bid document.

3.6 Bidders shall check the numbers of the pages and satisfy them that none are missing or duplicated. No liability shall be accepted in regard to claims arising from the fact that pages are missing or duplicated.

3.7 Failure on the part of the bidder to sign this bid form (SBD 1) and thus to acknowledge and accept the conditions in writing or to complete the attached forms, questionnaires and specification in all respects, may invalidate the bid.

3.8 The preference claim and other relevant forms, if attached, shall be completed, signed and submitted with the bid. Documentary proof as substantiation of preferences claimed and to the satisfaction of the Department, should be handed in together with the bid, e.g.:

a) Original BEE Certificate or original certified copy of BEE certificates issued by:
SPECIAL CONDITIONS OF CONTRACT

- Verification Agency accredited by SANAS (Accessible at www.SANAS.co.za/directory/behE.default.PHP)
- Registered Auditors

b) Sworn affidavits (original or a original certified copy thereof) in terms of Exempted Micro Enterprise/ Quality Small Enterprise

c) Cipro Certificates (CIPC)

d) Certified copy of the identity books of all the Directors/members/ shareholders/trustees who are actively involved with the company

4. ACCEPTABLE BIDS/OFFERS (EVALUATION CRITERIA)

4.1 Only bids complying with all requirements as stipulated in the General Conditions and Special Conditions of Contract will be regarded as acceptable.

4.2 The following qualifying criteria must be strictly adhered to. Non-compliance with these criteria will automatically invalidate your bid.

4.2.1 Bidders must ensure that their tax matters are in order for the period of the contract. Should tax matters found not to be in order before award of the bid, this will automatically invalidated your bid.

4.2.2 In the event that the bidder is not the actual producer/manufacturer or actual dealer (who normally keeps stock of the required items) and will be sourcing the product(s) from a producer/manufacturer or dealer, the bidder should ensure that the attached BD 27-form is completed by both himself / herself and his/her supplier. (See Paragraph 9 of Special Conditions).

4.2.3 Proof from your registered financial institution / bank not older than thirty (30) days that your company has the financial ability to successfully execute this contract, be submitted together with your bid. (see also Paragraphe 19.2 of Special Conditions).

4.2.4 The bidder must submit an original or a certified copy of a valid certificate of acceptability for the premises issued by the relevant local municipality in terms of Regulation 962 (Regulation Governing General Hygiene Requirements for Food Premises and the Transport of Food). In the event that the bidder is not the actual producer/manufacturer or actual dealer (who normally keeps stock of the required items) and will be sourcing the product(s) from a producer/manufacturer or dealer, the bidder must submit an original or a certified copy of a valid certificate of acceptability of the supplier. The Department reserves the right to inspect the premises or request the
Department of Health to inspect the premises. The date of certification of the original should not be older than three (3) months.

4.2.5 BD 7-form (Halaal Certificate) must be completed and signed for all halaal products. The bidder must submit the form with his/her bid. Only certificates issued by the Muslim Prison Board will be accepted. The date of certification of the original should not be older than three (3) months.

4.2.6 Bidders bidding for the perishable food items must provide proof of the availability of the appropriate vehicles to enable delivery of food items to the institutions in terms of Regulation 962 (Regulation Governing General Hygiene Requirements for Food Premises and the Transport of Food). Certified copies of vehicle registration certificate should be attached. If the vehicle does not belong to your company, or one of its directors, a letter of intend to enter into vehicle leasing contract should be attached. The date of certification of the original should not be older than three (3) months.

4.2.7 Proof of attendance of compulsory information meeting. (See BD 6.2) The BD 6.2 form (attendance certificate), completed by the bidder and signed by a designated representative of the Department, must be submitted with the bid documents.

4.2.8 Fish and vegetable and fruits will be awarded as an item, therefore bidders must bid for all sub items as per pricing schedule.

4.2.9 No offers with regard to imported products will be considered.

5. TAX MATTERS

5.1 It is a condition of this bid that the tax matters of the successful bidder be in order, or that satisfactory arrangements have been made with South African Revenue Services (SARS) to meet the bidder’s tax obligations.

5.2 The Tax Compliance status requirements are also applicable to foreign bidders/individuals who wish to submit bids.

5.3 It is a requirement that bidder’s grant a written confirmation when submitting this bid that SARS may on an ongoing basis during the tenure of the contract disclose the bidder’s tax compliance status and by submitting this bid such confirmation is deemed to have been granted.

5.4 Bidders are required to be registered on the Central Suppliers Database and the Department of Correctional Services shall verify the bidder’s tax compliance status through the Central suppliers Database.
5.5 When a Consortium / joint Venture/ sub-contractors are involve, each party must be registered on the Central Suppliers Database and their tax compliance status will be verified through the Central Suppliers Database.

5.6 Only bidder's who's tax matters are in order before award of the bid will be considered.

6. VALUE ADDED TAX

6.1 All bid prices are inclusive of 14% Value Added Tax (VAT), except in the case of a person that is not required to register for Value Added Tax.

6.2 Failure to comply with this condition will invalidate the bid.

7. SUBMISSION OF BIDS

7.1 Each bid should be submitted in a separate sealed envelope or suitable cover on which the name and address, the bid number and the closing date must be clearly endorsed.

8. LATE BIDS

8.1 Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where practicable, be returned unopened to the bidder.

9. CERTIFICATE: CONFIRMATION OF SUPPLY ARRANGEMENTS BETWEEN THE BIDDER AND HIS/HER SUPPLIER (BD 27)

9.1 Any bidder who is sourcing goods and services from a third party (manufacturer/producer or dealer who normally keeps stock) must ensure that the attached BD 27, BD 27.1 and BD 27.2 is completed by his/her supplier after they have familiarised themselves with the item(s) / description(s) / specifications and conditions of the bid for all relevant goods and services required from this bid. Failure to submit a signed Certificate (BD 27) will invalidate the bid.

9.2 A letter issued on the official letterhead of the third party addressing the information below is acceptable

9.3 The bidder must ensure that all financial and supply arrangements for the required goods and services have been mutually agreed upon with his/her supplier. No agreement between the bidder and his/her supplier will be binding on the Department.

9.4 The Department reserves the right to verify any information supplied by the bidder in this certificate and should the information be found to be false or incorrect, it will invalidate your bid.
9.5 If a contract has been concluded on the basis of sourcing the product(s) from a manufacturer/dealer, and the bidder for some or other reason change the manufacturer/dealer, the Department should immediately be notified and a new BD 27-form (confirmation of supply arrangements between the bidder and his/her supplier) should be submitted.

10. VALIDITY OF B-BBEE STATUS LEVEL VERIFICATION CERTIFICATES

10.1 Bidders are required to submit an original and valid B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims.

10.1.1 Bidders who fail to submit the B-BBEE Status Level Verification Certificates or are non-compliant contributors do not qualify for preference points for B-BBEE but will not be disqualified from the bidding process.

11. ENQUIRIES IN RESPECT OF B-BBEE STATUS LEVEL VERIFICATION CERTIFICATES

11.1 Any enquiries in respect of B-BBEE Status Level Verification Certificates may be directed to the Department of Trade and Industry (DTI) as follows:

Director: Empowerment and Enterprise Development Division (EEDD)
Tel: (012) 394 1694
Fax: (012) 394 2694

12. PRICE AND PRICE QUALIFICATION

12.1 Prices for this contract are firm for the first year and thereafter contractors can apply for two (2) price adjustments in the second year of the contract. See paragraph 14 for Contract Price Adjustment based on CPI and PPI.

12.2 Prices shall be quoted in South African currency.

12.3 The bid prices shall be given in the units shown.

12.4 Prices must be inclusive of delivery cost and all taxes.

13. COMMUNICATION

13.1 No communication with any Procurement Official will be allowed during the running period of the bid.

13.2 Communication after the closing date of the bid must be in writing and addressed to the Regional Coordinator: Supply Chain Management.
13.3 The Department may request clarification regarding information provided by bidders. Bidders are to supply the required information within the specified period. Failing to do so will invalidate your bid.

14. CONTRACT PRICE ADJUSTMENTS

14.1 Formula

14.1.1 Prices submitted for this bid will be regarded as firm for the first year and thereafter contractors can apply for two (2) price adjustments in the second year of the contract. Requests for prices adjustment(s) in the second year of the contract will be considered in terms of the following formula, defined areas of cost and defined periods of time.

14.1.2 Applications for price adjustments must be accompanied by documentary evidence in support of any adjustment claim.

14.1.3 The following price adjustment formula will be applicable for calculating contract price adjustments (CPA).

\[
P_a = (1 - V)P_t \left( D_1 \frac{R_{1t}}{R_{1o}} + D_2 \frac{R_{2t}}{R_{2o}} + \ldots + D_n \frac{R_{nt}}{R_{n0}} \right) + V_p t
\]

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Pa)</td>
<td>The new adjusted price to be calculated.</td>
</tr>
<tr>
<td>(V)</td>
<td>Fixed portion of the bid price (15% or 0.15).</td>
</tr>
<tr>
<td>(P_t)</td>
<td>Original bid price. Note that (P_t) must always be the original bid price and not an adjusted price.</td>
</tr>
<tr>
<td>((1-V)P_t)</td>
<td>Adjustable portion of the bid price (85% or 0.85).</td>
</tr>
<tr>
<td>(D_1 - D_n)</td>
<td>Each factor (or percentage) of the bid price, e.g., material, labour, transport, overheads, etc. The total of the various factors (or percentages) (D_1 - D_n) must add up to 1 (or 100%).</td>
</tr>
<tr>
<td>(R_{1t} - R_{nt})</td>
<td>End Index. Index figure obtained from the index at the end of each adjustment period.</td>
</tr>
<tr>
<td>(R_{1o} - R_{n0})</td>
<td>Base Index. Index figure at the time of bidding.</td>
</tr>
<tr>
<td>(V_{Pt})</td>
<td>15% (or 0.15) of the original bid price. This portion of the bid price remains fixed, i.e. it is not subject to price adjustment.</td>
</tr>
</tbody>
</table>

Formula component definitions

14.1.4 Adjustable amount

The adjustable amount is the portion of the bid price which is subject to adjustment. In this bid the adjustable amount is 85% of the original bid price. For example, if the bid price is R1000, then only R850 will be subject to adjustment.
14.1.5 Fixed portion

The fixed portion represents those costs which will not change over the adjustment period and DOES NOT represent the profit margin. In this bid the fixed portion is 15% of the original bid price. Using the same example as above, it would amount to R150 which will remain fixed over the contract period.

14.1.6 Cost components and proportions

The cost components of the contract price usually constitute the cost of materials (raw material or finished product), cost of direct labour, cost of transport and those other costs which are inclined to change. The proportions are the contribution to the contract price of each of these cost components. In this bid the following cost components will be used to calculate contract price adjustments.

Bidders are requested to submit the cost breakdown of the bid price for each item with their bid. Should the cost breakdown be the same for all items on the bid, please indicate it clearly in the bid document. Bidders will not be allowed to change the cost breakdown of bid prices during the tenure of the contract.

<table>
<thead>
<tr>
<th>Cost Component</th>
<th>% Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Specific to your commodity – well researched with the industry) Provision should be made in the item questionnaires for this breakdown</td>
<td></td>
</tr>
<tr>
<td>D1 - Food product</td>
<td></td>
</tr>
<tr>
<td>D2 - Labour</td>
<td></td>
</tr>
<tr>
<td>D3 - Packaging</td>
<td></td>
</tr>
<tr>
<td>D4 – Transport</td>
<td></td>
</tr>
<tr>
<td>D5 – Other, (specify)</td>
<td></td>
</tr>
<tr>
<td>TOTAL (Cost components must add up to 100%)</td>
<td>100 %</td>
</tr>
</tbody>
</table>

14.1.7 Applicable indices / references

The applicable index refers to the relevant market index, which is a true reflection of price movement(s) in the cost over time. In this bid the following indices or reference will be applicable:
## SPECIAL CONDITIONS OF CONTRACT

<table>
<thead>
<tr>
<th>Cost component</th>
<th>Index Publication</th>
<th>Index Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>D1 - Food product</td>
<td>STATS SA P0142.1 (PPI) OR Supplier/Manufacturer invoice(s)</td>
<td>Reference to specific Index and table. E.g. Table 1 PPI for Food Products. or Documentary evidence to accompany claim</td>
</tr>
<tr>
<td>D2 - Labour</td>
<td>STATS SA P0141 (CPI), OR Labour agreement(^1)</td>
<td>Table E - All Items OR Labour agreement to be provided</td>
</tr>
<tr>
<td>D3 - Packaging</td>
<td>STATS SA P0141 (CPI),</td>
<td>Table E - All Items</td>
</tr>
<tr>
<td>D4 - Transport</td>
<td>STATS SA P0141 (CPI) Table E</td>
<td>Table E - Transport – Other Running Cost</td>
</tr>
<tr>
<td>D5 - Other</td>
<td>Specify</td>
<td>Documentary evidence to accompany Bid document at time of bidding and with claims</td>
</tr>
</tbody>
</table>

### 14.1.8 Base Index Date

The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid the base index date will be the month of the signing of the contract.

### 14.1.9 End Index Date

The end index dates are the dates at predetermined points in time during the contract period. In this bid the end indices are defined in the next paragraph (Price Adjustment Periods).

### 14.1.10 Price Adjustment Periods

Adjustment to contract prices may be applied for at the following dates:

<table>
<thead>
<tr>
<th>Adjustment (Contract manager to decide on frequency)</th>
<th>CPA application to reach the office at the following dates</th>
<th>End Index Date</th>
<th>Dates from which adjusted prices will become effective</th>
<th>Dates until which adjusted prices will be effective</th>
</tr>
</thead>
<tbody>
<tr>
<td>1(^{st}) Adjustment</td>
<td>12 months from date of signing the contract</td>
<td>12 months from date of signing the contract</td>
<td>On month thirteen (13) from date of signing the contract</td>
<td>Until month 18 from date of signing the contract</td>
</tr>
<tr>
<td>2(^{nd}) Adjustment</td>
<td>18 months from date of signing the contract</td>
<td>18 months from date of signing the contract</td>
<td>On month nineteen (19) from date of signing the contract</td>
<td>Until month 24 from date of signing the contract</td>
</tr>
</tbody>
</table>

\(^1\) *In the absence of a labour agreement, the labour cost component will be adjusted with CPI Headline inflation.*

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Amendment 1 of 2017
15  COUNTER CONDITIONS

15.1 Bidder's attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by bidders will result in the invalidations of such bids.

16  PARTICIPATION OF GOVERNMENT OFFICIALS IN THE BIDDING PROCESS

16.1 In accordance with Sections 118 and 121 of the Correctional Services Act, 1998 (Act 111 of 1998), no member of the Department of Correctional Services may participate in the bidding process of the Department.

16.2 Should the bidder or any of its directors/members or shareholders be employees of any organ of state as contemplated in the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), such member/director or shareholder must submit a certified copy of the permission granted by the Executive Authority of his/her Department to conduct remunerative work in the Public Service as contemplated in the Public Services Act, 1994 (Act 103 of 1994) Chapter VII, Sections 30 and 31.

16.2.1 Failure to submit the proof will automatically invalidate the bid. Knowingly not submitting it will make the person liable for financial misconduct. Also see the conditions of the Declaration of Interest (SBD 4) attached to the bidding document.

17  FRONTING

17.1 The Department of Correctional Services supports the spirit of Broad Based Black Economic Empowerment and recognizes that real development can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in:

a) An honest, fair, equitable, transparent and legally compliant manner. Against this background the Department of Correctional Services condemn any form of fronting.

b) The Department of Correctional Services, in ensuring that bidders conduct themselves in an honest manner will as part of the bid evaluation processes, conduct or initiate the necessary enquiries, investigations to determine the accuracy of the representations made in the bid documents.

17.2 Taking the above into consideration, proof for the points claimed must be provided together with the bid or on request to do so. Failure to provide proof will result in that the points claimed will not be considered during the evaluation process.
18 PRODUCT COMPLIANCE

18.1 Bids shall be for the supply and delivery of perishable food items/groceries and shall be strictly in accordance with the attached National Department of Correctional Services: Product Specification: Food Items.

18.2 The supply of food items shall be regulated by the following legislation, policies and guidelines:

18.2.1 Foodstuffs, Cosmetics and Disinfectants, Act 54 of 1972.


18.2.3 National Health Act and Safety Act, 1993 (Act No. 85 of 1993).

18.2.4 Departmental and National Department of Health nutrition related policies, guidelines and procedures.

18.2.5 Regulation 962 (Regulation Governing General Hygiene Requirements for Food Premises and the Transport of Food)

18.3 All relevant regulations.

19 VENDOR ASSESSMENT

19.1 The Department will have the right to confirm the ability of bidders to carry out this contract successfully. This includes an investigation by the Department or its appointee, of the bidder’s financial position, previous contracts carried out, availability of skills or knowledge, existing work load, after sales service, delivery periods, quality and quantity of products.

19.2 To ensure that the bidder has the financial ability and stability to execute the contract, the bidder must provide proof together with their bid document that he/she has the financial ability and stability to execute the contract. For this purpose, the bidder is allowed to either:

19.2.1 Provide the attached (BD 33) form that is completed and signed by their registered financial institution/bank confirming their financial ability and stability to execute the contract; or

19.2.2 Provide a letter of good standing not older than thirty (30) days from their registered financial institution/bank confirming that the bidder conducts the bank account in a satisfactory basis.

19.2.3 Omission to provide such proof will automatically invalidate your bid.
19.3 Please provide contactable details of current and previous clients for the supply and delivery of similar items and where the business was gained in the last twelve months by means of a bidding process.

19.4 The premises/factory of the bidder or contractor should be opened at all reasonable hour for inspection by a representative of the Department and/or its approved institution.

19.5 **Should the contractor not cooperate in any of these matters and/or do not have the capability to execute the contract his offer will be regarded as not acceptable.**

20 **PACKAGING**

20.1 If applicable, your attention is drawn to the packaging requirements stipulated in the specification.

20.2 There should be a labelling/description of the delivered items on the outside of the packaging that will correspond with the invoice.

21 **ORDERS/DELIVERIES/DELIVERY BASIS**

21.1 Before any manufacturing and/or delivery of any product on this contract is conducted, the contractor must be in possession of an official order issued by an authorized official of the Department.

21.2 Firm delivery period must be quoted for the duration of the contract period.

21.3 Products must be delivered and off loaded by the contractor in the transit area of the delivery point.

21.4 Delivery will be accepted on weekdays between 8:00 and 14:00.

21.5 All deliveries and dispatches must be accompanied by a delivery note stating the official order number against which the delivery is affected.

21.6 Deliveries not complying with the order/specifications will be returned to the contractor at the contractor's expense.

21.7 The Department of Correctional Services may postpone or delay deliveries if it finds itself in any such position, as a result of circumstances beyond its control, which will make it impossible to comply with the specified delivery dates.

22 **EVALUATION/AWARDING OF BID**

22.1 Only bids complying with all the requirements as stipulated in paragraph 4 (acceptable bids/offers), will be considered.
22.1.1 The qualifying criteria for bids to be considered as follow:

- Tax matter must be in order.
- Proof of supplier arrangement between the bidder and the manufacturer.
- Proof of financial ability certified by registered financial institution.
- Compliance in full with the specification.
- Fish and vegetable and fruits will be awarded as an item, therefore bidders must bid for all sub items as per pricing schedule.

22.2 In terms of Regulation 6 of the Preferential Procurement Regulations, 2011 pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act no. 5 of 2000), responsive bids will be considered by the Department on the 80/20 or 90/10 Preference Point System (The 90/10 Preference Point System for acquisition of services, works or goods with a Rand value above R1 million).

22.3 The following formula will be used to calculate the points for price:

For cases with a Rand value exceeding R1 million (all applicable taxes included):

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

Where:

- \( P_s \) = Points scored for comparative price of bid or offer under consideration
- \( P_t \) = Comparative price of bid or offer under consideration
- \( P_{\text{min}} \) = Comparative price of lowest acceptable bid or offer.

22.4 Subject to sub-regulation (3), points will be awarded to a bidder for attaining their B-BBEE Status Level of Contributor in accordance with the table below:

<table>
<thead>
<tr>
<th>B-BBEE Contributor Status Level of</th>
<th>Number of Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>90/10 Preference Point System</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>7</td>
<td>2</td>
</tr>
</tbody>
</table>
22.5 Bidders are required to complete the preference claim form (SBD 6.1) and submit their original and valid B-BBEE status verification certificate or a certified copy thereof at the closing date and time of the bid in order to claim the B-BBEE status level points.

22.6 Failure on the part of the bidder to comply with paragraph 22.5 will be deemed that the preference points for B-BBEE status level of contribution are not claimed and will therefore be allocated a zero.

22.7 A maximum of twenty (20) points may be allocated for bids up to the value of R1 million and ten (10) points may be allocated for bids exceeding R1 million, in accordance with sub-regulation (2).

22.8 The points scored by a bidder in respect of the level of B-BBEE contribution contemplated in sub-regulation (2) will be added to the points scored for price as calculated in accordance with sub-regulation (1).

22.9 This bid will be awarded per item. Bidders need to bid for all two (2) years per item to be considered.

22.10 Subject to Regulation 7 of the Preferential Procurement Regulations, 2011, the contract will be awarded to the bidder who scores the highest number of points per item.

22.10.1 In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points for B-BBEE.

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

22.11 However, in accordance with Section 2(1)(f) of the Act the Department has the right to award the contract to the bidder that did not score the highest total of points.

22.12 The lowest acceptable average price per item will be used for comparative purposes.

22.13 Bidders are required to submit a certified valid B-BBEE Status Level Verification Certificates or sworn affidavit thereof together with their bids, to substantiate their B-BBEE rating claims.
23 CONTRACT MANAGEMENT

23.1 The contractor shall not abandon, transfer, assign or sublet a contract or part thereof without the prior written approval from the Department.

23.2 Contractor must inform the relevant institution immediately when unforeseeable circumstances will adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished.

24 PENALTIES

24.1 The Department will impose a penalty as a result of unsatisfactory performance (e.g. poor quality, late delivery, non-delivery, etc.)

24.2 The following formula will be utilized for this purpose:

\[ \text{Penalty} = \left( V \times \frac{10}{100} \right) \times N \]

\( V = \) Value of delayed goods or services  
\( N = \) Number of days of delay

A penalty will be limited to 30% of the value of delayed goods or services.

24.3 In addition to a penalty being imposed, the Department reserves the right to act in accordance with paragraph 21.6 of the General Conditions of Contract (GCC), which reads “Upon delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier’s expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.”

24.4 The Department may terminate the contract at its sole discretion due to unsatisfactory performance (e.g. poor quality, late delivery, non-delivery, etc.) during the window period of two months, following the occurrence of the unsatisfactory performance.

25 PAYMENTS

25.1 Invoices should be delivered/posted to reach the institution that placed the order, timely.

25.2 The invoices should be original and must be accompanied by an inspection certificate and/or proof of delivery.
25.3 Companies not registered in terms of Value Added Tax, may not claim VAT on invoices.

26 SETTLEMENT OF DISPUTES

26.1 Should any dispute arise from this contract paragraph 27 of the General Conditions of Contract shall apply.

The content of these Special Conditions have been noted and accepted.

Signature of Bidder: ________________________________.

Name: ________________________________.

Date: ________________________________.
GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

(i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and

(ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.

- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.
TABLE OF CLAUSES

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

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other
incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have

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them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

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

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3
do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier’s risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser’s request for bid validity extension, as the case may be.

18. Contract amendments

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser’s prior written consent.

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20. Subcontracts

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier’s performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier’s notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier’s time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier’s point of supply is not situated at or near the place where the supplies are required, or the supplier’s services are not readily available.

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

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

22. Penalties

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

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

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

(b) if the supplier fails to perform any other obligation(s) under the contract; or

(c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

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

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

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

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

(a) the name and address of the supplier and/or person restricted by the purchaser;

(b) the date of commencement of the restriction;

(c) the period of restriction; and
(d) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

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

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

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

29. Governing language

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

30. Applicable law

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

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to
him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

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

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

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. National Industrial Participation (NIP) Programme

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

35. Prohibition of Restrictive Practices

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

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

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

General Conditions of Contract (revised July 2010)
If the information required in regard of each item cannot be inserted in the space provided, additional information may be provided on a separate sheet of paper with a suitable reference to the questionnaire number concerned.

**QUESTIONNAIRE**

<table>
<thead>
<tr>
<th>QUESTION</th>
<th>REPLY</th>
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<tbody>
<tr>
<td>1. What is the bid number?</td>
<td></td>
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<tr>
<td>2. What is/are the item number(s)?</td>
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<tr>
<td>3. Are you registered in terms of sections 23(1) or 23(3) of the Value-Added Tax Act, 1991 (Act No. 89 of 1991)?</td>
<td>* Yes No</td>
</tr>
<tr>
<td>3.1 If so, state your VAT registration number.</td>
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<tr>
<td>4. Is the equipment guaranteed as required in terms of paragraph 15 of the General Conditions of Contract (BCC)?</td>
<td>* Yes No</td>
</tr>
<tr>
<td>4.1 If a specific guarantee is required in the bid specification, is the supply/services so guaranteed?</td>
<td>* Yes No</td>
</tr>
<tr>
<td>5. Are you the accredited representative in the Republic of South Africa of the manufacturer of the equipment offered by you?</td>
<td></td>
</tr>
<tr>
<td>6. What is the address in the Republic of South Africa where a machine/equipment of the type offered by you may be inspected preferably under working conditions?</td>
<td></td>
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<tr>
<td>7. What is the approximate value of spares carried in stock in the Republic of South Africa for this particular make and model of machine?</td>
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<tr>
<td>7.1 Where are these spares held in stock?</td>
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<tr>
<td>8. What facilities exist for servicing the machine/equipment offered?</td>
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<tr>
<td>8.1 Where are these facilities available?</td>
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<tr>
<td>9. What are the names and addresses of the factories where the supplies will be manufactured and may be inspected, if required?</td>
<td></td>
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<tr>
<td>10. Is a special import permit required? If not, indicate your import permit number?</td>
<td>* Yes No</td>
</tr>
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* Mark the relevant block with an X
PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011

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

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

1. GENERAL CONDITIONS
1.1 The following preference point systems are applicable to all bids:
   - the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and
   - the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed/ not exceed R1 000 000 (all applicable taxes included) and therefore the ...................... preference point 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.

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

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<thead>
<tr>
<th>POINTS</th>
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<tbody>
<tr>
<td>PRICE</td>
</tr>
<tr>
<td>B-BBEE STATUS LEVEL OF CONTRIBUTION</td>
</tr>
<tr>
<td>Total points for Price and B-BBEE must not exceed</td>
</tr>
</tbody>
</table>

1.5 Failure on the part of a bidder to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS), or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or a sworn affidavit confirming annual turnover and level of black ownership in case of an EME and QSE 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) “all applicable taxes” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

(b) “B-BBEE” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
(c) "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;

(d) "bid" means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;

(e) "Broad-Based Black Economic Empowerment Act" means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

(f) "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;

(g) "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;

(h) "contract" means the agreement that results from the acceptance of a bid by an organ of state;

(i) "EME" means an Exempted Micro Enterprise as defined by Codes of Good Practice under section 9(1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

(j) "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;

(k) "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;

(l) "non-firm prices" means all prices other than "firm" prices;

(m) "person" includes a juristic person;

(n) "QSE" means a Qualifying Small Enterprise as defined by Codes of Good Practice under section 9(1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

(o) "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;

(p) "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;

(q) "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;

(r) "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

(s) "trustee" means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.
3. ADJUDICATION USING A POINT SYSTEM

3.1 The bidder obtaining the highest number of total points will be awarded the contract.

3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts.

3.3 Points scored must be rounded off to the nearest 2 decimal places.

3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.

3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.

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

4. POINTS AWARDED FOR PRICE

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

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

\[
\begin{align*}
P_s &= 80 \left(1 - \frac{P_t - P_{\text{min}}}{P_{\text{min}}}\right) & \text{or} & & P_s &= 90 \left(1 - \frac{P_t - P_{\text{min}}}{P_{\text{min}}}\right) \\
\end{align*}
\]

Where

- \(P_s\) = Points scored for comparative price of bid under consideration
- \(P_t\) = Comparative price of bid under consideration
- \(P_{\text{min}}\) = Comparative price of lowest acceptable bid

5. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

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

<table>
<thead>
<tr>
<th>B-BBEE Status Level of Contributor</th>
<th>Number of points (90/10 system)</th>
<th>Number of points (80/20 system)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>2</td>
<td>9</td>
<td>18</td>
</tr>
<tr>
<td>3</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>4</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>5</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>6</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>7</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>8</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Non-compliant contributor</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
5.2 A bidder who qualifies as a EME in terms of the B-BBEE Act must submit a sworn affidavit confirming Annual Total Revenue and Level of Black Ownership.

5.3 A Bidder other than EME or QSE 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 1.4 AND 5.1

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

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

8. SUB-CONTRACTING

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

(Tick applicable box)

YES [ ] NO [ ]

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.

(Tick applicable box)

YES [ ] NO [ ]

Page 4 of 6
9. DECLARATION WITH REGARD TO COMPANY/FIRM

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

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

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as
indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in
paragraph 7, the contractor may be required to furnish documentary proof to the
satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent
basis or any of the conditions of contract have not been fulfilled, the purchaser may, in
addition to any other remedy it may have –

(a) disqualify the person from the bidding process;

(b) recover costs, losses or damages it has incurred or suffered as a
result of that person’s conduct;

(c) cancel the contract and claim any damages which it has suffered as a
result of having to make less favourable arrangements due to such
cancellation;

(d) restrict the bidder or contractor, its shareholders and directors, or only
the shareholders and directors who acted on a fraudulent basis, from
obtaining business from any organ of state for a period not exceeding
10 years, after the audi alteram partem (hear the other side) rule has
been applied; and
(e) forward the matter for criminal prosecution.

WITNESSES
1. ............................................
2. ............................................

SIGNATURE(S) OF BIDDER(S)
DATE: ............................................
ADDRESS ............................................
............................................
DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

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

1. General Conditions

1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.

1.2. Regulation 9(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.

1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.

1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

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

\[ LC = 1 - \frac{x}{y^2} \times 100 \]

Where

\[ x \] is the imported content in Rand
\[ y \] is the bid 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.


Amended 2015
Page 1 of 4
1.6 A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation.

2. Definitions

2.1. "bid" includes written price quotations, advertised competitive bids or proposals;

2.2. "bid price" price offered by the bidder, excluding value added tax (VAT);

2.3. "contract" means the agreement that results from the acceptance of a bid by an organ of state;

2.4. "designated sector" means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;

2.5. "duly sign" means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).

2.6. "imported content" means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;

2.7. "local content" means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;

2.8. "stipulated minimum threshold" means that portion of local production and content as determined by the Department of Trade and Industry; and

2.9. "sub-contract" means the primary contractor's assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

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

<table>
<thead>
<tr>
<th>Description of services, works or goods</th>
<th>Stipulated minimum threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>%</td>
</tr>
</tbody>
</table>

Amended 2015
Page 2 of 4
4. Does any portion of the services, works or goods offered have any imported content?

YES ☐ NO ☐

(Tick applicable box)

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

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

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

<table>
<thead>
<tr>
<th>Currency</th>
<th>Rates of exchange</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Dollar</td>
<td></td>
</tr>
<tr>
<td>Pound Sterling</td>
<td></td>
</tr>
<tr>
<td>Euro</td>
<td></td>
</tr>
<tr>
<td>Yen</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>

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

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

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

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

IN 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/industrial development/ip.jsp. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the
declaration made in paragraph (c) below. Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, .......................................................... (full names), do hereby declare, in my capacity as .......................................................... of .......................................................... (name of bidder entity), the following:

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

(b) I have satisfied myself that 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.

(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:

<table>
<thead>
<tr>
<th>Bid price, excluding VAT (y)</th>
<th>R</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imported content (x), as calculated in terms of SATS 1286:2011</td>
<td>R</td>
</tr>
<tr>
<td>Stipulated minimum threshold for local content (paragraph 3 above)</td>
<td></td>
</tr>
<tr>
<td>Local content %, as calculated in terms of SATS 1286:2011</td>
<td></td>
</tr>
</tbody>
</table>

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 have 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 13 of the Preferential Procurement Regulations, 2011 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.

<table>
<thead>
<tr>
<th>Item</th>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>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 Accounting Officer/Authority of the institution that imposed the restriction after the <em>audi alteram partem</em> rule was applied). 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 page.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>4.1.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.2</td>
<td>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on 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.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>4.2.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.3</td>
<td>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?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>4.3.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.4</td>
<td>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?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>4.4.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**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.

<table>
<thead>
<tr>
<th>Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Position</td>
<td>Name of Bidder</td>
</tr>
</tbody>
</table>

Js365bW
CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Standard Bidding Document (SBD) 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 per se prohibition meaning that it cannot be justified under any grounds.

3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
   a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
   b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.

4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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

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 will not be construed as collusive bidding.

---

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

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
<table>
<thead>
<tr>
<th></th>
<th>CHECKLIST: COMPILATION OF BID DOCUMENTS FOR THE SUPPLY OF GENERAL ITEMS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Yes</strong></td>
</tr>
<tr>
<td>1.</td>
<td>Did you take note that bids submitted per mail must be sent per registered mail (see cover letter to bid documents)?</td>
</tr>
<tr>
<td>2.</td>
<td>Did you sign the SBD 1 form?</td>
</tr>
<tr>
<td>3.</td>
<td>Did you submit an original and valid Tax Clearance Certificate (see SBD 2 and TCC 001)?</td>
</tr>
<tr>
<td>4.</td>
<td>If you are not the actual manufacturer and source the products from another company, did you obtain and attach a supplier’s letter (see form BD 27 and paragraph 17 of the special conditions)?</td>
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<td>4.1</td>
<td>Did you take note of the consequences should you omit to attach a supplier’s letter (see last sentence of paragraph 17 of special conditions)?</td>
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<td>5.</td>
<td>Did you take note of the content of BD 3.1 (Firm prices) and/or BD 3.2 (Non-firm prices)?</td>
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<td>6.</td>
<td>Is the SBD 4 (Declaration of interest) completed and signed as required?</td>
</tr>
<tr>
<td>7.</td>
<td>Is the SBD 6.1-form completed and signed and has documentary proof of points claimed provided?</td>
</tr>
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<td>8.</td>
<td>If points are claimed on the SBD 6.3-form (Promotion of Small Businesses), has paragraph 5.1.18 been completed?</td>
</tr>
<tr>
<td>9.</td>
<td>Has the SBD 8 been completed and signed as requested?</td>
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<tr>
<td>10.</td>
<td>Take note that no late bids will be considered!</td>
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</table>
AUTHORISATION DECLARATION: CONFIRMATION OF SUPPLY AND FINANCIAL ARRANGEMENTS BETWEEN THE BIDDER AND THIRD PARTY

BID NUMBER: WIT 05/2017
DESCRIPTION: SUPPLY AND DELIVERY OF GROCERIES: WITBANK AND MIDDELBURG
NAME OF BIDDER: ________________________________
CLOSING DATE: 10 APRIL 2017

Are you sourcing the goods or services from a third party?
____________________________________________________________________________________

If you have answered YES to the above question, please provide full details in the table below of the third party (ies) from whom you are sourcing the goods or services.

DECLARATION BY THE BIDDER WHERE THE BIDDER IS SOURCING THE GOODS OR SERVICES FROM A THIRD PARTY:

1. I, ________________________________ (Bidder) hereby declare the following:
   - The goods or services listed in the BD 27.1 attached, is being sourced from a third party in order to comply with the terms and conditions of the bid.
   - The third party has been informed of the requirement of the specifications, terms and conditions of the bid and the third party is acquainted with the said specifications, terms and conditions of the goods or services listed in the BD 27.1.
   - The unconditional written undertaking to supply the goods or services listed in the BD 27.1 in accordance with the terms and conditions of the bid document for the duration of the contract has been received from the third party. See confirmation below.
   - It is confirmed that all financial and supply arrangements for goods or services have been mutually agreed upon between the bidder and the third party.

2. The information contained herein is true and correct.

3. Failure to submit the BD 27, BD 27.1 and BD 27.2 will invalidate the bid.

4. It is acknowledged that the Department reserves the right to verify the information contained herein and if found to be false or incorrect, the Department may invoke any remedies available to it in the bid documents.

SIGNATURE BY THE BIDDER:
Signed at ____________________________ on the ______ day of __________________ 20__

Signature __________________________ Full name _________________________________

Designation ____________________________________________________________________

(This form must be applicable to purchases exceeding R30 000-00 per case)
DESCRIPTION OF BID: GROCERIES  
BID NO: WIT 05/2017

LIST OF GOODS OR SERVICES OFFERED (TO BE COMPLETED BY THE BIDDER)

<table>
<thead>
<tr>
<th>BID ITEM NO.</th>
<th>BRAND NAME</th>
<th>NAME OF COMPANY FROM WHERE THE GOODS OR SERVICES WILL BE SOURCED</th>
<th>ADDRESS AND CONTACT DETAILS OF THE COMPANY FROM WHERE THE GOODS OR SERVICES WILL BE SOURCED</th>
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Page 1 of 2
Note:

- A separate BD 27.2 must be completed by each Third Party;
- A letter issued on the official letterhead of the third party addressing the information below is acceptable.

**To be completed by the third party**

Name of Third Party: 

Physical Address: 

Telephone number: 

Facsimile number: 

E-mail address: 

It is hereby confirmed that a mutual agreement has been reached between myself and the bidder is therefore authorised to include the products listed on the BD 27.1 in the bid submission.

We confirm that we have firm supply and financial arrangements in place, and have familiarized ourselves with the item descriptions, specifications and bid terms and conditions relating to the item/s listed on the BD 27.1.

We confirm that the products to be delivered will comply with the specifications, terms and conditions.

**Signature by the third party:**

Signature: Full name: 

Designation: 

Date: 

Amendment 1 of 2015
CERTIFICATION OF FINANCIAL ABILITY AND STABILITY
(Paragraph .......... of the Special Conditions of Contract)

Important: This form must be completed and submitted together with the Bid. Failure to do so will invalidate your bid.

To be completed by bidder:

BID NO.: WIT 05/2017

DESCRIPTION: SUPPLY AND DELIVERY OF GROCERIES: WITBANK AND MIDDLESBURG

NAME OF BIDDER: 

To be completed by bank/financial institution:

This information is issued without prejudice to any registered bank/financial institution and the bank/financial institution reserves all their rights in this regard. No bank/financial institution will be held liable for any loss or damage that any person may suffer as a result of any reliance being placed on the information provided.

A signed letter on a letter Head of the bank issued by the bank/financial institution confirming the financial ability/stability of the bidder will also be considered.

Mr/Mrs/Miss ................................................................. (Client name) holds a (current/savings) account in his/her name with ................................................................. (Name of bank) for .............. years.

The banking details of such account:

Account number: .................................................................

Branch: .................................................................

Branch code: .................................................................

It is hereby certified that ................................................................. (Client name) has the financial ability and stability to successfully execute this contract, taking the note below into account.
Please note that the standard payment condition applicable to Government contracts stipulate the following: "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.

The information supplied is on the strictest and most confidential grounds.

NAME OF FINANCIAL INSTITUTION: __________________________________________

ADDRESS: __________________________________________________________________

__________________________________________________________________________

TELEPHONE NUMBER: ______________________________________________________

SIGNATURE: __________________________

CAPACITY: __________________________

DATE: ________________________________

BANK STAMP AND DATE

Page 2 of 2

Amendment 1 of 2012