



INVITATION TO BID	
REF	DESCRIPTION
LETS/VEND/2022/2023	APPOINTMENT OF A SERVICE PROVIDER FOR PROVISION AND ADMINISTRATION OF PREPAID ELECTRICITY VENDING SYSTEM FOR A PERIOD OF THREE YEARS

**Placement Date: 26/08/2022**

**Closing Date: 09/09/2022**

Duly completed bid must be placed in a sealed envelope and clearly marked with the correct reference number and description for the attention of the Municipal Manager:

7 Letsemeng Local Municipality  
P/BAG X 3  
KOFFIEFONTEIN  
9986

Bid must be placed in the tender box strictly **on or before 12H00**, on the closing date as indicated above at the following address:

Reception Area (Ground Floor)  
Letsemeng Local Municipality Offices,  
7 Groottrek Street  
Koffiefontein  
9986.

Bid must be submitted in the tender box as per the details above not later than closing date and time. Bid received after the closing date and time; faxed; completed with erasable ink; incomplete or e-mailed will not be considered. **SANAS approved BBBEE and original tax compliance status Pin must be attached, Municipal Rates and Taxes not owed for older than 3 month, CSD Report and Company registration.**

The bid will be evaluated and adjudicated in line with the approved Supply Chain Management Policy of the Municipality using 80/20 preference point system in line with the Preferential Procurement Policy Framework Act and supply chain regulations. Firstly the assessment of functionality will be done in terms of the evaluation criteria. A proposal which scores less than 70 percent for functionality will be regarded as non-responsive and will be disqualified.

The municipality is not bound to accept the lowest or any bid and reserves the right to accept any bid either wholly or a part thereof. Bid should be valid for a period of not less than 90 days from closing date.

Enquiries can be directed to the SCM Unit at 053 3300 217 during office hours.

Mrs DG Tsikang  
Acting Municipal Manager



# LETSEMENG LOCAL MUNICIPALITY

## TENDER DOCUMENT

<b>BID NO</b>		LETS/VEND/2022/2023	
<b>WEBSITE PLACEMENT DATE:</b>		26/08/2022	
<b>TENDER DESCRIPTION</b>		PROVISION AND ADMINISTRATION OF AN ELECTRICITY PREPAYMENT VENDING SYSTEMS FOR THE CONTRACT PERIOD ENDING 30 SEPTEMBER 2025	
<b>CLOSING DATE</b>	09/09/2022	<b>CLOSING TIME</b>	12H00
<b>POSTAL ADDRESS:</b> Private Bag X 3, Koffiefontein, 9986 Attention: Supply Chain Management Unit  <i>Clearly mark the Bid envelope with the bid number and title of bid on the face of the envelope</i>  <i>Any tenders couriered to be deposited in the Municipality's Bid Box, any bids sent to the wrong recipient other than being deposited in the Bid Box will not be considered</i>		<b>TO BE DEPOSITED IN:</b> The bid box at the entrance of the Municipal Offices:  07 Groottrek Street Koffiefontein 9986	
<b>ATTENTION: Mr. LL Manwele</b> SUPPLY CHAIN MANAGEMENT UNIT LETSEMENG LOCAL MUNICIPALITY <b>Tel: 053 33 00 217</b>		A bid posted or couriered (at sender's risk) to the Municipality, Private Bag X3, Koffiefontein, 9986, in good time so as to reach the Municipality before the above-mentioned closing date and clearly indicated attention Supply Chain Management Unit, maybe accepted on condition that it is placed in the correct Bid box before the closing time, it being understood that the Council disclaims any responsibility for seeing that such bids are in fact lodged in the bid box.	
<b>SUMMARY FOR TENDER OPENING PURPOSES</b>			
<b>NAME OF TENDERER:</b> .....			
<b>CENTRAL SUPPLIER DATABASE NO:</b> .....			
<b>TOTAL BIDDING PRICE (INCLUDING VAT)</b>			
<b>Total Bidding Price (including VAT)</b>		R	
<b>PREFERENCE CLAIMED FOR:</b>			
<b>B-BBEE Status Level of Contributor:</b>			
<b>Preference Points Claimed:</b>			
<b>B-BBEE certificates submitted with the quotation document MUST be VALID ORIGINAL B-BBEE CERTIFICATES or VALID CERTIFIED COPIES OF B-BBEE CERTIFICATES</b>			
<b>VALIDITY PERIOD: AVAILABLE FOR 90 DAYS AFTER THE BID CLOSURE</b>			
<b>CONTACT DETAILS FOR:</b>			
<b>Bidding procedures and documents</b>		<b>Bid Scope and technical specifications</b>	
<b>SUPPLY CHAIN MANAGEMENT:</b> Mr. L Manwele Tel: 053 33 00 217- E-mail: lmwanwele@letsemeng.gov.za			

# CHECKLIST

Please ensure that the following forms have been completed and signed and all documents, as requested, are attached to the tender document

Description of document	Document number	Yes	No
Bid Conditions & Information		<input type="checkbox"/>	<input type="checkbox"/>
Part A: Invitation to bid and Part B: Terms and Conditions for Bidding	MBD 1	<input type="checkbox"/>	<input type="checkbox"/>
Terms of Reference		<input type="checkbox"/>	<input type="checkbox"/>
Current Municipal Accounts / Lease Agreement		<input type="checkbox"/>	<input type="checkbox"/>
Form of Offer & Acceptance		<input type="checkbox"/>	<input type="checkbox"/>
Authority of Signatory		<input type="checkbox"/>	<input type="checkbox"/>
Past Experience		<input type="checkbox"/>	<input type="checkbox"/>
	MDB 3.3	<input type="checkbox"/>	<input type="checkbox"/>
Declaration of Interest	MBD 4	<input type="checkbox"/>	<input type="checkbox"/>
Preference points claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution.	MBD 6.1	<input type="checkbox"/>	<input type="checkbox"/>
Sworn affidavit/ B-BBEE Certificate		<input type="checkbox"/>	<input type="checkbox"/>
Valid tax clearance / Tax Compliance Status Pin		<input type="checkbox"/>	<input type="checkbox"/>
Formal contracts for services	MBD 7.1	<input type="checkbox"/>	<input type="checkbox"/>
Declaration of bidder's past supply chain management practices	MBD 8	<input type="checkbox"/>	<input type="checkbox"/>
Certificate of independent bid determination	MBD 9	<input type="checkbox"/>	<input type="checkbox"/>
General Conditions of contract & Bid Requirements		<input type="checkbox"/>	<input type="checkbox"/>

Please sign on Completion.

NAME OF THE BIDDER

SIGNATURE

DATE

## BID CONDITIONS AND INFORMATION

- 1 Agreement**

The successful bidder will be expected to sign the Contract Form (Part 1) of this bid document within 30 days of the date of notification by Letsemeng Local Municipality that his/her bid has been accepted.
  - 2 Completion of Bid Documents**
    - (a)** The original bid document must be completed fully in black ink and signed by the authorised signatory to validate the proposal. All the pages must be initialled by the authorised signatory. Failure to do so may result in the invalidation of the bid.
    - (b)** Bid documents may not be retyped or altered in any way.
  - 3 Alteration or Qualification of Bid**

No unauthorised alteration of this set of bid documents will be allowed. Any unauthorised alteration will disqualify the proposal automatically. Any ambiguity has to be cleared with contact person for the bid before the closure date.
  - 4 Authorised Signatory**
    - (a)** *A copy of the recorded Resolution taken by the Board of Directors, members, partners or trustees authorising the representative to submit this bid on the bidder's behalf must be attached to the Bid Document on submission of same.*
    - (b)** A bid shall be eligible for consideration only if it bears the signature of the bidder or of some person duly and lawfully authorised to sign it for and on behalf of the bidder.
  - 5 Submission of Bid**
    - (a)** The bid must be put in a sealed envelope, or envelopes when the two-envelope system is specified, clearly marked with the bid number, title as well as closing date and time and placed in the *Tender Box at the Letsemeng Local Municipality not later than the stipulated date*
    - (b)** *Faxed, e-mailed and late bids will not be accepted. Bids may be delivered by hand, by courier, or posted at the bidder's risk and must be received by the deadline specified above, irrespective of how they are sent or delivered.*
  - 6 Opening, Recording and Publications of Bids Received.**
    - Bids will be opened in public immediately after the bid closure date, or at such time as specified in the bid documents. If requested by any bidder present, names of the bidders, and if practical the total amount of each bid and of any alternative bids will be read out aloud.
    - Bids received in time will be recorded and entered in a register which is open for public inspection.
  - 7 Tax Compliance Status PIN**
    - a.** *A Certificate showing tax compliance status pin must accompany the bid documents.*
    - b.** *Bids not supported by a Certificate showing tax compliance status pin, as an attachment to the bid documents will be invalidated.*
    - c.** *In bids where consortia/joint ventures/sub-contractors are involved, each party must submit a separate valid tax compliance pin certificate.*
  - 8 Evaluation of Bids**

Bids will be evaluated in terms of their responsiveness to the bid specifications and requirements as well as such additional criteria as set out in the bid documents.

Calculation of the Lowest Acceptable bid Price
  - 9 Calculation of the Lowest Acceptable Bid Price for purposes of points calculation.**

A price deviation percentage of 20% will be applied in order to calculate the lowest acceptable bid price. The percentage will be applied on a predetermined municipal estimated cost of the project. In calculating the estimate, the municipality will take the following factors into account, base costs, market research, industry guidelines and standards, and the approved budget vote of the municipality. The bid price that falls outside of the price deviation percentage will be disqualified on the basis on their price.
  - 10 Acceptance or Rejection of a Bids**

The Letsemeng Local Municipality reserves the right to withdraw any invitation to submit a bid and/or to re- advertise or to reject any bid or to accept a part of it. The Municipality does not bind itself to accepting the lowest bid.
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- 11      **Registration on Accredited Supplier Database**  
It is expected of all prospective service providers who are not yet registered on the Central Supplier Database to register online ([www.csd.gov.za](http://www.csd.gov.za)). The Letsemeng Local Municipality reserves the right not to award proposals to prospective suppliers who are not registered on the CSD (Central Supplier Database).
- 12      **Site / Information Meetings**
- 13      **Stamp and Other Duties**  
The successful bidder will be liable for all duties and costs on legal documents resulting in the establishment of a contract and for the surety and retentions.
- 14      **Language of Contract**  
The contract documents will be compiled in English and the English versions of all referred documents will be taken as applicable.
- 15      **Procurement Policy**  
Bids will be evaluated using the 80/20 preferential procurement system and awarded in accordance with the amended Preferential Procurement Regulations, 2017 pertaining to the Preferential Procurement Policy Framework Act, No 5 of 2000.
- 16      **Expenses Incurred in Preparation of Bid**  
The Letsemeng Local Municipality shall not be liable for any expenses incurred in the preparation and submission of the bid.
- 17      **Wrong Information Furnished**  
Where a contract has been awarded on the strength of the information furnished by the bidder which, after the conclusion of the relevant agreement, is proved to have been incorrect, the Letsemeng Local Municipality may, in addition to any other legal remedy it may have, recover from the contractor all costs, losses or damages incurred or sustained by the Municipality as a result of the award of the contract.
- 18      **Validity Period**  
*Bids shall remain valid for 90 days after the bid closure date.*
- 19      **General and Special Conditions of Contract**  
The General Conditions of Contract as well as any Special Conditions of Contract that may form part of this set of bid documents will be applicable to this bid in addition to the conditions of bid.
- 20      **Municipal Rates, Taxes and Charges**  
The bidder to provide their municipal account of rates and taxes of both the Bidding entity and its directors' in its Bid Document submission. Any bidder which is or whose directors are in arrear with their municipal rates and taxes due to any Municipality within South Africa for more than three months and have not made an arrangement for settlement of or same before the bid closure date will be disqualified.
- 21      **Contact with Municipality after Bid Closure Date**  
Bidders shall not contact the Letsemeng Local Municipality on any matter relating to their bid from the time of the opening of the bid to the time the contract is awarded. If a bidder wishes to bring additional information to the notice of the Letsemeng Local Municipality, it should do so in writing to the Letsemeng Local Municipality. Any effort by the firm to influence the Letsemeng Local Municipality in the bid evaluation, bid comparison or contract award decisions may result in the rejection of the bid.
- 22      **BBBEE Supplier Bid Declaration**  
Bidders should complete bid declaration point 4.1 & 6.1 and failure on the part of a bidder to complete mentioned bullet points, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed and you will not receive any points.
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**PART A INVITATION TO  
BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE LETSEMENG LOCAL MUNICIPALITY</b>					
<b>BID NUMBER:</b>		<b>CLOSING DATE:</b>		<b>CLOSING TIME:</b>	
<b>DESCRIPTION</b>					
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD 7.1).</b>					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT					
LETSEMENG LOCAL MUNICIPALITY					
SUPPLY CHAIN MANAGEMENT UNIT					
07 Groottrek Street					
Koffiefontein					
9986					
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
<b>COMPULSORY TO BE COMPLETED BY THE BIDDER</b>					
TAX COMPLIANCE STATUS	TCS PIN:		AND	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No			B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSES) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]			ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]
TOTAL NUMBER OF ITEMS OFFERED				TOTAL BID PRICE	R
SIGNATURE OF BIDDER				DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>					
DEPARTMENT	FINANCE				
CONTACT PERSON	LL Manwele				
TELEPHONE NUMBER	053 33 00 217				
FACSIMILE NUMBER	N/A				
E-MAIL ADDRESS	lmanwele@letsemeng.gov.za				

**PART B**

**TERMS AND CONDITIONS FOR BIDDING**

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

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

SIGNATURE OF BIDDER: \_\_\_\_\_

CAPACITY UNDER WHICH THIS BID IS SIGNED: \_\_\_\_\_

DATE: \_\_\_\_\_

\_\_\_\_\_

## LETSEMENG LOCAL MUNICIPALITY TERMS OF REFERENCE

### 1. BACKGROUND AND SPECIFICATIONS

Letsemeng Municipality covers the towns of Koffiefontein, Petrusburg, Luckhoff, Jacobsdal, Oppermansgronde, and the Rural Area,

*Please Note: In the instance where we award a tender and conclude a contract for a Financial System in the future, where the vending system for prepayment vending is part of the offering, the electricity prepayment vending system agreement may be terminated with six months written notice.*

### 2. CURRENT STATE

2.1. There is a formal contract with Syntel Pty Ltd and it is on a month to month basis

### 3. SCOPE OF WORK AND SPECIFICATIONS

#### 3.1 Requirements:

The Bidder shall provide all system documentation, which must include, but not limited to schematics of the full Vending System network to the Municipality. The minimum hardware and software requirements on which to run the Vending System and a full description and technical details of the solution offered, shall be specified. Any special features shall be detailed.

#### 3.2 Compliance with Specifications:

Bidders shall submit with their tender a schedule, listing clause-by-clause, specific details indicating compliance or non-compliance with the requirements of the Specifications.

#### 3.3 Staff Component:

Bidders shall specify the number of technical staff engaged in implementation and testing of the vending software and integration development as well as the support staff available after hand-over and whether a call center is available. The bidder must ensure that the staff members to be replaced in any event are of the same standard, qualification and experience, specifically the project manager and the senior support person must be allocated to this contract throughout the duration of the contract.

#### 3.4 Guaranteed System Performance:

The Bidder shall guarantee the systems' functional performance. The software must always be up to date and have the latest updates/patches installed to correct or address any failure within the system.

### 4. Vending System Cost:

4.1 The Municipality's method of payment for the Vending System is a monthly fee.

4.2 A proposed/draft Service Level Agreement (SLA) which provides all the details of support must be included.

4.3 The Bidder shall separately identify the individual functional modules included in the total cost, such as:

4.3.1 Vending System Operational components

4.3.2 Upgrade / replacement of existing on-line vending machines. Any upgrades will be communicated to the Municipality for approval.



- 4.3.3 Software and Point of Sale (POS) if applicable.
- 4.3.4 Hardware requirements for POS (if applicable)
- 4.3.5 Integration to Letsemeng Municipality Financial Management System
- 4.3.6 Metadata migration from existing system to new system and complete system and interface testing (scheme structure to be defined when tender is awarded)
- 4.3.7 Training costs.

## **5. Vending Infrastructure:**

- 5.1 The Vending system should be active/stand-by mode.
- 5.2 The bidder needs to give the IT solution and equipment parameter requirements, and the Municipality will purchase all the hardware and software related to the IT solution.
- 5.3 The Vending System must have the capability to vend to all STS meters installed in the Municipality's service area
- 5.4 The transfer from the existing system to the new system shall be seamless. The service provider shall at the end of the contract ensure that all existing data is properly backed-up and secured prior to a new system being deployed. Cost for the recovery of the loss of existing meter data, whether accidental or otherwise, during transfer from existing system to the new system, shall be for the account of the new Service Provider.

## **6. Interfacing:**

- 6.1 The Municipality currently uses the CCG Financial System. The Vending System offered must have the capability to interface with, at current, applicable modules at all times, inter alia customer database, billing system, etc., or any other financial management system that might be implemented.
- 6.2 All prepayment information pass through the interface shall be according to internationally recognized standards (XMLVEND2.0).
- 6.3 To ensure the systems data integration and information exchange services can be controlled, bidder shall provide an independent system interface platform to manage all the running interfaces between the systems and shall record all the systems exchange logs.
- 6.4 The system interface platform shall support multi integration protocols, such as Webservice, HTTP/HTTPS, FTP, Socket, JDBC and etc. The system interface platform shall support multi industry mainstream data exchange standards.
- 6.5 The system interface platform shall support the parameter configurations to extend the interface exchange service.

## **7. Technology and Platforms:**

### **7.1 Database**

- 7.1.1 The back-end system must operate on a SQL Relational database.
- 7.1.2 The data fields must conform to the following rules;
  - 7.1.2.1 All NULL's must be systematically treated within the RDBMS.
  - 7.1.2.2 There must be a unique identifier for each record.
- 7.1.3 The software shall allow concurrent users to access data on a central database from various online terminals.

### **7.2 Vendor Data Model**

- 7.2.1 The data model must provide for the following:
  - 7.2.2.1 The Erf will be the Point-of-Connection.
  - 7.2.2.2 The tariff shall be connected to a Consumer.
  - 7.2.2.3 Multiple different Meter Types (single- and three phase meters) may be connected to the same Point-of-Connection.
  - 7.2.2.4 The data model shall allow for the definition of hierarchical Nodes in order to simulate a distribution network.
  - 7.2.2.5 The Bidders proposed data model shall accommodate, for enhanced management purposes, possible additional resources like prepaid water and/or gas capabilities.
  - 7.2.2.6 The System shall support online recharge and online balance reading for smart meters.
  - 7.2.2.7 The system needs to be able to be integrated into the AMI system which can realize the management

of smart electricity and water meters, real-time information query and perform related operations, such as clock synchronization, balance query and switch on/off relay (or valve) when utility needs, the whole system including AMI and Vending system must be based on one system, one database. The system must have the same architecture, unified interface operation style and the unified privilege management.

### **7.3 Web Interface**

7.3.1 All system functions shall be accessed via a user-friendly Web Interface.

7.3.2 The system shall allow for the following business logic:

- ✓ Customer Management;
- ✓ Meter Management;
- ✓ Reporting

7.3.3 The business logic must in particular include, often used functionality that will allow end-users to view, update and query the system on-line without placing an excessive burden on bandwidth.

### **7.4 Security**

7.4.1 The system shall allow for the addition of an unlimited number of named users.

7.4.2 The system shall allow for SSL security to be implemented for on-line Point of Sale.

7.4.3 The bidder shall comply with Municipality's User Access Management procedures.

7.4.3.1 The minimum password length for users is 8 characters, containing alphabetical (upper and lower case), numeric and special characters (symbols).

7.4.3.2 The system must require the users to reset their passwords on an interval of 30 days;

7.4.3.3 The system must only allow for the re-use of previously used password, after 12 changes;

7.4.3.4 The system must allow for 5 grace logins, that is, login attempts with the incorrect password. Thereafter the account must be locked. Resetting of passwords must be done by the System Administrator.

7.4.4 The bidder shall provide with the bid submission, details of how the data is to be secured by encryption or other means. Audit trails of user actions shall be logged. The system shall also ensure that its data integrity is maintained by using appropriate levels of password control and encryption. Data integrity/availability shall be secured by back-up, fail-over and high availability.

7.4.5 Log Management

7.4.5.1 The system shall support to manage the system access log and archive log. Any login information can be recorded in system access log such as operator name, login time and login IP, etc. Any operation of system archive shall be recorded in archive log such as add a new archive, edit an archive and delete an archive, etc.

7.4.5.2 The system shall have a log to record the operators of the system login and logout information. Any login information shall be recorded in system access log such as operator name, login time and login IP, etc.

7.4.5.3 The system shall have a log to record the operation of the operators. Any operation of system archive shall be recorded in archive log such as add a new archive, edit an archive and delete an archive, etc.

### **7.5 Transaction Switching**

In case of disaster recovery the system should have the ability to vend from a redundant back end system. For example if the production system goes down the vending to point of sale clients should not be stopped but continue using the alternate vending back end.

## **8. System Functions**

### **8.1 Critical Performance Parameters**

8.1.1 The software and database shall be able to accommodate, with no special changes other than hardware scaling, more than 8 000 customers through a minimum of 20 vendors generating a minimum of 20 000 transactions per month.

8.1.2 The software and database shall have no limitation on the number of named users and workstations it can accommodate.

8.1.3 The system must be a real time system.

- 8.1.4 The Bidder must indicate how many transactions per second can be processed, with at least 50 per minute.
- 8.1.5 The system shall be operational on a 24 hours x 7 days a week x 365 day's per year basis.

## 8.2 Electricity Prepayment Vending

### 8.2.1 Transactions

- 8.2.1.1 A transaction consists of taxes, levies, standing arrears and services and the entire transaction must be atomic.
- 8.2.1.2 Any rounding errors of kWh beyond the first decimal shall be recorded in the database as separate transaction rows to ensure effective reconciliation.
- 8.2.1.3 Transaction reversals shall:
- (a). Be effected with full trace-ability of the reversal;
  - (b). Shall allow for a reason to be supplied;
  - (c). Shall be traceable to an operator; and
  - (d). Shall reverse an entire transaction batch consisting of taxes, levies, auxiliaries and resource amounts.

## 8.3. Vending Operations

- 8.3.1. Network communication for the point of sale and web access shall include but not be limited to the following:
- ✓ Corporate LAN / WAN;
  - ✓ Internet

8.3.2. The point of sale client will allow the end-users to vend without placing an excessive burden on bandwidth.

8.3.3. Standard language available on the system shall be English.

8.3.4. Standard currency available on the system shall be South African Rand/cents. The system shall allow for the configuration and adjustment of multipliers and decimal points.

8.3.5. The system shall be capable of the following:

- a) Vending to all STS prepayment meters in the Municipality's area of electricity supply.
- b) Vending free electricity grants.
- c) Collecting arrears.
- d) Handling step tariffs.
- e) Allowing transaction viewing, re-prints and reversals, without compromising the integrity of transactions and subject to appropriate security.
- f) Ability to look up the localized:
  - ✓ transaction history,
  - ✓ free units,
  - ✓ replacement tokens,
  - ✓ engineering tokens, and
  - ✓ arrears payments of a relevant consumer.

8.3.6 The system Certified by the STS association as being Vending, Engineering and Key Change Management compliant. Copy of certificate must be attached.

## 8.4. Vending Management

- 8.4.1 The system shall allow for the definition of independent banking batches, sales batches and shift batches to accommodate various levels of operators.
- 8.4.2 The system shall allow for the automated or manual sign-off of banking batches from a central point.
- 8.4.3 Tokens and receipts shall be customizable templates.
- 8.4.4 It shall have the functionality to print a message on the token of at least 40 characters, which can be customer specific, or a general message to all customers.
- 8.4.5 The system shall support Credit Dispensing Unit (CDU) operator accesses to vending services via PC, buy energy according to the customer requirements and print the token receipt to customer.
- 8.4.6 The system shall support two vending modes: STS (vending energy) and CTS (vending currency/money).
- 8.4.7 Both STS standard (include STS mode and CTS mode) and calculation existing rounding errors, and the vending system shall provide a mechanism to reduce these errors: the error amount should be kept in the change automatically. The change can be returned to the customer, or be stored in the customer account

- and used in the next transaction automatically.
- 8.4.8 The system shall support multi-utilities vending, that is, the system can support vending to customers of different sub utilities.
- 8.4.9 The system shall support key changing. The system shall generate key change tokens automatically.
- 8.4.10 The prepayment credits and engineering tokens generated by the system must comply with the STS Standard.
- 8.4.11 The system shall allow transaction re-prints and reversals without affecting the transaction.
- 8.4.12 The system shall provide account payment. Customers can use their account balance to pay, or deposit the charge amount into the account.
- 8.4.13 The system shall be able to provide free tokens to specific consumers every month according to policy and therefore feature to be in position to be activated and deactivated as and when need arises
- 8.4.14 The details of tariff, all taxes and debt amounts collected and account paid for the current transaction shall be individually listed on the transaction receipt handed to the customer.
- 8.4.15 The system shall provide receipt re-issuance, or online recharging token re-load for online meters, when problems happened such as paper jam during printing, customer receipt lost, and online recharging failure due to network delay.
- The system shall support re-issuance at different CDU.
  - The system shall support re-issuance of customer's historical order.
- 8.4.16 The system shall support ability to query vending orders and other detailed information of charges via various conditions.
- The system shall support query for receipt information of vending order.
  - The system shall support query for debt repayment information of vending order.
  - The system shall support query for tax collection information of vending order.
  - The system shall support the operator to be able to query the transaction record by receipt number, transaction date, meter number, etc.
- 8.4.17 The system shall support the management of Credit Dispensing Unit (CDU) information. CDU is the place/point Utility provides for customers to buy energy, which is responsible for the daily business related to vending. Customers shall get the operations of recharge meter and receipt re-issuance, etc. at the CDU.
- The system shall support credit limit on each CDU, and once the CDU runs out of credit, the utility needs to recharge the CDU, otherwise the vending is not available.
  - The system shall support more than one CDU for one utility.
- 8.4.18 The system should support operator management. Operator is a staff who is responsible for daily business of vending, system operation and provides related vending services.
- The system shall support assigning one login account to each operator, and assigning corresponding role and authority
  - The system shall support deployment with more than one operator for one CDU.

## 8.5. Debt recovery

- 8.5.1 The system must have the ability to collect arrears from the consumer.
- 8.5.2 The system shall support the maintenance of debt. Forward looking system shall support charges like meter cost or installation preset credit to be set as debt an item to customers. The debt can be paid back at next transaction or independent.
- The system shall support multiple debt records for one customer.
  - The system shall support setting up different repayment modes for the multiple debt records for one customer.
  - The system shall support query for detailed debt repayment information of each debt record.
  - The system shall support changing repayment mode for the debt record which is in the process of repayment, while debt amount can't be changed.
- 8.5.3 The system shall support the configuration of the debt repayment mode. When the customer pays for an energy token, the system shall calculate the repayment amount over the vending and deduct the amount from the payment according to the customer's debt record and repayment mode. The balance payment will be used to purchase energy; System shall support the following ways to repay debts.
- Multiple Payment (Vending Amount %): pay percentage of vending amount every time;
  - One Time Payment: pay all the debt once;
  - Multiple Payment (Debt %): pay percentage of debt amount every time;
  - Monthly Payment (Debt %): pay debt by months, paid amount = percentage of debt amount \* months (from last vending month to this month);
  - Multiple Payment (Fixed amount): pay a fixed amount every time;
  - Monthly Payment (Fixed amount): pay debt by months, paid amount = fixed amount \* months (from last vending month to this month).

## 8.6. Tariffs

- 8.6.1 Unique tax and fixed charges profiles shall be definable for each tariff blocks independent of the step tariff

blocks according to monthly monetary value transacted, or kWh bought.

8.6.2 The Vending system shall have automated activation dates for tariff changes.

8.6.3 The Vending system shall allow the Municipality to change their reconciliation and tariff rules, irrespective of the system's functionality and operation the transactions shall be reconciled by an independent reconciliation application operating at central level.

8.6.4 The system shall support to manage tariff scheme of prepayment meter, every electricity user will bind 1 tariff scheme, different user type can use different tariff schemes, every tariff scheme can set more than one electricity tariff, every electricity tariff have different effect time, to achieve automatic switch of tariff.

- The system shall support version management of tariff scheme. For tariff versions which already get effected, not allow to revise, only allow to update.
- The system shall support query by system log, can check change log of tariff scheme.

8.6.5 The system shall support the following types of tariff.

- The system shall support single tariff: charge according to unified electricity price.
- The system shall support step tariff: set electricity consumption step, different step correspond to different electricity price, charge according to current step.

8.6.6 The system shall support TOU tariff: set period electricity unit price, set different price according to different period, TOU electricity price shall support CTS meter.

### 8.7. Payment System

The vending system shall be capable of supporting the following:

8.7.1 The type of transaction at the vending outlet shall be recorded as follows:

- a. Cash,
- b. Credit/debit card – shall be recorded by either swiping the credit /debit card through the vending system card reader, flagging the transaction as both a credit/debit card sale and record the banking institution or capture details manually.
- c. No cheque payments will be accepted through the vending system.

8.7.2 Vouchers generated by the system for issue to customers must contain the information as per utility's requirement.

### 8.8 Tax Management

8.8.1 The system shall automatically calculate tax and you need to pay them together with electricity fees, when user buy electricity, not only pay electricity fees, but also pay other fees, e.g. handling fees, monthly rental fees, VAT.

- The system shall support pay by times: pay fixed fees by per time purchase electricity.
- The system shall support pay by day: pay fixed fees by day. Calculate total amount from last time electricity purchase to this time electricity purchase start day.
- The system shall support pay by months: pay fixed fees by months. Calculate total amount from last month electricity purchase to this time electricity purchase start month.
- Support pay by percentage: pay fixed percentage of electricity purchase amount.

8.8.2 The system shall automatically check current month and previous month demand charge status, when user purchases electricity. For month which electricity payment not only settled, but have read demand value the end of this month, system shall calculate demand charge according to actual demand value, and pay with electricity payment.

- Support user who have not purchased for many months, when electricity purchase, can separately calculate demand charge by many months and charge in one time.
- Shall support to calculate demand charge according to formula  $M.D (KVA, \text{Maximum apparent power}) * MD \text{ rate}$  or  $M.D (kW, \text{Maximum active power}) * MD \text{ rate}$ .
- Shall support single MD rate and step MD rates.
- Shall NOT support estimate and pre-charge demand charge.

8.8.3 The system shall automatically check reactive charge settlement status of current and previous months, when user purchases electricity,. For month which reactive charge hasn't been settled and have read reactive charge parameters in the end of month, system shall read actual reactive parameters values and calculate reactive charges, pay with electricity charges. The system shall support users who have not purchased electricity for some months; at time of purchase electricity, shall separately calculate reactive charges by many months and charge in one that one time purchase.

### 8.9. Vendor Management

The Bidder shall be responsible for the following:

8.9.1 Setting up guidelines for appointing and contracting of the vendors and compiling an agreement / contract pricing, this will be a percentage of sales. The guidelines and agreement to be approved by the municipality.

8.9.2 Advertising and information meetings with prospective vendors.

- 8.9.3 Appointment of vendors and signing of contracts. The Municipality will determine the quantity of vendors per location as required from time to time.
- 8.9.4 Providing all the necessary hardware, software and communications equipment needed for the vendor to operate.
- 8.9.5 Providing training as and when necessary for the vendor or his appointed operators in order to operate the equipment and relevant software.
- 8.9.6 Providing the necessary consumables, e.g. paper, printer cartridges, etc.
- 8.9.7 Providing the routine, preventative and necessary maintenance, repair and servicing as is required to maintain the equipment.
- 8.9.8 Collecting revenue from the vendors, ensuring compliance to all security measures.
- 8.9.9 To reconcile the revenue received from the vendors on a daily basis.
- 8.9.10 Payment of any vendor commissions owed.
- 8.9.11 Payment of revenue received (Prepaid) directly in municipality's account the next business day.
- 8.9.12 providing daily and monthly reports as required by the municipality, including audit reports.
- 8.9.13 The system shall manage the basic information such as name and address of agents, and support the configuration of commission scheme, bank account, certification and contact details.
- 8.9.14 when agents sell energy, they must ensure that the account balance is enough; otherwise they need to top-up account. After transaction with customer is completed, the balance of agents will be decreased. In addition, it is necessary to set the minimum balance for agents. When the balance is less than the minimum balance, agents will not be able to sell energy.
- 8.9.15 Maximum and minimum amounts per transaction shall be supported to be set by the Utility.
- 8.9.16 the system shall calculate the Commission according to the percentage of transaction amount or fixed amount for each transaction sold by agents, and fill the balance with commission.
- 8.9.17 the system shall support balance reconciliation after confirmed by supervisor. In addition, operators can query the balance details of agents, such as energy sold, top-up, commission settlement and reconciliation.
- 8.9.18 the system should support low credit reminder function
  - The system shall send alert email to the customers automatically by email, when the balance credit in the meter is lower than the threshold value,
  - The system shall support setting up balance low credit alert threshold value and alert type for one customer or in the batch.
  - The system shall support alert type: email.
  - The system shall support querying the sending records of low credit alert.

#### **8.10 Support Services**

The Bidder shall be responsible for providing a 24 hours x 7 days per week support service for vendors.

#### **8.11 Meter Configuration Management**

- 8.11.1 All meter management processes shall be performed via a task centric user-friendly, graphical user interface. The minimum number of pre-defined meter management tasks shall be:
  - a. Receive a meter from a service provider,
  - b. Send a meter to a service provider for repair,
  - c. Scrap a meter,
  - d. Install a meter,
  - e. Remove a meter,
  - f. Change status of a meter,
  - g. Update status of a meter,
  - h. Create a location,
  - i. Update a locations details,
  - j. Link a consumer with a location / meter
- 8.11.2 Meter management processes shall automatically change the modes (example block, un-block and auxiliary) of operations associated with a meter. The system must make provision for bulk block, with the import of an excel file into the system.
- 8.12.3 The system shall be customisable in real time and in such a way that processes could be adapted to the utility's unique process flows and needs.
- 8.13.4 The system shall allow for an unlimited number of meters.
- 8.13.6 The system shall allow creating and maintaining archival information system grid structure, meter, terminal and other system related equipment, and supports batch import of such system.
- 8.13.7 The system shall support to manage grid structure, customer, meter, terminal, etc. It can be manually enter or batch import
- 8.13.8 In this system, the status information of various equipment shall be viewed and maintained.

### **8.12 Reporting and Information**

The detailed report required by utility can be customized developed. Utility can define different report templates by creating a new report. When creating a new report, the report name and related columns in the report and query conditions can be configured by utility's requirements.

Printer selection and formatting according to operating system availability should be supported. Exporting of all reports to at least Excel, CSV or PDF should be supported too. Reports in the vending system are able to be previewed before printing.

#### **8.12.1 Finance**

According to summary category (sale point, vendor, tariff, meter model and supplier address can be chosen) and summary date (day, month and year can be chosen), the report should be able to show the transaction analysis for different transaction category (transaction, FBE and debt reply can be chosen).

#### **8.12.2 Management**

Management reports should enable managers to see the statistical summary information over a period of time, including Purchase Trend, Transaction Block Statistics, Debt Category Report, Power Purchase Abnormal Customer Report, and Power Purchase Abnormal Customer Report.

#### **8.12.3 Engineering**

According to management unit and manufacturer, operators can query the quantity of each meter status, including active meters, blocked meters, new installed meters, etc.

### **9. Financial and Vending System Integration**

9.1 It shall be the responsibility of the successful Bidder to liaise with the service providers of the financial system to ensure fully automated system integration and to finalize the detailed design of the interfaces after the contract has been awarded.

9.2 The following are the minimum integration that will be required to provide functionality between the financial system and the Vending System:

9.2.1 An arrears balance / credits outbound file from financial system to the Vending System. Before downloading balances to the Vending System, all balances must be zeroed on Vending System.

9.2.2 The outbound information from financial system to the Vending System for customer data for all new connections and retrofits (credit meters replaced with prepayment meters).

9.2.3 An arrears payments / refunds inbound file from Vending System to the financial system for arrears collected and refunds given.

9.2.4 An inbound file from the Vending System to the financial system for all meter changes carried out (may be considered).

9.2.5 An inbound file from the Vending System to the financial system for all Vendor sales.

9.2.6 An inbound file from the Vending System to the financial system for sales transactions that has been deleted.

9.3 In the integrations listed above only the data that has changed must be transferred between the Vending System from the financial system.

### **10. System Testing**

10.1 The test plan to be followed during the testing of the Vending System must be submitted with the tender.

10.2 The system including integrations with the financial system and the "Super-vendors" shall be tested thoroughly together with the successful Bidder and the personnel from the Municipality before final handover/sign-off.

### **11. Migration of Data and Commissioning of new System**

11.1 The successful Bidder shall be responsible for liaison with the existing System Vendor in order to migrate all existing data from the existing Systems. As per the stipulation with this contract, the existing vendor will provide the data and the schemer for export/import to the new system.

11.2 A detail project plan showing the proposed stages for the commissioning of the new Vending System shall be provided as part of the tender documents. The Bidder shall specify his full commissioning schedule from the setting up to the final handover of the Vending System.

11.3 The full commissioning of the system must be started after the contract has been rewarded and implemented on the start date.

### **12. Training**

12.1 The scope and cost of the training for the staff of the Municipality shall form part of the tender.

12.2 A full training schedule indicating what type and level of training shall be provided.

12.3 The Municipality's staff must be fully trained.

12.4 The training shall include, but not limited to full system administration.

### 13. Vending Options

13.1 The system should as a minimum, cater for:

- 13.1.1 Voucher-based vending, Mobile and any modern technologies would be a plus.
- 13.1.2 Mobile Points of Sale vending via handheld vending devices operation on GPRS / GSM.
- 13.1.3 Cell phone vending for mobile vending agents using standard cell phones to sell electricity.
- 13.1.4 Internet Web Site vending. Payment mechanism on the web site must cater for credit/debit cards and vouchers.
- 13.1.5 Connection interface for third-party vendors.

### 14. Compliant with TID 2024

The bidder to submit a proposed solution of the company's readiness for TID 2024, as per information provided by the STS Association.

### 15. Proposal and Service Level Agreement

A proposed Service Level Agreement/s should be submitted with the Tender documents. Please note that the Service Level Agreement/s should be in line with the General Conditions of Contract and the specifications as included in this tender.

### 16. Pricing and Commencement Date

- 16.1 Pricing must include for all categories and items of expenditure and bidders must include it on the Pricing Schedule for this purpose.
- 16.2 The bid offer price will remain valid for a period of 90 days.
- 16.3 The contract period will commence on the date of signing the contract.

### 17. Pre- Qualification

- 17.1 The evaluation of tenders will be done in terms of compliance to the criteria indicated in the Pre-Qualification Criteria. Bids failing to achieve the minimum qualifying score for functionality as indicated in the bid documents will be disqualified from further evaluation.
- 17.2 Thirty (30) points are available as indicated in the table below. The bidder must score at least 21 out of 30 points in order for the rest of the functionality criteria to be evaluated. In total bidders must score at least 70% for functionality criteria in order for the tender to be evaluated further.
- 17.3 The following are the evaluation criteria for functional responsiveness. Bidders must complete the document for Pre-Qualification Criteria for this purpose.

	CRITERIA	Maximum Points Attainable	Points Awarded
1.	Similar experience in prepayment vending systems in years?		10
1.1.	0 – 2 Years' experience	1	
1.2.	2 – 4 Years' experience	2	



1.3.	4 – 6 Years' experience	5	
1.4.	More than 6 years' experience	10	
	<b>Contactable reference must be submitted (Appointment with tender. Letters)</b>		
<b>2.</b>	<b>Similar vending projects successfully implemented and operational?</b>		<b>20</b>
2.1.	two (2) projects cases successfully implemented and operational (At least 15 000 active meters	20	
	<b>Contactable reference must be submitted</b>		
<b>3.</b>	<b>TOTAL</b>		<b>30</b>

## 18 Minimum Technical Requirements

Tenders and draft SLA's will be subjected to compliance tests against the under mentioned criteria, which are deemed to be essential for the success of the project. Bidders must respond to the list of requirements by indicating whether the service is offered and complies by indicating **YES** or **NO**. (Please mark with a "X" where applicable). Non-compliance to any of these requirements might lead to disqualification of the bid.

The bidder will be evaluated based on the proposal submitted which must clearly display compliance to the requirements in the specifications. Proof of relevant accreditations must be submitted for each criterion as requested, if such proof is not submitted, the tender may be disqualified and not be evaluated further.

	DESCRIPTION	Please indicate with an "X" whether the offer complies with the requirements.			Reference (Supporting documents attached)
		Yes	No	Comment	
18.1	System commissioned within three (3) months of the contract being award, including integration with financial system (Attach proposed implementation plan)				
18.2	Guarantee the systems' functional performance and any upgrades required to correct any system mal-operations will be for the Bidder's account				
18.3	The Vending system should be active/stand-by mode and has the high reliability				
18.4	Vending System must be able to vend to all STS meters installed in the Municipality service area.				
18.5	The Vending System offered must have the capability to interface with, at current, applicable modules, <i>inter alia</i> customer database, billing systems etc., or any other financial management system that might be implemented.				
18.6	The back-end system operate on a SQL Relational database				
	The data fields must conform with the following rules :				
18.7	All NULL's must be systematically treated within the RDBMS				

18.8	There must be a unique identifier for each record.			
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18.9	The software shall allow concurrent users to access data on a central database from various online terminals.					
18.10	The Data Model shall be capable of functions as requested in paragraph 7.2					
18.11	<p>The system shall allow for the following business logic :</p> <ul style="list-style-type: none"> <li>• Customer Management</li> <li>• Meter Management</li> <li>• Reporting</li> </ul>					
18.12	The business logic must in particular include, often used functionality that will allow end-users to view, update and query the system on-line without placing an excessive burden on bandwidth					
18.13	Security as prescribed in paragraph 7.4					
18.14	The software and database shall be able to accommodate, with no special changes other than hardware scaling, more than 20 000 customers through a minimum of 50 vendors generating a minimum of 50 000 transactions per month.					
18.15	The software and database shall have <b>no limitation</b> on the number of named users and workstations it can accommodate					
18.16	The system must be a <b>real time system</b>					
18.17	The Bidder must indicate how many transactions per second can be processed, with at least 50 per minute					
18.18	The system shall be operational on a 24 x 7 x 365 basis					

18.19	Transactions shall be in accordance with 8.2.1					
18.20	Standard language available on the system shall be English					
18.21	Standard currency available on the system shall be South African Rand/cents. The system shall allow for the configuration and adjustment of multipliers and decimal points					

18.22	All transactions shall be atomic to such a nature that taxes, levies, standing charges, arrears and services are all created through individual rows in the database				
	<p>The system shall be capable of the following :</p> <p>a) Vending to all STS prepayment meters in the Municipality's area of electricity supply.</p> <p>b) Vending free electricity grants</p> <p>c) Collecting arrears</p> <p>d) Handling step tariffs</p> <p>e) Allowing transaction viewing, re-prints and reversals, without compromising</p>				
18.23	the integrity of transactions and subject to appropriate security				

The system shall have ability to look up the localized:

18.24	<p>1.1. transaction history,</p> <p>1.2. free units,</p> <p>1.3. replacement tokens,</p> <p>1.4. engineering tokens, and</p> <p>1.5. arrear payments of a relevant consumer subject to appropriate security</p>				
18.25	<p>The system certified by the STS association as being for all Utilities and all currency Management compliant. Must be of Protocol STS 600-8-6</p> <p><b>Copy of certificate must be attached.</b></p>				
18.26	The system shall allow for the definition of independent banking batches, sales batches and shift batches to accommodate various levels of operators				
18.27	The system shall support the vending function as set out in paragraph 8.4.				

18.28	The system shall have the ability to collect multiple categories of arrears from the consumer as set out in paragraph 8.5.				
18.29	The system shall have the ability to accommodate tariffs as set out in paragraph 8.6.				
18.30	The vending system shall be capable of supporting the payment system as set out in paragraph 8.7.				
18.31	The vending system shall be capable of supporting the tax management system as set out in paragraph 8.8.				
18.32	The Bidder shall be responsible for the vendor management as set out in paragraph 8.9				
18.33	The system shall have the ability for meter management as set out in paragraph 8.11.				
18.34	The system shall allow for the generation of the reporting as set out in paragraph 8.12.				
18.35	Financial System and Vending system integration as per paragraph 9				
18.36	The system testing will be in accordance with paragraph 10				
18.37	Migration of Data and commissioning of new system as per paragraph 11				
18.38	System should cater for minimum vending options as set out in paragraph 13.				
18.39	A proposed Service Level Agreement should be attached as set out in paragraph 15				
18.40	A proposed solution for Vending Prepaid Electricity Meters as set out in paragraph 14				

[illegible]



**PRICING SCHEDULE:**

**PLEASE NOTE:** Rates must be firm and fixed for the duration of 1 year ending 30 September 2023, unless terminated at any time with six months written notice in the instance as referred to in paragraph 2 (background).

Section 51 of the Municipal Supply Chain Regulations states:

*"51. Contracts providing for compensation based on turnover. —*

*If a service provider acts on behalf of a municipality or municipal entity to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the municipality or municipal entity must stipulate—*

- a. *a cap on the compensation payable to the service provider; and*
- b. *that such compensation must be performance based."*

Item Description	Estimated quantities	Unit of measure	Rates (Excl VAT)	Total Price (Excl VAT)
<b>1. ONCE OFF FIXED COST</b>				
1.1 License Fee of vending system to accommodate 10000 meters and includes system set-up and training, data immigration	1	Once-off		
1.2. Implementation: Interface with financial system	1	Once-off		
<b>2. VARIABLE COST</b>				
2.1 Vending: System support service fee for prepayment vending system (%)	R4.5 million	Monthly		
<b>3. Support Costs</b>				
3.1 Rate per call out – All Inclusive	3	Per Annum		
3.2 Rate per call out – After hours – All inclusive	3	Per Annum		
<b>4. Other Costs (on going)</b>				
4.1 Training	3	Per Annum		

The estimated quantities in the pricing schedule (calculated on usage over the term of the existing contract) serve as a guideline for price calculations and will be used for evaluation purposes only.

**Please note that the estimated quantities are based on historical data, and only serves as indication of possible future requirements and must not be regarded as the actual quantities.**

<b>CERTIFICATE OF MUNICIPAL SERVICES</b>
--

Information required in terms of the Letsemeng Local Municipality's Supply Chain Management Policy,

Clause 28 (i) (c) (ii).

Tender Number:	
Name of Bidder:	

DETAILS OF THE BIDDER/S: Proprietor /Director(s) / Partners, etc:	
Physical Business address of the Bidder	Municipal Account Number(s)

If there is not enough space for all names, please attach the additional details to the tender document.

Name of Director / Member / Partner	Identity Number	Physical residential address of Director / Member / Partner	Municipal Accountnumber(s)

I, \_\_\_\_\_, the undersigned, (full name in block letters)

certify that the information furnished on this declaration form is correct and that I/we have no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days.

\_\_\_\_\_

Signature

thus done and signed for and on behalf of the Bidder /Contractor at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_

**Please note:**

Even if the requested information is not applicable to the Bidder, the table above should be endorsed **NOT APPLICABLE** and

**THIS DECLARATION MUST STILL BE SIGNED**

\_\_\_\_\_

**FORM OF OFFER AND ACCEPTANCE  
COMPULSORY TO COMPLETE**

TENDER NO:

**OFFER**

The Employer, identified in the acceptance signature block, has solicited offers to enter into a contract for the procurement of:

TENDER NO:

The Tender Supplier, identified in the acceptance signature block, has examined the documents listed in the tender data and addenda thereto as listed in the returnable schedules, and by submitting this offer has accepted the conditions of tender.  
By the representative of the Tender Supplier, deemed to be duly authorized, signing this part of this form of offer and acceptance, the Tender Supplier offers to perform all of the obligations and liabilities of the contractor under the contract, including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the conditions of tender identified in the tender data. **AS PER PRICING SCHEDULE** This offer may be accepted by the employer by signing the acceptance part of this form of offer and acceptance, and returning one copy of this document to the tender supplier before the end of the period of validity stated in the tender data, whereupon the tender supplier becomes the party named as the contractor in the contract identified in the tender data.

Signature(s).....

Name(s) .....

Capacity .....

Company Name .....

Address .....

.....

.....

.....

## ACCEPTANCE

By signing this part of the form of offer and acceptance, the employer identified below accepts the Tender supplier's offer. In consideration thereof, the employer shall pay the tender supplier the amount due in accordance with the conditions of quote identified in the tender data. Acceptance of the tender supplier's offer shall form an agreement between the employer and the tender supplier upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tender supplier receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the tender supplier within five working days of the date of such receipt notifies the employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

Signature(s) .....

Name(s) .....

Capacity .....

For the Employer .....

.....  
(Name and address of organization)

Date: .....

# **AUTHORITY OF SIGNATORY**

Details of person responsible for Tender process:

Name		
Contact number	(            )	
Address of office submitting the Tender		
Telephone no	(            )	
Fax no	(            )	
E-mail address		

Signatories for close corporations and companies shall confirm their authority by attaching to this form a duly signed and dated original or certified copy of the relevant resolution of their members or their board of directors, as the case may be.

"By resolution of the board of directors passed on (date)....."

Mr./Ms..... has been duly authorized to sign all documents in connection with tender number:

**LETS/ELECTRICAL –ITEMS/2021: APPOINTMENT OF SERVICE PROVIDER TO SUPPLY AND DELIVERY OF ELECTRICAL MATERIALS .**

and any Contract which may arise there from on behalf of

(BLOCK CAPITALS)

SIGNED ON BEHALF OF THE COMPANY

IN HIS / HER CAPACITY AS

DATE

FULL NAMES OF SIGNATORY

AS WITNESSES

1.

2.

### PAST EXPERIENCE

Tenderers must furnish hereunder details of similar services, which they have satisfactorily completed in the past.

[illegible]

DATE \_\_\_\_\_

**SIGNATURE OF TENDERER**

## REQUIRED DOCUMENTATION

### A PUBLIC COMPANY or SECTION 21 COMPANY

A certified copy of the company's Certificate of Incorporation (CM3).

If any changes had occurred in the board of Shareholders or Directors of the company since registration, a certified copy of the amended Certificate of Incorporation regarding the changes that were registered in the office of the Registrar of Companies must be obtained.

*In the case of a Company, a resolution from the directors that the person who is appointed to sign the tender and SLA document is authorized to act on behalf of the Company. The full names, identity number and his/ her capacity must be included in the resolution.*

### A CLOSE CORPORATION

A certified copy of the Close Corporation's registration document. (CK1 & CK2).

*If any changes had occurred in the Membership of the Close Corporation since registration, a certified copy of the amended Registration Certificate regarding the changes in membership that were registered in the office of the Registrar of Companies must be obtained. In the case of a Close Corporation, a resolution from the members that the person who is appointed to sign the tender and SLA document is authorized to act on behalf of the Close Corporation. The full names, identity number and his/ her capacity must be included in the resolution.*

### A TRUST

A certified copy of the Trust deed (document) as well as a letter of authority in the case of business trust.

### A PARTNERSHIP

A certified copy of the Partnership Agreement.

### A SOLE PROPRIETOR

A certified copy of the Owner's ID document.

In all cases, a valid Tax Clearance certificate is required.

Where necessary certified copies of other relevant registration certificates pertaining to the business as required by legislation.

The above documentation did not include necessarily all the documentation that may be needed by the Supply Chain department which must also be requested.

**PRICING SCHEDULE**  
(Professional Services)

Name of Bidder: ..... Bid Number: .....  
Closing Time: ..... Closing Date: .....

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
------------	-------------	--

- The accompanying information must be used for the formulation of proposals.
- Bidders are required to indicate a ceiling price based on the totalestimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R.....

- PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....

- PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

.....	R.....	..... days
.....	R.....	..... days
.....	R.....	..... days
.....	R.....	..... days

- Travel expenses (specify, for example rate/km and total km, class of air travel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....

\*\*\*"all applicable taxes" includes value-added taxes, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.



- 5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
TOTAL: R.....			

6. Period required for commencement with project after acceptance of bid.....
7. Estimated man-days for completion of project.....
8. Are the rates quoted firm for the full period of contract?.....\*YES/ NO.
9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.....

.....

.....

.....

\*Delete if not applicable

## DECLARATION OF INTEREST

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

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

- 3.1 Full Name: .....
- 3.2 Identity Number: .....
- 3.3 Company Registration Number: .....
- 3.4 Tax Reference Number: .....
- 3.5 VAT Registration Number: .....

3.6 Are you presently in the service of the ~~state~~

YES / NO

3.6.1 If so, furnish particulars.

.....  
 .....

3.7 Have you been in the service of the state for the past twelve months?

YES / NO

3.7.1 If so, furnish particulars.

.....  
 .....

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

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

YES / NO

**3.8** Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?

**3.8.1** If so, furnish particulars.

.....  
 .....

YES / NO

**3.9** Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?

**3.9.1** If so, furnish particulars

.....  
 .....

YES / NO

**3.10** Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state?

**3.10.1** If so, furnish particulars.

.....  
 .....

YES / NO

**3.11** Are any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in service of the state?

**3.11.1** If so, furnish particulars.

.....  
 .....

**CERTIFICATION**

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

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

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

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

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

**1. GENERAL CONDITIONS**

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 1.2

- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

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

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

## 2. DEFINITIONS

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

## 3. POINTS AWARDED FOR PRICE

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

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

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

Where

- $P_s$  = Points scored for price of bid under consideration
- $P_t$  = Price of bid under consideration
- $P_{min}$  = Price of lowest acceptable bid

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

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

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

## 5. BID DECLARATION

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

## 6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

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

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

## 7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?(*Tick applicable box*)

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

7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted ..... %

ii) The name of the sub-contractor.....

iii) The B-BBEE status level of the sub-contractor.....

iv) Whether the sub-contractor is an EME or QSE  
(*Tick applicable box*)

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

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

Designated Group: An EME or QSE which is at least 51% owned by:	EME ✓	QSE ✓
Black people		
Black people who are youth		
Black people who are women		

Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

of

8.1 Name  
company/firm:.....

8.2 VAT registration  
number:.....

8.3 Company registration  
number:.....

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium  
☐ One person business/sole propriety  
☐ Close corporation  
☐ Company  
☐ (Pty) Limited [TICK  
 APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

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

8.7 MUNICIPAL INFORMATION

Municipality where business is situated:  
..... Registered Account Number:

.....  
Stand Number:.....

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



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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution.

#### WITNESSES

- 1. ....
- 2. ....

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

DATE: .....  
ADDRESS .....  
.....  
.....

CONTRACT FORM - PURCHASE OF GOODS/WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution).....  
in accordance with the requirements and specifications stipulated in bid number.....at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Technical Specification(s);
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2017;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

<b>WITNESSES</b>	
1	.....
2.	.....
DATE: .....	

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

1. I .....in my capacity as.....  
accept your bid under reference number .....dated .....for  
the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract,  
within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS/LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

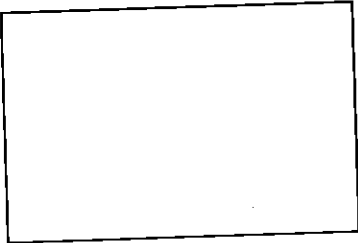
4. I confirm that I am duly authorized to sign this contract.

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

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP



**WITNESSES**

1. ....

2. ....

DATE .....

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

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?  (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).  The Database of Restricted Suppliers now resides on the National Treasury's website( <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> ) and can be accessed by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <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)? The Register for Tender Defaulters can be accessed on the National Treasury's website ( <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> ) by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

☐ ☐

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

#### CERTIFICATION

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

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

.....  
 Signature

.....  
 Date

.....  
 Position

.....  
 Name of Bidder

# CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD9) must be completed and submitted with the bid:

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

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Municipality / Municipal Entity)

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

(Name of Bidder)

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

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

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



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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

# LETSEMENG LOCAL MUNICIPALITY GENERAL CONDITIONS OF CONTRACT

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33.	Taxes and duties
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35.	Amendment of contracts

## General Conditions of Contract

### 1. Definitions

1. The following terms shall be interpreted as indicated:
  - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 "Contract" means the written agreement entered into between the purchaser and the provider, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 "Contract price" means the price payable to the 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 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 "Day" means calendar day.
  - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
  - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
  - 1.10 "Delivery into consignee's store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the provider bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
  - 1.11 "Dumping" occurs when a private enterprise abroad markets its goods on its own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
  - 1.12 "Force majeure" means an event beyond the control of the provider and not involving the provider's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
  - 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
  - 1.14 "GCC" means the General Conditions of Contract.
  - 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the provider is required to supply to the purchaser under the contract.
  - 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the 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.
  - 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

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	<p>1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.</p> <p>1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.</p> <p>1.20 "Projectsite," where applicable, means the place indicated in bidding documents.</p> <p>1.21 "Purchaser" means the organization purchasing the goods.</p> <p>1.22 "Republic" means the Republic of South Africa.</p> <p>1.23 "SCC" means the Special Conditions of Contract.</p> <p>1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the provider covered under the contract.</p> <p>1.25 "Written" or "in writing" means hand-written in ink or any form of electronic or mechanical writing.</p>
<b>2. Application</b>	<p>2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p>
<b>3. General</b>	<p>3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.</p> <p>3.2 Invitations to bid are usually published in locally distributed news media and in the institution's website.</p>
<b>4. Standards</b>	<p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p>
<b>5. Use of contract documents and information; inspection.</b>	<p>5.1 The provider shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the 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.</p> <p>5.2 The provider shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.</p> <p>5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the provider's performance under the contract if so required by the purchaser.</p> <p>5.4 The provider shall permit the purchaser to inspect the provider's records relating to the performance of the provider and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.</p>
<b>6. Patent rights</b>	<p>6.1 The provider shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.</p> <p>6.2 When a provider developed documentation / projects for the municipality or municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality or municipal entity.</p>
<b>7. Performance security</b>	<p>7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.</p> <p>7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the provider's failure to complete his</p>

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	<p>obligations under the contract.</p> <p>7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:</p> <p>(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or</p> <p>(b) a cashier's or certified cheque.</p> <p>7.4 The performance security will be discharged by the purchaser and returned to the provider not later than thirty (30) days following the date of completion of the provider's performance obligations under the contract, including any warranty obligations, unless otherwise specified.</p>
<b>8. Inspections, tests and Analyses</b>	<p>8.1 All pre-bidding testing will be for the account of the bidder.</p> <p>8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the purchaser or an organization acting on behalf of the purchaser.</p> <p>8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.</p> <p>8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.</p> <p>8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the provider.</p> <p>8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.</p> <p>8.7 Any contract supplies may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the provider who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the provider's cost and risk. Should the provider fail to provide the substitute supplies forthwith, the purchaser may, without giving the provider further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the provider.</p> <p>8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.</p>
<b>9. Packing</b>	<p>9.1 The provider shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.</p> <p>9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.</p>
<b>10. Delivery and documents</b>	<p>10.1 Delivery of the goods and arrangements for shipping and clearance obligations shall be made by the provider in accordance with the terms specified in the contract.</p>

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<b>11. Insurance</b>	11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified.
<b>12. Transportation</b>	12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified.
<b>13. Incidental services</b>	<p>13.1 The provider may be required to provide any or all of the following services, including additional services, if any:</p> <ul style="list-style-type: none"> <li>(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;</li> <li>(b) furnishing of tools required for assembly and/or maintenance of the supplied goods;</li> <li>(c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;</li> <li>(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the provider of any warranty obligations under this contract; and</li> <li>(e) training of the purchaser's personnel, at the provider's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.</li> </ul> <p>13.2 Prices charged by the provider for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the provider for similar services.</p>
<b>14. Spare parts</b>	<p>14.1 As specified, the provider may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the provider:</p> <ul style="list-style-type: none"> <li>(a) such spare parts as the purchaser may elect to purchase from the provider, provided that this election shall not relieve the provider of any warranty obligations under the contract; and</li> <li>(b) in the event of termination of production of the spare parts: <ul style="list-style-type: none"> <li>(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and</li> <li>(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.</li> </ul> </li> </ul>
<b>15. Warranty</b>	<p>15.1 The provider warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The provider further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the provider, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.</p> <p>15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.</p> <p>15.3 The purchaser shall promptly notify the provider in writing of any claims arising under this warranty.</p> <p>15.4 Upon receipt of such notice, the provider shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.</p> <p>15.5 If the provider, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the provider's risk and expense and without prejudice to any other rights which the purchaser may have against the provider under the contract.</p>
<b>16. Payment</b>	<p>16.1 The method and conditions of payment to be made to the provider under this contract shall be specified.</p> <p>16.2 The provider shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.</p>

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	<p>16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the provider.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated.</p>
<b>17. Prices</b>	17.1 Prices charged by the provider for goods delivered and services performed under the contract shall not vary from the prices quoted by the provider in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.
<b>18. Increase / decrease of quantities</b>	18.1 In cases where the estimated value of the envisaged changes in purchase does not exceed 15% of the total value of the original contract, the contractor may be instructed to deliver the revised quantities. The contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.
<b>19. Contract amendments</b>	19.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
<b>20. Assignment</b>	20.1 The provider shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
<b>21. Subcontracts</b>	21.1 The provider shall notify the purchaser in writing of all subcontracts awarded under these contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the provider from any liability or obligation under the contract.
<b>22. Delays in the provider's performance</b>	22.1 Delivery of the goods and performance of services shall be made by the provider in accordance with the time schedule prescribed by the purchaser in the contract.
	22.2 If at any time during performance of the contract, the provider or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the provider shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the provider's notice, the purchaser shall evaluate the situation and may at his discretion extend the 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.
	22.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the provider's point of supply is not situated at or near the place where the supplies are required, or the provider's services are not readily available.
	<p>22.4 Except as provided under GCC Clause 25, a delay by the provider in the performance of its delivery obligations shall render the provider liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.</p> <p>22.5 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the provider's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the provider.</p>
<b>23. Penalties</b>	23.1 Subject to GCC Clause 25, if the provider fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.
<b>24. Termination for default</b>	<p>24.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the provider, may terminate this contract in whole or in part:</p> <ul style="list-style-type: none"> <li>(a) if the provider fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 22.2;</li> <li>(b) if the provider fails to perform any other obligation(s) under the contract; or</li> <li>(c) if the provider, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.</li> </ul> <p>24.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the provider shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the provider shall continue performance of the contract to the extent not terminated.</p>

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	<p>24.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.</p> <p>24.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.</p> <p>24.5 Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.</p> <p>24.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:</p> <ul style="list-style-type: none"> <li>(i) the name and address of the supplier and / or person restricted by the purchaser;</li> <li>(ii) the date of commencement of the restriction;</li> <li>(iii) the period of restriction; and</li> <li>(iv) the reasons for the restriction.</li> </ul> <p>These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.</p> <p>24.7 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.</p>
<b>25. Anti-dumping and counter-vailing duties and rights</b>	<p>25.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the provider to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the provider in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.</p>
<b>26. Force Majeure</b>	<p>26.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the 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.</p> <p>26.2 If a force majeure situation arises, the provider shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the 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.</p>
<b>27. Termination for Insolvency</b>	<p>27.1 The purchaser may at any time terminate the contract by giving written notice to the provider if the provider becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the 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 purchaser.</p>



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<b>28. Settlement of Disputes</b>	<p>28.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the 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.</p> <p>28.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the 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.</p> <p>28.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.</p> <p>28.4 Notwithstanding any reference to mediation and/or court proceedings herein,</p> <p>(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and</p> <p>(b) the purchaser shall pay the provider any monies due the provider for goods delivered and / or services rendered according to the prescripts of the contract.</p>
<b>29. Limitation of liability</b>	<p>29.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;</p> <p>(a) the provider shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the provider to pay penalties and/or damages to the purchaser; and</p>
	<p>(b) the aggregate liability of the provider to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.</p>
<b>30. Governing language</b>	<p>30.1 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.</p>
<b>31. Applicable law</b>	<p>31.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified.</p>
<b>32. Notices</b>	<p>32.1 Every written acceptance of a bid shall be posted to the 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 service of such notice.</p> <p>32.2 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.</p>
<b>33. Taxes and duties</b>	<p>33.1 A foreign provider shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.</p> <p>33.2 A local provider shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.</p> <p>33.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.</p>
<b>34. Transfer of contracts</b>	<p>34.1 The contractor shall not abandon, transfer, assign or sublet a contract or part thereof without the written permission of the purchaser.</p>
<b>35. Amendment of contracts</b>	<p>35.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.</p>