

# CONSTITUTION HILL



**APPOINTMENT OF A VOIP SERVICE PROVIDER FOR THE SUPPLY, INSTALLATION AND  
MAINTENANCE OF A HOSTED VOIP TELEPHONY INFRASTRUCTURE AT CONSTITUTION  
HILL FOR A PERIOD OF THREE (3) YEARS.**

**BID NO: CONHILL/05/FAC/2018**

**BID DOCUMENT**

**CLOSING DATE: 22 MARCH 2018**

**Time:11H00AM**

**Issued by:**

Constitution Hill Development Company SOC Ltd  
Old Fort Building  
11 Kotze Street  
Braamfontein, Johannesburg  
2017

**Contact person:**

Name : Solly Malatsi  
Telephone : 011 381 3124  
Email : S.Malatsi@constitutionhill.org.za

**Name of the Bidder: .....**

# REQUEST FOR PROPOSAL

**Constitution Hill Development Company**  
**Old Fort Building, 11 Kotze Street, Braamfontein**  
**Johannesburg**  
**Republic of South Africa**  
(Hereinafter referred to as "Conhill")

BID NUMBER: **CONHILL/05/FAC/2018**

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DESCRIPTION: **APPOINTMENT OF A VOIP SERVICE PROVIDER FOR THE SUPPLY, INSTALLATION AND MAINTENANCE OF A HOSTED VOIP TELEPHONY INFRASTRUCTURE AT CONSTITUTION HILL FOR A PERIOD OF THREE (3) YEARS.**

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**COMPULSORY BRIEFING:**

Yes

☐

No

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<b>DATE:</b>	NO BRIEFING
<b>TIME:</b>	
<b>VENUE:</b>	

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## CONDITIONS FOR COMPLETING BID DOCUMENTS

Document	Comments	Submitted? (Yes / No)
<b>SBD 1</b> (Invitation to bid)	Make sure it is signed	
<b>SBD 2</b> (Tax Clearance Certificate)	Provide valid tax clearance certificate and Tax pin	
<b>SBD 3.3</b> (Pricing schedule)	Filled or refer to an Annexure or addendum where price is mentioned	
<b>SBD 4</b> (Declaration of interest)	Make sure it is signed	
<b>SBD 8</b> (Declaration of Bidder's past supply chain management practices)	Make sure it is signed	
<b>SBD 9</b> (Certificate of Independent Bid Determination)	Make sure it is signed	
Certified copies of Original of Company Registration Documentation  NB: Certification stamp must be original and no more than 3 months old as at date of closing of tender	1. certificate of registration, 2. change of name certificate (if applicable) 3. register of directors, and most current registered business address (Company Registration: CM1 and CK1, Change of Name Certificate: CM9, Latest Registered address: CM22, Most current register of directors CM29 and CK2)	
Total Bid Price	Total bid price must be completed on the SBD1 form.	
Vat Registration Certificate	If applicable	
BBBEE Certificate & BBBEE Statement / Sworn Affidavit	Valid certified copies must be submitted	
Company Profile	Include structure of the company	
Certified copies of Share Certificates	For all current shareholders if applicable	
Certified copies of identity documents	For all current shareholders / members	
Centralised Supplier Database	Csd summary registration report	

**IF ANY OF THE ABOVEMENTIONED CONDITIONS IS NOT MET AND/OR ANY OF THE REQUESTED DOCUMENTS ARE NOT SUBMITTED AS PRESCRIBED, THE BID EVALUATION COMMITTEE SHALL HAVE THE DISCRETION TO DISQUALIFY THE BID**

1. Bid Documents must be completed with ink (Blue or black) and not typed. No tippex is allowed. All changes must be scratched out and a signature appended next to each change.
2. All certified documents must be within the current six (6) months. Copies of previously certified documents will not be accepted and may result in automatic disqualification.
3. **Bid documents must be secured and submitted in a three envelope system: containing the THREE (3) separate envelopes as follows : (Mandatory, Technical and Financial).**

*Envelope 1: Mandatory and returnable documents (refer to page 26)*

*Envelope 2: Technical Evaluation (refer to page 27 - page 28)*

*Envelope 3: Pricing and BEE (refer to page 32 - page 33)*

# **PART A**

## YOU ARE HEREBY INVITED TO BID FOR THE REQUIREMENTS OF CONHILL

BID NUMBER: **CONHILL/05/FAC/2018** CLOSING DATE: **22 MARCH 2018** TIME: **11:00AM****DESCRIPTION:**

BID DOCUMENTS MUST BE DEPOSITED IN THE BID BOX SITUATED AT:

**Constitution Hill Development Company Soc Ltd**  
**Old Fort Building**  
**11 Kotze Street, Braamfontein**  
**JOHANNESBURG**  
**2017**

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 from 08:30 and 16:30, Mondays to Fridays, prior to closing date or before 11:00 on the closing date.

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

THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

**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.....

CELL PHONE NUMBER.....

FACSIMILE NUMBER CODE..... NUMBER.....

VAT REGISTRATION NUMBER.....

HAS A TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? YES/NO

ARE YOU THE ACCREDITED REPRESENTATIVE?  
 IN SOUTH AFRICA FOR THE GOODS/SERVICES OFFERED BY YOU? YES/NO  
 (IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER:..... DATE: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED.....

TOTAL PURCHASE PRICE (VAT Incl (R \_\_\_\_\_))

TOTAL LEASED PRICE (VAT Incl (R \_\_\_\_\_))

### **A.1.1. CONDITIONS OF BIDDING**

#### **1 Proprietary Information**

- 1.1 Constitution Hill considers this tender and all related information, either written or verbal, which is provided to the respondent, to be proprietary to Constitution Hill. It shall be kept confidential by the respondent and its officers, employees, agents and representatives. The respondent shall not disclose, publish, or advertise this specification or related information to any third party without the prior written consent of Constitution Hill.

#### **2 Enquiries**

- 2.1 All communication and attempts to solicit information of any kind relative to this tender should be in writing and channeled to:

Name : Solly Malatsi

Email : [s.malatsi@constitutionhill.org.za](mailto:s.malatsi@constitutionhill.org.za) / [solly@conhill.org.za](mailto:solly@conhill.org.za)

- 2.2 All the documentation submitted in response to this tender must be in English.

- 2.3 The Bidder should check the numbers of the pages to satisfy themselves that none are missing or duplicated. No liability will be accepted by Conhill in regard to anything arising from the fact that pages are missing or duplicated.

#### **3 Validity Period**

- 3.1 Responses to this tender received from suppliers will be valid for a period of **90 days** counted from the closing date of the tender.

#### **4 Briefing Session and Clarifications**

- 4.1 No briefing session will be held. Any enquiries or request for site viewing should be sent by email to [s.malatsi@constitutionhill.org.za](mailto:s.malatsi@constitutionhill.org.za)

#### **5 Submission of Tenders**

- 5.1 Tenders should be submitted in a sealed ONE (1) ENVELOPE - containing the THREE (3) SEPARATE ENVELOPES (Mandatory, Technical and Financial) - endorsed, **CONHILL/05/FAC/2018**. The sealed envelope must be placed in the tender box at the Old Fort Building, 11 Kotze Street, Braamfontein, Johannesburg by no later than **22 March 2018 at 11h00am**.

- 5.2 The closing date, company name and the return address must also be endorsed on the envelope. If a courier service company is being used for delivery of the bid document, the bid description must be endorsed on the delivery note/courier packaging to ensure that documents are delivered into the BID BOX at the reception, at Constitution Hill.

- 5.3 No bid received by telegram, telex, email, facsimile or similar medium will be considered. Where a tender document is not in the tender box at the time of the bid closing, such a bid document will be regarded as a late bid. Late bids will not be considered.

- 5.4 Amended bids may be sent, together with the original bid, in an envelope marked "Amendment to bid" and should be placed in the bid box before the closing date and time. An amendment bids without original bid document will not be considered.

- 5.5 The bidder is responsible for all the cost that they shall incur related to the preparation and submission of the bid document.
- 5.6 Kindly note that **Conhill** is entitled to amend any bid conditions, validity period, specifications, or extend the closing date of bids before the closing date. All bidders, to whom the bid documents have been issued, will be advised in writing of such amendments in good time.
- 5.7 **Conhill** reserves that right not to accept the lowest bid of any tender in part or in whole. It normally awards the contract to the bidder who proves to be fully capable of handling the contract and whose financially advantageous to **Conhill**.
- 5.8 Conhill also reserves the right to award this bid to a purely empowerment company or may award this bid on conditions that a joint venture with an empowerment company is formed. This may be added to the criteria when evaluating the bids.
- 5.9 Conhill also reserves the right to award this bid as a whole or in part without furnishing reasons.
- 5.10 Conhill reserves the right to, amongst other things, conduct unscheduled or scheduled site visit/s to satisfy itself, as to the validity of the information provided on this bid documents.
- 5.11 Failure to provide total bid price on SB SBD.1 shall result in automatic disqualification.
- 5.12 An incomplete price list shall render the bid non-responsive.



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

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

## A2: TERMS OF REFERENCE

### 1. Introduction

Constitution Hill (ConHill) is looking for a new VoIP Phone System and/or Hosted PBX Solution (VoIP System) for its offices, located in Braamfontein, Johannesburg.

ConHill will be replacing its current Internet Solution (IS) VoIP PBX system with a new VoIP System. The new VoIP System shall be sized to accommodate **fifty (50) handsets**, with the ability to increase in size to one hundred (100) handsets, if needed in the future.

ConHill seeks to conclude a service contract, supported by a Service Level Agreement, for the detailed design, supply, installation, configuration, commissioning and maintenance of a logically and administratively single, resilient, scalable VoIP PBX system, for a period of three (3) years. The anticipated contract commencement date is 01 May 2018.

ConHill is looking for a fully outsourced hosted PBX/VoIP solution that will provide the organisation with the following advantages:

- Reduce operational costs through by leveraging existing technologies already in place.
- Reduce maintenance costs through a single provider that covers all geographic regions.
- Improve user experience by providing a true unified communications experience.
- Reduce telephony costs by providing least cost routing and zero cost for on private network calls.
- Reduce telephony wastage through better control of private network calls.
- Improved customer experience through direct inward dial and auto attendance.
- Flexibility of the solution to cater for ConHill's seasonal requirements. ConHill does contract temporary workers (including interns and learners) and require flexibility expansion and contraction of telephone instruments and lines.

It is ConHill's intention that this contract will enable the migration of telephony services from the existing systems to a new solution. **The solution will be rented.**

### 2. Background

Constitution Hill currently utilises Internet Solutions' VoIP solution for voice calls. The contract ends at the end of April 2018. The current arrangement is that three of BRI/PRI lines (011 339 1726, 011 381 3100, and 011 484 1760) are forwarded to one number, 087 354 5733.

The current number of BRI/PRI lines need to be reviewed and the minimum required amounts of lines need (for incoming and outgoing calls) to be kept for the backup connectivity to maintain effective running of the office. The bidder must design, supply, install, configure, optimise, support, monitor and upgrade the solution as new technology/services becomes available for the proposed solution on bi-annual basis on approval by ConHill.

Redundancy and high availability is critical for the proposed solution. All supplied infrastructure must be neatly installed, labelled and housed, per international industry best practices, in a single lockable and cooled cabinet. Where no cabinet is currently installed, the bidder must supply and install a new single lockable and cooled cabinet.

A one point (to be used for both data and voice) per user approach must be followed.

## Voice

ConHill offices currently use VoIP solution for voice connectivity. There is no telephone management solution (cost management solution) currently installed, and it is desired that the successful bidder will implement this solution upon appointment. ConHill has three primary lines (011 339 1726, 011 381 3100, and 011 484 1760) and these are currently forwarded to one number, 087 354 5733.

ConHill makes use of 011 381 3100 number, this must be integrated into the design and the current allocated number ranges must be kept. ConHill wants to keep all its existing numbers.

## Fax

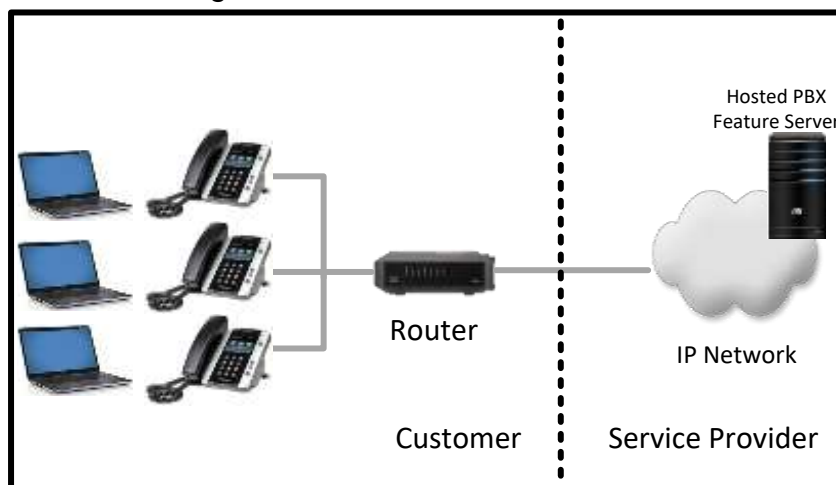
ConHill currently utilises the IS fax-to-mail service. It is the expectation that the main fax number, 011 381 3108, will ported by the successful bidder.

## Current Equipment

Equipment	Description	Quantity
Servers and Racks	Provided and hosted by IS	Provided by IS
Telephone Sets	Standard - Aastra 6731i	60
	Receptionist/PA - Aastra 6757i Phone plus 1 Expansion Module	3
	Polycom Soundstation2W conference phone	2

## 3. Purpose of the RFP

ConHill seeks to appoint a service provider to design, supply, installation, configuration, commissioning and maintenance of a logically and administratively single, resilient, scalable VoIP PBX system at its office in Braamfontein, Johannesburg, for a period of three (3) years, including a commensurate Service Level Agreement.



**Figure 1: Hosted PABX Diagram**

The successful service provider with thus be required to provide ConHill with the following:

- a. IP Telephony, hardware and software
- b. Licensing
- c. Service Level Agreement proposed must include assurance on software, warranty on hardware, maintenance, for a period of thirty-six (36) months for existing and the proposed solution
- d. Buy back of existing ConHill equipment which can be considered as a cost saving on the Total Price Offer to ConHill. This must be reflected in the pricing schedule provided.
- e. Technical Training to a maximum of five (5) selected IT staff; and
- f. User (device) training to a maximum of thirty-five (35) ConHill staff.

The successful Bidder will be required to assist ConHill and liaise with existing Service Providers to cancel all existing infrastructure agreements that will become redundant after the successful migration to the new contract – within 22 working days of handover.

ConHill also requires the ability to install a “failover/backup system” that will work in tandem with the main system to process calls as needed, either due to emergency, power outage or capacity issues. This “failover/backup system” shall reside in the Bidder’s cloud platform.

ConHill, in requesting this type of system, wishes to take advantage of the benefits that a VoIP system will bring. Each respondent should include in their response the benefits that their system will provide including, but not limited to, the increased efficiencies that staff will realise.

The successful Bidder for this contract will be the sole authority and responsible party for this installation. ConHill’s goal is to establish a relationship with a single point of contact for all support necessary for the project. If the Bidder utilises any subcontractors for any part of the system architecture, design, planning, installation or support it should be understood that the successful Bidder will be the sole responsible party for all activities.

It is the intent of this Request for Proposal that the responder shall provide a complete, end to end solution for the installation. The Bidder shall provide all design, planning, system architecture, installation, network analysis, training and post installation support for the project.

ConHill staff will act in oversight and advisory positions only.

The Bidder is also expected to provide a comprehensive training plan for all employees. It is expected that ConHill’s staff will require technical training at various levels and that line staff will require training on the new systems. ConHill’s Facilities & Operations staff will work with the Bidder to develop a training plan that achieves these objectives.

The Bidder is expected to plan and conduct the installation of the project with minimal impact to daily operations and staff.

## **4. Solution Requirements**

The following section provides a high-level overview of the suggested requirements for the new PBX environment, details of these requirements will be handled in section below.

### **4.1. PABX Location**

ConHill will not host the physical PBX on premise, the PBX should be cloud based and reside with the bidder/provider. The only technologies located on ConHill premises should be device endpoint, session boarder controllers and other.

### **4.2. Number Porting**

ConHill has existing three primary lines (011 339 1726, 011 381 3100, and 011 484 1760) and these are currently forwarded to one number, 087 354 5733. These number should be ported to the chosen provider and then trunked back into ConHill. The numbers will reside on the provider network but will remain the property of ConHill in the event that ConHill chooses to change providers.

ConHill makes use of 011 381 3100 number, this must be integrated into the design and the current allocated number ranges must be kept. ConHill wants to keep all its existing numbers.

### **4.3. Partner Trunks**

As ConHill is in the process of migrating towards the deployment of Microsoft Office 365 and its associated services, there may be requirements to have trunks into Microsoft O365 in the near future.

### **4.4. Microsoft Unified Communications Integration**

ConHill has invested in Microsoft technologies including Microsoft Exchange 2013, Microsoft Office 365 and Microsoft Skype for Business. It is envisioned that the chosen provider should support tight integration to these technologies to provide:

- User Presence
- Simultaneous Ring
- Call from Skype
- Call from Email
- Skype Dial-in Conferencing
- Exchange Automated Voicemail Attendant
- Exchange UC

**Note: ConHill does not have existing licenses to cover Enterprise Voice features.**

#### **4.5. WAN Requirements**

ConHill has a well deployed, highly available WAN. The solution should make use of the existing WAN to carry all VOIP traffic. The bidder will need to provide an interconnect into the existing WAN through a network carrier (to be appointed by ConHill). The WAN provider will be responsible for ensuring:

- WAN availability and link failover/redundancy
- WAN Quality of Services

#### **4.6. Telephony Requirements**

The chosen solution must make use of Least Cost Routing to ensure minimal National, International and Mobile call costs. To this end, it is envisioned that ConHill will:

- Incur no costs for calls made to On Private Network extensions irrespective of extension location.
- Incur only national call cost for external calls destined for South Africa. The provider should have VIOP breakouts in all major locations within South Africa.
- Incur minimal international call costs for external calls. Ideally the provider should have SIP trunks to international locations.
- Incur minimal Mobile costs. The provider should ensure least cost routing to all major mobile providers within South Africa.

The provider should further provide call costs at competitive rates to ensure that telephony costs can be driven down.

The solution should support multi-party tele-conferences and should integrate with the to-be-deployed Skype for Business Conferencing.

#### **4.7. Branch Survivability**

Although the existing WAN provides a high level of redundancy the solution should cater for WAN outages. As such the solution, should provide some level of branch survivability. The provider to provider to include solutions in proposal for such eventuality as well as costing.

#### **4.8. Voicemail and Faxing**

The solution should support both voicemail and faxing capabilities and integrate into Microsoft Exchange/O365 through the Microsoft Outlook client.

There is a requirement to continue to keep certain fax extensions (011 381 3108) available but for the most part, these numbers should be ported to the provider and faxing provided through Fax to Email or Email to Fax. ConHill will ensure that Scan to Email is available to ensure this requirement can be met.

## 5. Scope of the Services

The service provider must consider the following minimum technical specifications with respect to their proposed solution. The proposed solution must thus be able to integrate with the current IP-system installed in the ConHill offices.

### 5.1. General Technical Specifications

The following requirement is applicable to all telephony equipment:

- The system should provide telephony functions on the existing underlying data infrastructure within ConHill.
- The hosted solution must be an easily updatable and manageable solution and should not hinder ConHill from integrating with other standard-based telephony solutions including Microsoft Exchange and Microsoft Skype for Business or newer versions or derivatives of the above when available.
- The system should manage Call Admission Control (CAC) mechanisms to optimize the usage of bandwidth in the WAN/LAN for multi-site configurations.
- **Proof of Accreditation to ICASA** WILL be requested upon delivery of all telephony hardware. Therefore, all hardware **MUST** be ICASA-accredited and failure to prove accreditation will result in non-acceptance of the product.

#### 5.1.1. PABX Capabilities

- Centralization
- Unified Communication Collaboration
- Inter-calling
- Server Edition
- Web Manager for server Edition and Standard Mode
- SIP Trunks
- Data Backup Function
- Supported Codec: G.711 ALAW 64k, G.711 ULA 64k, G723.1 MP-MQL, G729(a) 8k CS-ACELP
- Class of service

#### 5.1.2. IP Telephony

- 50 x IP Tel Handsets
  - Switchboard module – 5
  - High-end level with expansion modules (Executives) – 8
  - Conferencing capability - 2
  - Mid-end level – 35
  - Quantities to be re-measured with the successful Bidder
- Basic Call Handling

- Calling line identification for all calls
- Key and Lamp Operation
- Outbound Call Handling Features
  - Call overflow
  - Call pick up (individual, on group0
  - Call transfer
  - Call forwarding
- Call back to last caller (local and external)
- Automatic call back (activate/cancel) on:
  - No reply, busy set, busy trunk group
- Call back request (activate/cancel) on:
  - No reply, busy set
- Call back request notification by:
  - LED on the user set, notification in Skype for Business, notification via Email client
- Dial by name with central directory repository via Skype for Business or Outlook
- Last number redial
- Multiple redial
- Distinctive ringing for internal and external calls for all types of sets
- Inbound Call Handling
- IP Telephony
- Pin code Configuration

#### 5.1.3. Switchboard Operators

- 3 x Soft Console PC
- 3 x Wireless headsets for answering calls
- Auto Attendant
- Support Expansion Modules
- XML/LDAP remote phone book

#### 5.1.4. Messaging

- Unified Messaging Service (UMS)
- Fax Messages
- Voicemail and Fax to email inbox Microsoft outlook
- Extended Personal Greetings

#### 5.1.5. Audio Conferencing

- Tel Conferencing capability
- Conference bridge

#### 5.1.6. Management Utilities

- Web Manager
- System Monitor
- Uptime Monthly Reports E.g. Availability, system status application(s)



#### 5.1.7. Licences

- Server Edition Licenses for up to 50 users. NOTE: System should be scalable.

#### 5.1.8. Data Networking Services

- LAN/WAN Services
- Internet Access
- Remote Access Features
- LAN to LAN Routing
- Telephone data collection to central server at the Old Fort server room.

#### 5.1.9. IP Phones

- IP telephones must support 100MB to the desktop and must be SIP capable.

#### 5.1.10. Conferencing Bridge

- The Boardroom in the Office of the CEO frequently makes use of the conferencing facility and must be deployed on the systems.

#### 5.1.11. Fax

- Configure a fax server (current main fax line is 011 381 3108) to manage all in and outbound faxes and must be delivered to Microsoft outlook inbox. A number range for faxes shall be supplied by the Service Provider.

#### 5.1.12. SMS Gateway

- Provide an appropriate solution to meet ConHill's requirements.
- Communication is an integral part of any organisation's daily activities. From recruitment and contracts, important announcements, surveys, to payroll and employee management, ConHill needs to constantly communicate with all staff. Keeping all staff members in the loop can be a time consuming and costly exercise, thus ConHill would like to turn to a simple solution, SMS, to keep its employees and tenants up to date and informed.

#### 5.1.13. Software/ Licensing Support

- The necessary product vendor licensing must be included on duration of the thirty-six (36) months contract and must be include in all software upgrades.

### 5.2. System Hardware and Software

- The system's software must be hosted in the Bidder's cloud with API interfaces, as may be required by ConHill.
- The system must manage, control and support a range of IP telephone stations for both voice and telephony applications as well as IP application stations for voice, telephony, and Web services support including Microsoft Exchange and Microsoft Skype for Business.

- All hardware is to be owned by ConHill, and maintained by the hosted provider.

### 5.3. System Security

- The solution must provide self-protection mechanisms to counter Denial of Service attacks.
- The solution should have virus protection and avoid spreading of possible viruses.
- The system must support Network Time Protocol v4.1.2 (RFC 1305) to synchronise the system data/time of network devices.
- The system must support Syslog services for both internal and external command and configuration control accounting with a minimum of 7-day history.
- IP phones should not support direct, externally-initiated connections via HTTP, telnet, TFTP or any other protocol as mean to prevent distributed Denial of Service attack exploitation.
- The Bidder must ensure that the hosted VoIP PBX solution is configured in a highly available fashion and supports failover to a secondary solution or data centre in the event of an outage.
- IP phones must support 802.1x (EAP-MD5 or better) for authentication and access control to the network, this mechanism must allow the user to be connected to the solution once he/she has passed the authentication process, not before.
- The IP phones should use Microsoft AD authentication and a primary means to authenticate users. Users should be ideally allocated PINs associated with their AD accounts for authentication.
- The hosted VoIP PBX system should have capability to, based on the standard mechanisms (such as 802.1Q and DHCP), assign automatically the corresponding voice VLAN number to the IP station clients during IP station initialization, allowing for the separation of voice and data traffic at the IP station.
- The IP station must have the ability to strip any VLAN tags assigned to traffic entering the network through the “guest port” of the IP station, and further have the ability to switch that traffic into an identified data VLAN, further enhancing enforced voice and data traffic separation.
- The management platform must provide a backup mechanism for all critical system information in both a manual and an automatic/scheduled archival and a Disaster Recovery mechanism.
- The hosted PBX solution should provide complete encryption capabilities with the ability to encrypt all traffic (media and call control signalling) between IP phones, call controllers, media gateways and all other associated endpoints via a strong encryption algorithm (e.g. IPsec and SRTP, etc.).
- The hosted VoIP PBX solution should encrypt the voice content as well as the signalling between the IP station and the call server.
- For multi-node solutions, IP stations must be capable of communicating via encrypted streams between any and all physical and logical network areas.

#### **5.4. System Management**

- The hosted VoIP PBX solution should provide a suite of applications and tools to permanently evaluate and report the operational health of the system. It should provide the following functions:
  - Software licensing check
  - Automatic recognition of plugged sets
  - User movement
  - Monitoring of all the events on the system
  - Capture of performance and level of use of the resources
  - Register and log all calls and give accounting information
  - Monitor and register all users, attendants, trunks activity to generate traffic and level of use
- Accounting of all calls generated by the users including cost, date, hour, etc. The solution must provide different options to group the billing of the calls (cost centre, extension number, trunk, user, city/area associated to dialled numbers).
- Generate report and graphs classified by:
  - User
  - Cost centre
  - Organisation level
  - Duration
  - PIN
  - Site
  - Number dialled (destination)
  - Carrier used

#### **5.5. Telephone Management System (TMS)**

A fully functioning TMS should be installed. The system should be able to do the following:

- Allow the IT Department to setup allowance limit for each extension
- The system should calculate all calls made by the user monthly and allow the user to mark calls as private or work related.
- The system should be able to deduct the allowance from the total calls made and display the Total owed by the user.
- Users should be able to login directly (via Web Portal) to the system using the unique username.
- The system should advise users when they are about to reach certain percentage of their allocated allowance.

## **5.6. Other Value Added and Mobility Services**

- Automatic Route Selection (ARS) to select the best route available to set up a call-in terms of resources availability and cost.
- The system should support free desktop / free seating features in stand alone or in multi-site.
- The system should support an integrated cellular extension solution providing full IP PBX features from cellular-mobile phones supporting:
  - The cellular extension application should not require external server, must be embedded into the IP PBX.
  - The system must allow remote users to be connected using softphone applications and having the same level of service as they were at the office desk.
  - The system should support users' mobile devices to work in tandem mode with the desktop phone.
- The solution must support user and device centric reports.
- The system must fully support active directory synchronisation.
- The system must have an auto attendant.
- The PABX and all its peripheral devices should be owned, maintained and covered by the Bidder.

## **5.7. Skype for Business and Exchange / Office 365 integration**

The solution should natively support tight integration with existing investments in Microsoft technologies. The solution should leverage off Microsoft Skype for Business to provide:

- Presence
- Simultaneous ring
- Voicemail
- Automatic Call Attendant
- Call Parking
- Share Line
- Location Based Routing
- Media Bypass
- Skype Signalling Protocols
- Branch Survivability
- Virtual Attendant

## 5.8. Other System Requirements

- The solution should cater for reporting on caller activity per user and be able to allow the user to identify personal calls from work related calls. Reporting functionality should be via a web interface to allow users to login, view and manage their usage.
- All phones supplied must be 100 Mbps and 1 Gig capable.
- Solution must cater for call forwarding to cell phone when the user is not in the office.
- The solution should allow for allocating a fixed monthly allowance for private calls and once limits is reached, the system should start calculating cost per private call and be able to report on it.
- Solution should cater for allocating 4-digit PIN codes to dial out for all users
- Auto Attended IVR (interactive Voice Response)
  - Allow caller to be transferred to the relevant extension without the intervention of an operator. ie Press 1 for department 1, press 2 for department 2 or hold for switchboard.
  - Ability for the system to use auto-attendant on identified extensions.
  - There must be an ability to provide announcements or delay treatments while in a queue and these must differ and change between various callers.
  - Ensure in the event the call is queue and the Switchboard Operator does not become available within a pre-defined period of time, the call needs to be re-queued.
- System must be able to forward calls to other extensions within the same business units if the number is busy or unavailable.
- Availability, performance and utilisation must be monitored at all times by the Bidder.
- Solution must be scalable for the duration of the contract tenure. ConHill may wish to increase or decrease the number of users, as organisational requirements will dictate.

## 6. Project Deliverables

- a. Successful installation of the hosted VoIP PABX System as per the requirements.
- b. Successful monitoring of the hosted VoIP PBAX Systems for the duration of the contract.
- c. Acceptable uptime of more than 99% per month for the duration of the contract.
- d. Implementation and utilisation of Telephone Management Systems as required.
- e. Successful implementation of the project plan.

## 7. Service Level Agreement

Maintenance must be included in the Service Level Agreement for a period of thirty-six (36) months, which must cover all aspects of the solution including hardware, software, voice, data, WLAN and

engineering time. Software must be assured, hardware warranted, and maintenance on hardware and software should apply for a period of thirty-six (36) months for the proposed solution. The commencement date is 01 May 2018.

### 7.1. Minimum Requirements

The Service Levels outlined within the SLA which refer to service provider commitment to resolve the Service Requests within the applicable response time, unless stated otherwise must be conducted. The Service Levels shall be recorded against products listed in the Product Schedule of the relevant SLA.

The SLA/Warranty must cover repair or replacement for fair wear and tear of devices or the repair or replacement of inherently faulty devices listed in the product schedule, as provided by the Bidder.

- The new system must present a ubiquitous (being or seeming to be everywhere at the same time) single system image with total system-wide transparency between all ConHill building locations.
- All equipment furnished, but not limited to: routers, switches, phone equipment, software, shall be warranted for a period of three (3) years after final acceptance and shall include parts, labour and installation. Telecomm and network equipment warranty shall be by manufacturer. Proof in writing will be required and delivered to ConHill.
- All equipment furnished shall be new, unused and not refurbished.
- **Responsibility Matrix and Project Schedule** - A master project schedule must be included, along with a work responsibility matrix, identifying the tasks the vendor will perform and the tasks ConHill is expected to perform to successfully implement the new system.
- **Requirements** -The successful bidder is required to conduct end-user training on the ConHill premises, tailored specifically to ConHill's particular requirements (e.g., console operator, secretary, and professional, technical support). A proposed plan for training should include follow-up training for ConHill personnel who will continue to train others.
- **Training Manual** - Bidder shall provide a training program (with support and follow-up) and training materials for designated ConHill personnel who will train future employees. Manual shall be delivered in hard copy and electronically.
- **A complete maintenance and warranty agreement** must be included as part of the bidder's proposal to support ConHill between 08:00 and 17:00, Monday through Friday. The proposed agreement must include a bidder technician providing on-site service to diagnose and provide solutions. Remote access service may be acceptable depending on ConHill's stated urgency of repair and shall be determined by ConHill. Replacement parts should be available for at least 5 years. Replacement parts must be readily available for prompt replacement - it is not acceptable to not have service for a day while parts are "on order".
- **Three Year Warranty** - The telephone system, installation and all associated equipment but not limited to routers, switches, phone equipment, software, workmanship shall be warranted by the bidder and by the manufacturer to be free of defects for a period of at least three years following system cutover.

- **Defective Parts** - During the warranty period and any subsequent maintenance agreement, any defective components shall be repaired or replaced at no cost to ConHill and within a 48-hour period.
- **Repair Commitment** - The bidder must include a description of the bidder's repair commitment from time of trouble discovery through the time the trouble is cleared.
- **Response Time** – ConHill is guaranteed a vendor technician on-site response time of no more than two (2) hours for all major system problems where phone service is lost and a maximum of 24 hours' response to other system problems. Failure to comply will result in monetary compensation to ConHill. The triggers to start and stop the "clock", compensation amount, and time increment are to be negotiated. This compensation will be credit on the account.
- **Major/Minor Problems** - Bidders must describe their definitions of major and minor problems.
- **Replacement Time** - Explain the amount of time required for full replacement of the central operating hardware/software of the system, assuming a suitable site exists for locating the replacement components in case of a disaster.

## 7.2. Support

Bidders are required to 24/7/365 support. Please include your Services Level Agreement (SLA) for remote and onsite response times as well as hourly rates for any non-maintenance agreement items.

Bidders must maintain at least two certified technicians on staff who are qualified to work on listed equipment.

- Contractor must respond to warranty work within two (2) hours by phone.
- Contractor must respond to service calls on-site within twenty-four (24) hours.
- It is preferred that the Bidder provide trade-in allowance and take possession of existing equipment in as-is condition if new equipment is proposed.

## 7.3. Ad-hoc Requests

ConHill will procure ad hoc services, hardware and software from the successful bidder for the duration of the above-mentioned Service Level Agreement. The ad-hoc services, hardware and software includes, but is not limited to, additional IP PBX software, licenses, IP handsets and modules, server or networking components, and on-site technical support or assistance.

## 7.4. Reporting

A "Service Level Performance Report" will be required quarterly in electronic format to a designated representative of ConHill. The following minimum reporting requirements will be required to be reported on:

- number of Incidents and Service Requests logged which is summarized by entitlement, priority and whether the Service level was met or breached;
- system resource utilization and availability; and
- detailed analysis of all down time.



## 8. EVALUATION OF BIDS

A staged approach will be used to evaluate bids and the approach will be as follows:

- **Stage 1:** Mandatory Administrative Criteria (also see Returnable Documents section)
- **Stage 3:** Evaluate the Functionality Criteria of the Bid
- **Stage 4:** Evaluate Price and B-BBEE

Stage	Submission Document	Method of Evaluation	Criteria
Stage 1	ENVELOPE 1	Administrative Compliance	All mandatory documents signed and submitted
Stage 2	ENVELOPE 2	Functionality – Technical Evaluation Criteria	Minimum score of 70 points
Stage 3	ENVELOPE 3	Financial – Price & BBBEE	80/20 rule will apply

The requirements of any given stage must be complied with prior to progression to the next stage. Constitution Hill reserves the right to disqualify bidders without requesting any outstanding document/information.

### 8.1. Mandatory Returnable Documents Requirements (Envelope 1)

A list of mandatory returnable documents must be consulted to understand which documents are required at the closing date and time. Further, to the mandatory returnable documents/information Constitution Hill will only consider bidders which have met the following ALL of the administrative criteria below:

No	Reference	Mandatory Requirements	Compliant	
1	Invitations to Bid form	Fully completed and signed SBD 1 forms	Yes	No
2	Tax clearance certificate requirements	Signed SBD 2 forms	Yes	No
3	Valid Tax Clearance Certificate	Attach an original Tax Clearance Certificate, as issued by SARS	Yes	No
4	Declaration of Interest form	Fully completed and signed SBD 4 forms	Yes	No
5	Signed SBD 6.1 forms	Fully completed and signed SBD 6.1 forms, in line with Preferential Procurement Regulations 2017	Yes	No
7	BBBEE Certificate	Attached a certified copy of BBBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor or	Yes	No
8	Sworn Affidavit	Attached a copy of affidavit certificate.	Yes	No
9	Declaration of the bidder's past SCM practices	Fully completed and signed SBD 8 forms	Yes	No
10	Certificate of Bid Determination	Fully completed and signed SBD 9 forms	Yes	No
11	Company Registration	Provide CERTIFIED company registration documents as issued by CIPC (previously CIPRO)	Yes	No
12	Company Registration	CERTIFIED Identity Documents copies for all Company Directors	Yes	No
13	Central Supplier Database (CSD) Registration	Attach registration documents issued by National Treasury indicating unique registration number, etc	Yes	No

## 8.2 Technical Evaluation

Criteria	Sub-Criteria	Weight
Project Implementation Plan	<p>Fully detailed project implementation plan based on the timelines provided (i.e.: 20 days from date of delivery to full implementation) which includes: -</p> <ul style="list-style-type: none"> <li>▪ All tasks and activities</li> <li>▪ Resources;</li> <li>▪ Milestones and contingency plan to manage milestones</li> </ul> <ul style="list-style-type: none"> <li>• Delivery within 2 weeks – 10 points</li> <li>• Delivery within 4 weeks – 5 points</li> <li>• Delivery is 5 weeks and above – 0 points</li> </ul>	10
	<p>Bidders must provide a comprehensive onsite support warranty for a period of three (3) years, with FOUR (4) HOURS response time</p> <ul style="list-style-type: none"> <li>• Bidder has included maintenance and support for a 3-year period with 4 hours' response time with next business day resolution – 10 points</li> <li>• Bidder has <u>not</u> included maintenance and support for 2 year with 4 hours' response time. - 0 points</li> </ul>	10
Bidder's Experience in providing Similar Solutions	<p>Bidders' experience in providing similar solutions (hosted VoIP PABX Solutions have recently been implemented with similar criteria).</p> <ul style="list-style-type: none"> <li>• Less than 2 years' experience – 1 point</li> <li>• 2 – 5 years' experience- 3 points</li> <li>• 6 – 8 years' experience – 5 points</li> <li>• Above 8 years 'experience – 10 points</li> </ul>	10
	<p>Bidders are requested to provide the following: Three (3) letters on a letterhead from their clients where hosted VoIP PABX Solutions have recently been implemented with similar criteria. Bidders must make sure that the letters are signed and contact details are fully completed. The contact details must include the contact number and email address of the referee. The reference must not be older than 36 months from the date of the RFQ submission.</p> <ul style="list-style-type: none"> <li>• 3 x letters of reference – 15 points</li> <li>• 2 x letters of reference – 10 points</li> <li>• 1 x letter of reference – 5 points</li> <li>• No letter of reference – 0 points</li> </ul> <p><b>NOTE: ConHill may verify the information provided, and if your referee does not confirm the information provided, the reference will not be considered.</b></p>	15
Solutions Approach	<p>Bidders must provide full details of the proposed installation for the provision of hosted VoIP PBAX System for ConHill.</p> <ul style="list-style-type: none"> <li>• Detailed methodology that highlights: (i) tasks, (ii) timeframe from placing an order to ConHill receiving the goods, (iii) implementation of the professional services, and (iv) architectural design of the VoIP solution - (2.5 points per item, up to maximum of 10 points)</li> <li>• Provide a detailed plan to on voice and data line and connection of fail over line in case the primary line is disrupted – 5 points</li> <li>• Describe how to manage PRI will be managed (without changing number) and how ConHill will save cost on LCR – 5 points</li> </ul>	30

Criteria	Sub-Criteria	Weight
	<ul style="list-style-type: none"> <li>• Provide a detailed work plan how to take over the current services from the current service provider without affecting operations – 5 points</li> <li>• Proposed Quality Assurance Approach (i.e.: Testing, voice quality, call routing, etc.) – 3 points</li> <li>• Proof of compliance with ICASA requirements, as well as a certified partnership letter of confirmation will be accepted – 2 points</li> <li>• Not attached – 0 points</li> </ul>	
Transition Plan	<p>ConHill expects the installation of the new system to have little or no impact to on-going operations. Bidder is expected to have experience in this area and to provide ConHill with a plan to accomplish this as follows:</p> <ul style="list-style-type: none"> <li>• Respondent to create a design to move the units off the old system to the new system with minimized disruption to staff and to create a pre-planned schedule for notification purposes. – 5 points</li> <li>• Respondent to provide how (and validate procedure) the parallel process will migrate old to new. – 5 points</li> <li>• All documentation, installation, reports and materials must be provided to ConHill prior to commencement of installation, followed by submission of any Moves, Adds, Changes (MAC). – 3 points</li> <li>• ConHill currently works with Internet Solutions, via Conekt Business Group, the outsourced IT service provider, for their service needs. Respondent will be expected to interface as needed with both companies. – 2 points</li> </ul>	15
Telephone Management System	<p>The Bidder shall provide details of the full telephone management system to be deployed at ConHill. Addressing the following issues as a minimum:</p> <ul style="list-style-type: none"> <li>• Full Telephone Management System reporting capabilities and customized as per the Tender Document – 5 points</li> <li>• Solution provides the facility for PIN codes for identification of persons. The PIN codes must have 4 digits. - 3 points</li> <li>• System must provide availability for all ConHill employees to access billing using Web Portal – 2 points</li> </ul>	10
<b>TOTAL</b>		<b>100</b>

**Bidders must score a minimum of 70 points in the technical evaluation criteria in order to qualify for the next stage of the evaluation process, which is the Pricing and BBEE.**

### 8.3 *Price and B-BBE Evaluation (Envelope 3)*

In the third phase evaluation bids, will be evaluated on the 80/20 principle with 80 points being allocated for price and 20 points allocated for B-BBEE.

	Mandatory Requirements	Compliant	
Pricing Schedule	Fully completed and signed SBD 3.1,3.3 forms	Yes	No

All proposals submitted will be evaluated on Price and B-BBEE

- (i) Price
- (ii) B-BBEE status level of contribution

Bids are evaluated in accordance with the preferential Procurement Policy Framework Act (PPPFA), using the 80/20 split.

#### a) **PRICE AND B-BBEE Evaluation:**

**80 points will be allocated to price and 20 preference points.** BEE rating certificates/Sworn affidavits are applicable and scoring will be done as per B-BBEE Code of Good Practice guideline as indicated in the following table.

Bidders must submit valid Certificates & Statements which will be verified by the agencies.

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

## **b) EVALUATION OF BIDS THAT SCORED EQUAL POINTS**

In the event that two or more bids have scored equal total points, the successful bid must be the one that scored the highest points for B-BBEE. If two or more bids have equal points, including equal preference points for BBEE, the successful bid must be the one scoring the highest score for functionality. In the event that two or more bids are equal in all respects, the award must be decided by the drawing of lots.

## **c) CANCELLATION AND RE-INVITATION OF BIDS**

In the application of the 80/20 preference point system, if all bids received are equal to or below R50 000 000, the bid must be cancelled. If one or more of the acceptable bid(s) received are above the R50 000 000 threshold, all bids received must be evaluated on the 80/20 preference point system.

If a bid was cancelled in terms of paragraph 5.5.1 or 5.5.2, the correct preference point system must be stipulated in the bid documents of the re-invited bid.

An AO / AA may, prior to the award of a bid, cancel the bid if:

- Due to changed circumstances, there is no longer a need for the services, works or goods requested,
- Funds are no longer available to cover the total envisaged expenditure,
- No acceptable bids are received. [If all bids received are rejected, the institution must review the reasons justifying the rejection and consider making revisions to the specific conditions of contract, design and specifications, scope of the contract, or a combination of these, before inviting new bids].

## **d) AWARD OF CONTRACTS**

A contract must be awarded to the bidder who scores the highest total number of points in terms of the preference point systems. In exceptional circumstances a contract may, on reasonable and justifiable grounds, be awarded to a bidder that did not score the highest number of points. The reasons for such a decision must be approved and recorded for audit purposes and must be defensible in a court of law.

## **e) REMEDIES, SALE AND LETTING OF ASSETS**

### **Remedies**

- AOs / AAs must act against the bidder or person awarded the contract upon detecting that the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the contract conditions have not been fulfilled.
- The institution may, in addition to any other remedy that it may have against the bidder or person:
  - Disqualify the bidder or person from the bidding process;
  - Recover all costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - Cancel the contract and claim any damages which it has suffered as a result of having to make less favorable arrangements due to such cancellation;
  - 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 applying the audi alteram partem (hear the other side) rule; and

- Forward the matter for criminal prosecution.
- Institutions should involve their legal services when any of the remedies are applied.
- The details of any restrictions imposed on bidders, persons or contractors must be forwarded to the National Treasury for inclusion on the central Database of Restricted Suppliers.

- **Sale and Letting of Assets**

- In instances where assets are sold or leased by means of advertised competitive bids or written price quotations or by auctions the award must be made to the highest bidder.
- This bid will be evaluated using Regulation 5 or 6 of The Preferential Procurement Regulations, 2001.
- Due consideration must be taken into consideration for the total cash value of the packages offered by the tenderers, where such packages are permissible in terms of the conditions of tender. In other words, where the actual amounts tendered are roughly similar, but a particular tenderer, for example, also offers to make improvements to the property, the cash value of such improvements, which proposed improvements may not be deviated from, may also be taken into consideration to determine the highest tender.

**PRICING SCHEDULE**  
**(Professional Services)**

NAME OF BIDDER: .....

BID NO.: .....

CLOSING TIME: \_\_\_\_\_ SIGNATURE \_\_\_\_\_

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

---

**1. STAGE 3: EVALUATION OF PRICE AND B-BBEE**

**PRICING PROPOSAL**

**NOTE: This section must be submitted in a separate envelope, as per below. Failure to adhere to this mandatory requirement, will result in immediate the disqualification of bidders.**

**1. Pricing**

Bidders should include options for both Purchase and Lease pricing. As indicated in previous sections, pricing must include the Total Cost of Ownership (including maintenance, support, and software/upgrades for a three (3) year period.

Bidders are also required to provide an SLA (Service Level Agreement) regarding both remote and onsite response times for support. This includes:

**A. Maintenance Agreement**

On-going Maintenance costs should be quoted for a three (3) year period. Proposals must include your "Scope" of work detailing specifically what is included "in Scope" and what is considered "Out of Scope" for Maintenance items. Also, include hourly rate and any separate travel charges for any "out of scope" items.

**B. Support**

Bidders are required to 24/7/365 support. Please include your Services Level Agreement (SLA) for remote and onsite response times as well as hourly rates for any non-maintenance agreement items.

**C. Software Upgrades**

Bidders must include costs for all software upgrades and patches for a three (3) year period in their pricing quotes.

**D. Tariffs**



Bidders must include costs for call costs for both national and international networks for a three (3) year period in their pricing quotes.

The pricing must also reflect the cost of taxes, shipping and handling or any other costs of implementation. Additionally, ConHill reserves the right to purchase all or some of the proposed solution.

ConHill wishes to ascertain any/all maintenance costs and the length of the warranty on the system. The maintenance cost should include the all-inclusive hourly charge rates (during specified hours), any travel expenses to be reimbursed, the percentage of mark up on any materials.

Bidders must list any and all charges, expenses, and/or costs to be incurred by ConHill that are not included in this section. Failure to specifically and thoroughly enumerate such items may be a cause for disqualification.

# **PART B**

## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
  - the bidder is employed by the state; and/or
  - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
  - 2.1 Full Name of bidder or his or her representative: .....
  - 2.2 Identity Number: .....
  - 2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>): .....
  - 2.4 Company Registration Number: .....
  - 2.5 Tax Reference Number: .....
  - 2.6 VAT Registration Number: .....
  - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

<sup>1</sup>"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.

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .....

Name of state institution at which you or the person

connected to the bidder is employed : .....  
Position occupied in the state institution: .....

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? **YES / NO**

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

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

.....  
.....

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

2.8.1 If so, furnish particulars:

.....  
.....

3.7 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?

**YES / NO**

2.9.1 If so, furnish particulars.

.....  
.....

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

**YES / NO**

2.10.1 If so, furnish particulars.

.....  
.....

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

2.11.1 If so, furnish particulars:

.....  
.....

#### **4 Full details of directors / trustees / members / shareholders.**

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

#### 4 DECLARATION

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.  
 I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF  
 THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
 Signature

.....  
 Date

.....  
 Position

.....  
 Name of bidder

**B2: THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME  
(CHOOSE ONLY IF APPLICABLE)**

This document must be signed and submitted together with your bid

## INTRODUCTION

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

## 1 PILLARS OF THE PROGRAMME

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

## 2 REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY

- 2.1 In order to ensure effective implementation of the programme, successful bidders (contractors) are required to, immediately after the award of a contract that is in excess of R10 million (ten million Rands), submit details of such a contract to the DTI for reporting purposes.
- 2.2 The purpose for reporting details of contracts in excess of the amount of R10 million (ten million Rands) is to cater for multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as provided for in paragraphs 1.1.(b) to 1.1. (d) above.

## 3 BID SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF BIDDERS AND SUCCESSFUL BIDDERS (CONTRACTORS)

- 3.1 Bidders are required to sign and submit this Standard Bidding Document (SBD 5) together with the bid on the closing date and time.
- 3.2 In order to accommodate multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub-paragraphs 1.1 (b) to 1.1 (d) above and to enable the DTI in determining the NIP obligation, successful bidders (contractors) are required, immediately after being officially notified about any successful bid with a value in excess of R10 million (ten million Rands), to contact and furnish the DTI with the following information:
- Bid / contract number.
  - Description of the goods, works or services.
  - Date on which the contract was accepted.
  - Name, address and contact details of the government institution.
  - Value of the contract.
  - Imported content of the contract, if possible.
- 3.3 The information required in paragraph 3.2 above must be sent to the Department of Trade and Industry, Private Bag X 84, Pretoria, 0001 for the attention of Mr Elias Malapane within five (5) working days after award of the contract. Mr Malapane may be contacted on telephone (012) 394 1401, facsimile (012) 394 2401 or e-mail at [Elias@thedti.gov.za](mailto:Elias@thedti.gov.za) for further details about the programme.

## 4 PROCESS TO SATISFY THE NIP OBLIGATION

- 4.1 Once the successful bidder (contractor) has made contact with and furnished the DTI with the information required, the following steps will be followed:
- (a) the contractor and the DTI will determine the NIP obligation;
  - (b) the contractor and the DTI will sign the NIP obligation agreement;
  - (c) the contractor will submit a performance guarantee to the DTI;
  - (d) the contractor will submit a business concept for consideration and approval by the DTI;
  - (e) upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
  - (f) the contractor will implement the business plans; and
  - (g) the contractor will submit bi-annual progress reports on approved plans to the DTI.

4.2 The NIP obligation agreement is between the DTI and the successful bidder (contractor) and, therefore, does not involve the purchasing institution.

<b>Bid Number</b> _____	<b>Closing Date</b> _____
<b>Name of Bidder</b> _____	
<b>Postal Address</b> _____	
_____	
<b>Signature</b> _____	<b>Name (In print)</b> _____
<b>Date</b> _____	



# **PART C – PREFERENCE POINT SYSTEM**

## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2001

### 1.1.1.1 PURCHASES

This preference form must form part of all bids invited. It contains general information and serves as a claim form for Historically Disadvantaged Individual (HDI) preference points as well as a summary for preference points claimed for attainment of other specified goals

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF EQUITY OWNERSHIP BY HISTORICALLY DISADVANTAGED INDIVIDUALS (HDIs), AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2001.**

#### 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 less than R50, 000 000.00; a**

1.2 The value of this bid is estimated to be less than R50, 000, 000.00 and therefore the 80/20 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

- (a) Price; and
- (b) Specific contract participation goals, as specified in the attached forms.

1.3.1 The points for this bid are allocated as follows:

	<b>POINTS</b>
<b>1.3.1.1 PRICE</b>	<b>80</b>
<b>1.3.1.2 SPECIFIC CONTRACT PARTICIPATION GOALS</b>	
<b>(a) Broad-Based Black Economic Empowerment:</b>	<b>20</b>
<b>Total points for Price and B-BBEE</b>	<b>100</b>

1.4 Failure on the part of a bidder to fill in and/or to sign this form may be interpreted to mean that preference points are not claimed.

1.5 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

## 2. GENERAL DEFINITIONS

- 2.1 **“Acceptable bid”** means any bid which, in all respects, complies with the specifications and conditions of bid as set out in the bid document.
- 2.2 **“Bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods, works or services.
- 2.3 **“Comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration.
- 2.4 **“Consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.
- 2.5.1 **“Contract”** means the agreement that results from the acceptance of a bid by an organ of state.
- 2.6 **“Specific contract participation goals”** means the goals as stipulated in the Preferential Procurement Regulations 2001.
- 2.6.1 In addition to above-mentioned goals, the Regulations [12.(1)] also make provision for organs of state to give particular consideration to procuring locally manufactured products.
- 2.7 **“Control”** means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.
- 2.8 **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
- 2.9 **“Equity Ownership”** means the percentage ownership and control, exercised by individuals within an enterprise.
- 2.10 **“Historically Disadvantaged Individual (HDI)”** means a South African citizen
- (1) who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act No 200 of 1993) (“the interim Constitution”); and/or
  - (2) who is a female; and/or
  - (3) who has a disability:
- provided that a person who obtained South African citizenship on or after the coming into effect of the Interim Constitution, is deemed not to be a HDI;
- 2.11 **“Management”** means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.

- 2.12 **“Owned”** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an examination of the substance, rather than the form of ownership arrangements.
- 2.13 **“Person”** includes reference to a juristic person.
- 2.14 **“Rand value”** means the total estimated value of a contract in Rand denomination that is calculated at the time of bid invitations and includes all applicable taxes and excise duties.
- 2.15 **“Small, Medium and Micro Enterprises (SMMEs)”** bears the same meaning assigned to this expression in the National Small Business Act, 1996 (No 102 of 1996).
- 2.16 **“Sub-contracting”** means the primary contractor’s assigning or leasing or making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.
- 2.17 **“Trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.
- 2.18 **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

### **3. ESTABLISHMENT OF HDI EQUITY OWNERSHIP IN AN ENTERPRISE**

- 3.1 Equity ownership shall be equated to the percentage of an enterprise which is owned by individuals classified as HDIs, or in the case of a company, the percentage shares that are owned by individuals classified as HDIs, who are actively involved in the management and daily business operations of the enterprise and exercise control over the enterprise, commensurate with their degree of ownership.
- 3.2 Where individuals are not actively involved in the management and daily business operations and do not exercise control over the enterprise commensurate with their degree of ownership, equity ownership may not be claimed.

### **4. ADJUDICATION USING A POINT SYSTEM**

- 4.1 The bidder obtaining the highest number of points will be awarded the contract.
- 4.2 Preference points shall be calculated after prices have been brought to a comparative basis.
- 4.3 Points scored will be rounded off to 2 decimal places.
- 4.4 In the event of equal points scored, the bid will be awarded to the bidder scoring the highest number of points for specified goals.

## 5. POINTS AWARDED FOR PRICE

### 5.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

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

Where

$P_s$  = Points scored for price of bid under consideration

$P_t$  = Rand value of bid under consideration

$P_{\min}$  = Rand value of lowest acceptable bid

## 6. Points awarded for historically disadvantaged individuals

- 6.1 In terms of Regulation 13 (2) preference points for HDI's are calculated on their percentage shareholding in a business, provided that they are actively involved in and exercise control over the enterprise. The following formula is prescribed in Regulation 13 (5) (c):

$$NEP = NOP \times \frac{EP}{100}$$

Where

NEP = Points awarded for equity ownership by an HDI

NOP = The maximum number of points awarded for equity ownership by an HDI in that specific category

EP = The percentage of equity ownership by an HDI within the enterprise or business, determined in accordance with the definition of HDI's.

- 6.2 Equity claims for a trust will only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the trust.
- 6.3 Documentation to substantiate the validity of the credentials of the trustees contemplated above must be submitted.
- 6.4 Listed companies and tertiary institutions do not qualify for HDI preference points.
- 6.5 A consortium or joint venture may, based on the percentage of the contract value managed or executed by their HDI-members, be entitled to preference points in respect of an HDI.
- 6.6 A person awarded a contract as a result of preference for contracting with, or providing equity ownership to an HDI, may not subcontract more than 25% of the value of the contract to a person who is not an HDI or does not qualify for the same number or more preference for equity ownership.

**7. BID DECLARATION**

7.1 Bidders who claim points in respect of equity ownership must complete the Bid Declaration at the end of this form.

**8. EQUITY OWNERSHIP CLAIMED IN TERMS OF PARAGRAPH 2.10 ABOVE. POINTS TO BE CALCULATED FROM INFORMATION FURNISHED IN PARAGRAPH 9.8.**

Ownership	Percentage owned	Points claimed
-----------	------------------	----------------

8.1 Equity ownership by persons who had no franchise in the national elections

% .....

8.2 Equity ownership **by women** % .....

8.3 Equity ownership **by disabled persons\*** % .....

8.4 \*If points are claimed for disabled persons, indicate nature of impairment (see paragraph 2.8 above)  
.....

**9. DECLARATION WITH REGARD TO EQUITY**

9.1 Name of firm :.....

9.2 VAT registration number :.....

9.3 Company registration number :.....

**9.4 TYPE OF FIRM**

- ☐ Partnership
- ☐ One person business/sole trader
- ☐ 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 FIRM HAS BEEN IN BUSINESS?**

.....

**9.8 List all Shareholders by Name, Position, Identity Number, Citizenship, HDI status and ownership, as relevant. Information to be used to calculate the points claimed in paragraph 8.**

Name	Date/Position occupied in Enterprise	ID Number	Date RSA Citizenship obtained	* HDI Status			% of business / enterprise owned
				No franchise prior to elections	Women	Disabled	

\*Indicate YES or NO

## Consortium / Joint Venture

9.9.1 In the event that preference points are claimed for HDI members by consortia / joint ventures, the following information must be furnished in order to be entitled to the points claimed in respect of the HDI member:

Name of HDI member (to be consistent with paragraph 9.8)	Percentage (%) of the contract value managed or executed by the HDI member

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

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

### WITNESSES:

1. ....

2. ....

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

DATE:.....

ADDRESS:.....

.....  
.....



**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT  
REGULATIONS 2001  
PROMOTION OF SMALL BUSINESSES**

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES SPECIFIED IN CLAIM FORM SBD 6.1 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2001**

1. Regulation 17 (3) (c) of the Preferential Procurement Regulations makes provision for the promotion of small businesses within the preference point systems.

**2. SPECIFIC GOAL POINTS ALLOCATED**

The promotion of small businesses as defined in the National Small Business Act, 1996 (Act 102 of 1996). .....

**3. BID DECLARATION**

Bidders who wish to claim points in respect of this goal must complete paragraph 5 below.

**4. POINTS CLAIMED**

Indicate whether the points allocated for this goal is claimed. Yes / No

**5. INFORMATION FURNISHED WITH REGARD TO THE PROMOTION OF SMALL BUSINESSES**

5.1 Indicate whether the company is a small, medium or micro enterprise as defined by the National Small Business Act, 1996 (Act 102 of 1996). Yes / No

5.1.1 If the response to paragraph 5.1 is yes, the following must be completed:

5.1.1.1 Sector or sub-sector in accordance with the Standard Industrial Classification .....

5.1.1.2 Size or class .....

5.1.1.3 Total full-time equivalent of paid employees .....

5.1.1.4 Total annual turnover .....

5.1.1.5 Total gross asset value (fixed property excluded) .....

5.1.1.6 Points claimed hereunder must be based on value added, excluding profit and overheads but including and not limited to local manufacture, packaging and distribution to this specific bid.

5.1.1.7 The purchaser shall indicate the different categories of percentage value added as well as the points allocated for each category. These categories may vary from industry to industry. The bidder is compelled to indicate for which category he/she is bidding and the relevant preference points claimed.

Percentage Added	Value	Points Allocated	Points Claimed


5.1.1.8 Please furnish details of value added:

.....  
 .....

5.1.1.9 If required, the information supplied above must be substantiated by an external auditors certificate and the relevant documentation.

5.2 Indicate whether the company is actively involved in the promotion of small businesses, as defined in the National Small Business Act, 1996 (Act 102 of 1996), by subcontracting/ outsourcing any of the business functions of the company to local small businesses *inter alia* manufacturing, packaging, distribution etc. Yes/ No

5.2.1 If the response in paragraph 5.2 is yes, paragraphs 5.1.1.1 to 5.1.1.5 as well as the following must be completed:

5.2.1.1 Specific business function(s) subcontracted/outsourced .....

5.2.1.2 Name of small business .....

5.2.1.3 Address and telephone number of small business as well as contact person

.....  
 .....

5.2.1.4 Points claimed hereunder must be based on outsourced business to small businesses as a percentage of annual turnover for the previous financial year(s).

5.2.1.5 The purchaser shall indicate the different categories of percentage value added as well as the points allocated for each category. These categories may vary from industry to industry. The bidder is compelled to indicate for which category he/she is bidding and the relevant preference points claimed.

Percentage Turnover	of	Points Allocated	Points Claimed

5.2.1.6 If required information supplied above must be substantiated by an external auditors certificate and the relevant documentation.

5.3 Total points claimed under par. 5.1.1.6 and 5.2.1.4 will not exceed the maximum of ..... points allocated for this specific goal.

## 6. BID DECLARATION

I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm declare that points claimed, based on promotion of small, medium or micro enterprises, qualifies the firm for the point(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct.
- (ii) In the event of a contract being awarded as a result of points claimed, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
- (iii) If the claims are found to be incorrect, the purchaser may, in addition to any other remedy it may have -
  - (a) recover all costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (b) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (c) impose a financial penalty more severe than the theoretical financial preference associated with the claim which was made in the bid; and

### WITNESSES:

1. ....

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

2. ....

DATE: .....

# **PART D – DECLARATION OF BIDDER'S PAST SCM PRACTICES**

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

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	<input type="checkbox"/>	<input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.	<input type="checkbox"/>	<input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	<input type="checkbox"/>	<input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	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?	<input type="checkbox"/>	<input type="checkbox"/>
4.4.1	If so, furnish particulars:		

CERTIFICATION

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

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

**D2: 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<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Position

\_\_\_\_\_  
Name of Bidder

# PART E



## **E1: UNDERTAKINGS BY BIDDER IN RESPECT OF THIS BID**

### **1. Definitions:**

- 1.1 “The Board” means the accounting authority of Conhill appointed by the MEC;
- 1.2 “Chief Executive Officer” [“CEO”] means the CEO of Conhill or her/his duly authorised representative as appointed by the Board in concurrence with the MEC;
- 1.3 “Contract” shall include any schedule, drawings, patterns, samples attached any agreement entered into and all other Schedule hereto;
- 1.4 “Contractor(s)” means Bidder whose bid has been accepted by Conhill;
- 1.5 “Cost of materials” means the cost of components, parts or materials which are intended for the production, manufacturing or assembling of the goods bid for and which are not produced, manufactured or assembled in the factory where the production, manufacture or assembly of such goods occurs, including freight, landing costs, port charges, import duties and other import costs of such components, parts or materials and all costs in connection with the handling and transport thereof prior to delivery at that factory;
- 1.6 “Final delivery certificate” means the document issued by Conhill confirming that all the known defects have been rectified and that the works, goods or services appear in good order and have been accepted;
- 1.7 “Letter of acceptance” means the written communication by Conhill to the Contractor recording the acceptance by Conhill of Contractor’s bid subject to the further terms and conditions to be itemized in the contract;
- 1.8 “Local contents” means the portion of the bid price of local goods not constituting the cost of materials imported into the Republic;
- 1.9 “Local goods” means goods wholly or partly produced or manufactured or assembled in the Republic
- 1.10 “Conhill” shall mean Constitution Hill;
- 1.11 “Order(s)” means an official letter issued by Conhill calling for the supply of goods pursuant to a contract or bid;
- 1.12 “Signature date” and in relation to any contract, means the date of the letter of acceptance;
- 1.13 “Bid” means an offer to supply goods/services to Conhill at a price;
- 1.14 “Bidder” means any person or body corporate offering to supply goods to Conhill;
- 1.15 “Termination date” in relation to any Contractor means the date of the final delivery certificate;
- 1.16 “Value added” means that portion of the bid price not constituting the cost of materials;
- 1.17 “Warranties” means collectively any and all warranties listed and otherwise (if any) given by the Bidder in term of this agreement.

## **2. Interpretation**

- 2.1 In his agreement clause headings are for convenience and shall not be used in its interpretation and, unless the context clearly indicates a contrary intention:-
  - 2.2 An expression which denotes
    - any gender includes the other gender;
    - a natural person includes an artificial or juristic person and vice versa;
    - the singular includes the plural and vice versa;
  - 2.3 Any reference to any statute, regulation or other legislation or official policy shall be a reference to that statute, regulation or other legislation or national policy as at the signature date, and as amended or re-enacted from time to time;
  - 2.4 When any number of days is prescribed, such shall be reckoned inclusively of the first and inclusively of the last day, unless the last day falls on a day which is not a business day, in which case the last day shall be the next succeeding day which is a business day;
  - 2.5 Where any term is defined within a particular clause, other than the interpretation clause, that term shall bear the meaning ascribed to it in that clause wherever it is used in this agreement.
3. I/we hereby bid:
- 3.1 to supply all or any of the supplies and/or to render all or any of the goods described in the attached documents to Conhill;
  - 3.2 on the terms and conditions and in accordance with the specifications stipulated in the bid documents (and which shall be taken as part of incorporated into, this bid);
  - 3.3 at the prices and on the terms regarding time for delivery and/or execution inserted therein.
4. I/we agree further that:
- 4.1 the offer herein shall remain binding upon me/us and open for acceptance by Conhill during the validity indicated and calculated from the closing time of the bid;
  - 4.2 this bid and its acceptance shall be subject to the terms and additions contained in the Schedules hereto with which I am/we are fully acquainted;
5. notwithstanding anything to the contrary:
- 5.1 if/we withdraw my/our bid within the period for which I/we have agreed that the bid shall remain open for acceptance, or fail to fulfil the contract when called upon to do so, Conhill may, without prejudice to its other rights, agree to the withdrawal of my/our bid or cancel the contract that may have been entered into between me/us and Conhill.
  - 5.2 in such event, I/we shall then pay to Conhill any additional expense incurred by Conhill for having either to accept any less favourable bid or, If fresh bids have to be invited, the additional expenditure incurred by the invitation of fresh bids and by the subsequent acceptance of any less favourable bid;
  - 5.3 Conhill shall also have the right in these circumstances, to recover such additional expenditure by set-off against monies which may be due or become due to me/us under this or any other bid or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfillment of this or any other bid or contract;

6. Pending the ascertainment of the amount of such additional expenditure Conhill may retain such monies, guarantee or deposit as security for any loss Conhill may sustain, as determined hereunder, by reason of my/our default;
- 6.1 any legal proceedings arising from this bid may in all respects be launched or instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgement which may be obtained against me/us as a result of such legal proceedings and I/we undertake to pay Conhill legal costs on an attorney and own client basis;
- 6.2 if my/our bid is accepted that acceptance may be communicated to me/us by letter or facsimile and that proof of delivery of such acceptance to SA Post Office Ltd shall be treated as delivery to me/us;
- 6.3 the law of the Republic of South Africa shall govern the contract created by the acceptance of this bid;
7. I/we have satisfied myself/ourselves as to the correctness and validity of this bid, that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid documents and that the price(s) and rate(s) over all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations shall be at my/our risk;
8. I/we accept full responsibility for the proper execution and fulfillment of all obligation and conditions defaulting on me/us under this agreement as the principal(s) liable for the due fulfillment of this contract.
9. Notwithstanding full responsibility for the proper execution and fulfillment of all obligations and conditions defaulting on me/us under this agreement as the principal(s) liable for the due fulfillment of this contract.
10. Notwithstanding the amount of cause of action involved I hereby consent to the jurisdiction of the Magistrate Court for the district of Johannesburg in respect of any action whatever arising from this contract.
11. I/we declare that I/we participation/no participation in the submission of any other offer for the supplies/services described in the attached documents. If your answer here is

#### Bidder's Information

Name of firm (company) .....

Postal Address .....

Physical Address .....

Contact Person .....

Telephone .....

Fax Number .....

Types of business .....

Principal business .....

Activities .....

12. The bidder hereby offer to render all or any of the services described in the attached documents to Conhill on the terms and conditions and in accordance with the specifications stipulated in these tender documents (and which shall be taken as part of, and incorporated into, this proposal at the prices inserted therein).
13. Bids submitted by companies must be signed by a person or persons duly authorised thereto by a resolution of a Board of Directors, a copy of which Resolution, duly certified be submitted with the bid.
14. The bidder hereby agrees that the offer herein shall remain binding upon him/her and receptive for acceptance by Conhill during the validity period indicated and calculated from the closing hour and date of the tender; this proposal and its acceptance shall be subject to the terms and conditions contained in this tender document.
15. The bidder furthermore confirm that he/she has satisfied himself/herself as to the correctness and validity of his/her tender response that the price(s) and rate(s) quoted cover all the work/item(s) specified in the tender response documents and that the price(s) and rate(s) cover all his/her obligations under a resulting contract and that he/she accept that any mistakes regarding price(s) and calculations will be at his/her risk.
16. The bidder hereby accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on him/her under this agreement as the principal(s) liable for the due fulfillment of this contract.

## E2: 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 suppliers be familiar with regard to the rights and obligations of all parties involved in doing business with Conhill.

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 and contract documents.
- (iii) Special Condition of Contract pertaining to contracts of this nature will be negotiated with the successful bidder.

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## GENERAL CONDITIONS OF CONTRACT

### 1. Definitions

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 client and the service provider, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference herein.
- 1.3 "Contract price" means the price payable to the service provider under the contract for the full and proper performance of his contractual obligations.
- 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 "Day" means calendar day.
- 1.7 "Delivery" means delivery in compliance of the conditions of the contract or order.
- 1.8 "Force majeure" means an event beyond the control of the service provider and not involving the service provider's fault or negligence and not foreseeable.  
  
Such events may include, but is not restricted to, acts of the client in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.9 "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.
- 1.10 "GCC" means the General Conditions of Contract.
- 1.11 "Goods" means all of the equipment, machinery, service and/or other materials that the service provider is required to supply to the client under the contract.
- 1.12 "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 service provider 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.
- 1.13 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.14 "Order" means an official written order issued for the rendering of a service.
- 1.15 "Project site," where applicable, means the place indicated in bidding documents.

- 1.16 “The client” means the organization purchasing the service.
- 1.17 “Republic” means the Republic of South Africa.
- 1.18 “SCC” means the Special Conditions of Contract.
- 1.19 “Services” means those functional services ancillary to the rendering of the service, 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 service provider covered under the contract.
- 1.20 “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 client 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](http://www.treasury.gov.za)

## **4. Standards**

- 4.1 The service rendered shall conform to the standards mentioned in the bidding documents and specifications.

## **5. Use of contract documents and information; inspection**

- 5.1 The service provider shall not, without the client's prior written consent, contract disclose the contract, or any provision thereof, or any specification, documents plan, drawing, pattern, sample, or information furnished by or on and behalf of the client in connection therewith, to any person other information; than a person employed by the service provider 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 service provider shall not, without the client's prior written consent, make use of any document or information mentioned in GCC clause except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC Clause shall remain the property of the client and shall be returned (all copies) to the client on completion of the service provider's performance under the contract if so required by the client.

- 5.4 The service provider shall permit the client to inspect the service provider's records relating to the performance of the service provider and to have them audited by auditors appointed by the client, if so required by the client.

## **6. Patent rights**

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

## **7. Performance Security**

- 7.1 Within thirty (30) days of receipt of the notification of contract award, security the successful bidder shall furnish to the client the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the client as compensation for any loss resulting from the service provider'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 client 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 client's country or abroad, acceptable to the client, in the form provided in the bidding documents or another form acceptable to the client; or
  - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the client and returned to the service provider not later than thirty (30) days following the date of completion of the service provider's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

## **8. Delivery and Documents**

- 8.1 Rendering of service shall be made by the service provider in accordance with the document and terms as specified in the contract. The details of shipping and/or other documents to be furnished by the service provider are specified in SCC.
- 8.2 Documents to be submitted by the service provider are specified in SCC.

## **9. Insurance**

- 9.1 The service rendered 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.

## **10. Transportation**

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

## **11. Incidental Service**

- 11.1 The service provider 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 rendered service;
  - (b) furnishing of tools required for assembly and/or maintenance of the rendered service;
  - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the rendered service;
  - (d) performance or supervision or maintenance and/or repair of the rendered service, for a period of time agreed by the parties, provided that this service shall not relieve the service provider of any warranty obligations under this contract; and
  - (e) training of the client's personnel, at the service provider's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the rendered service.
- 11.2 Prices charged by the service provider for incidental services, if not included in the contract price for the service, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the service provider for similar services.

## **12. Warranty**

- 12.1 The service provider warrants that the service rendered 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 service provider further warrants that all service rendered under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the client's specifications) or from any act or omission of the service provider, that may develop under normal use of the rendered service in the conditions prevailing in the country of final destination.
- 12.2 This warranty shall remain valid for twelve (12) months after the service, 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.
- 12.3 The client shall promptly notify the service provider in writing of any claims arising under this warranty.
- 12.4 If the service provider, having been notified, fails to remedy the defect(s) within the period specified in SCC, the client may proceed to take such remedial action as may be necessary, at the service provider's risk and expense and without prejudice to any other rights which the client may have against the service provider under the contract.

## **13. Payment**

- 13.1 The method and conditions of payment to be made to the service provider under this contract shall be specified in SCC.
- 13.2 The service provider shall furnish the client with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
- 13.3 Payments shall be made promptly by the client, but in no case later than thirty (30) days after submission of an invoice or claim by the service provider.
- 13.4 Payment will be made in South African Rand unless otherwise stipulated in SCC.

#### **14. Prices**

- 14.1 Prices charged by the service provider for services performed under the contract shall not vary from the prices quoted by the service provider in his bid, with the exception of any price adjustments authorized in SCC or in the client's request for bid validity extension, as the case may be.

#### **15. Contract amendments**

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

#### **16. Assignment**

- 16.1 The service provider shall not assign, in whole or in part, its obligations to perform under the contract, except with the client's prior written consent.

#### **17. Subcontracts**

- 17.1 The service provider shall notify the client 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 service provider from any liability or obligation under the contract.

#### **18. Delays in the service provider's performance**

- 18.1 Performance of services shall be made by the service provider in accordance with the time schedule prescribed by the client in the contract.
- 18.2 If at any time during performance of the contract, the service provider or its subcontractor(s) should encounter conditions impeding timely performance of services, the service provider shall promptly notify the client in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the service provider's notice, the client shall evaluate the situation and may at his discretion extend the service provider'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.
- 18.3 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.
- 18.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the service provider's point of supply is not situated at or near the place where the supplies are required, or the service provider's services are not readily available.
- 18.5 Except as provided under GCC Clause 25, a delay by the service provider in the performance of its delivery obligations shall render the service provider 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.
- 18.6 Upon any delay beyond the delivery period in the case of a supplies contract, the client shall, without cancelling the contract, be entitled to purchase service of a similar quality and up to the same quantity in substitution of the service not rendered in conformity with the contract and to return any service rendered later at the service provider's expense and risk, or to cancel the contract and buy such service as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the service provider.

## **19. Penalties**

- 19.1 Subject to GCC Clause 25, if the service provider fail to perform services within the period(s) specified in the contract, the client 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 unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The client may also consider termination of the contract pursuant to GCC Clause 23.

## **20. Termination for default**

- 20.1 The client, without prejudice to any other remedy for breach of for default contract, by written notice of default sent to the service provider, may terminate this contract in whole or in part:
- (a) if the service provider fails to deliver service within the period(s) specified in the contract, or within any extension thereof granted by the client pursuant to GCC Clause 21.2;
  - (b) if the service provider fails to perform any other obligation(s) under the contract; or
  - (c) if the service provider, in the judgment of the client, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 20.2 In the event the client terminates the contract in whole or in part, the client may procure, upon such terms and in such manner as it deems appropriate, services similar to those undelivered, and the service provider shall be liable to the client for any excess costs for such similar services. However, the service provider shall continue performance of the contract to the extent not terminated.
- 20.3 Where the client terminates the contract in whole or in part, the client may decide to impose a restriction penalty on the service provider by prohibiting the service provider from doing business with the public sector for a period not exceeding 10 years.
- 20.4 If a the client intends imposing a restriction on a the service provider or any person associated with the service provider, the service provider 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 service provider fail to respond within the stipulated fourteen (14) days the client may regard the intended penalty as not objected against and may impose it on the service provider.
- 20.5 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.
- 20.6 If a restriction is imposed, the client must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the service provider and / or person restricted by the client;
  - (ii) the date of commencement of the restriction; and
  - (iii) the period of restriction; and
  - (iv) the reasons for the restriction.

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

- 20.7 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.

## **21. Force Majeure**

- 21.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the Majeure the service provider 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.
- 21.2 If a force majeure situation arises, the service provider shall promptly notify the client in writing of such condition and the cause thereof. Unless otherwise directed by the client in writing, the service provider 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.

## **22. Termination for insolvency**

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

## **23. Settlement of Disputes**

- 23.1 If any dispute or difference of any kind whatsoever arises between the client and the service provider 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.
- 23.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the client or the service provider 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.
- 23.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 23.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 23.5 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 client shall pay the service provider any monies due the service provider.

## **24. Limitation of liability**

- 24.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the service provider shall not be liable to the client, 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 service provider to pay penalties and/or damages to the client; and
- (b) the aggregate liability of the service provider to the client, 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

**25. Governing language**

- 25.1 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

**26. Applicable law**

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

**27. Notices**

- 27.1 Every written acceptance of a bid shall be posted to the service provider 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 services of such notice
- 27.2 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.

**28. Taxes and duties**

- 28.1 A foreign the service provider shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the client's country.
- 28.2 A local the service provider shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted service to the client.
- 28.3 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.

**29. National Industrial Participation (NIP) Programme**

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

**NAME OF YOUR COMPANY (IN BLOCK LETTERS)**

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**SIGNATURE(S) OF THE BIDDER OR ASSIGNEE(S)**

**DATE**

**NAME OF PERSON SIGNING (IN BLOCK LETTERS)**

---

**CAPACITY**

---

**ARE YOU DULY AUTHORISED TO SIGN THIS BID?**

---

**COMPANY REGISTRATION NUMBER** \_\_\_\_\_

**VAT REGISTRATION NUMBER** \_\_\_\_\_

---

**POSTAL ADDRESS (IN BLOCK LETTERS)**

---

**PHYSICAL ADDRESS (IN BLCOK LETTERS)**

---

**CONTACT PERSON**

**TELEPHONE NUMBER** \_\_\_\_\_ **FAX NUMBER** \_\_\_\_\_

**CELLPHONE NUMBER** \_\_\_\_\_

**E-MAIL** \_\_\_\_\_

**TYPES OF BUSINESS** \_\_\_\_\_

**PRINCIPAL BUSINESS ACTIVITIES** \_\_\_\_\_