



APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT DUE DILLIGENCE STUDY

The Council for Medical Schemes (CMS) is currently accepting bids from selected qualified service providers who responded to the tender advertisement published in the Government gazette titled: Request for Proposals for appointment of a service provider to conduct due diligence study (PCNS). Complete specifications, requirements, and instructions for submitting proposals are set forth in this document.

RFP REFERENCE NO:	CMS062019/20
ISSUE DATE:	11 th October 2019
CLOSING DATE AND TIME:	04 th November 2019 at 11H00
BID VALIDITY PERIOD:	120 Calendar Days
BRIEFING SESSION:	Compulsory Briefing Session
DELIVERY ADDRESS FOR TENDER:	CMS – Tender Box Block A, Eco Glades 2 Office Park, 420 Witch-Hazel Avenue, Eco Park, Centurion, 0157
PREFERENTIAL PROCUREMENT SYSTEM:	80:20

REQUEST FOR PROPOSAL NO. CMS062019/20

APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT A DUE DILLIGNCE STUDY (PCNS)

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SECTION 2: INTRODUCTION AND GENERAL PROPOSAL INFORMATION

1.1 BACKGROUND OF COUNCIL FOR MEDICAL SCHEMES

The Council for Medical Schemes (CMS) is a statutory body established by the Medical Schemes Act, 1998 (Act No.131 of 1998) to provide regulatory supervision of private health financing through medical schemes; and functions as a Schedule 3A Public Entity.

1.2 VISION

Promote affordable and accessible healthcare cover towards universal health coverage

1.3 MISSION

The CMS regulates the medical schemes industry in a fair and transparent manner and achieves this by:

- Protecting the public and informing them about their rights, obligations and other matters in respect of medical schemes.
- Ensuring that complaints raised by members of the public are handled appropriately and speedily.
- Ensuring that all entities conducting the business of medical schemes, and other regulated entities, comply with the Medical Schemes Act.
- Ensuring the improved management and governance of medical schemes.
- Advising the Minister of Health of appropriate regulatory and policy interventions that will assist in attaining national health policy objectives.
- Ensuring collaboration with other entities in executing our regulatory mandate

1.4. PURPOSE OF THE RFP

The purpose of this Request for Proposal (RFP) is to invite qualified service providers to submit proposals to conduct due diligence study (PCNS)

1.5. ISSUING OFFICE AND COUNCIL FOR MEDICAL SCHEMES CONTACT

This RFP, and any subsequent addenda to it, is being issued by the Office of the Chief Executive & Registrar unit of the Council for Medical Schemes, under the auspices of the CMS' Supply Chain Management office. The Internal Finance unit is the sole point of contact regarding all procurement and contractual matters relating to the requirements described in this RFP, and is the only office authorized (after consultation with the CMS' Supply Chain Management office), to change, modify, clarify, etc., the specifications, terms, and conditions of this RFP and any contract(s) awarded as a result of this RFP.

1.6. RFP TIME SCHEDULE

Suppliers interested in submitting proposals in response to this RFP should do so according to the time schedule outlined below. The CMS reserves the right to modify this schedule, as and when necessitated, in line with its best interests and in line with paragraph 1.8 of this RFP.

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If there is a discrepancy between the dates in the table below and the dates on the cover page, the dates on the cover page take precedence.

ACTION	DATE
Advertisement placed in the Government Tender Bulletin and e-Tender Portal	11 th October 2019
Compulsory briefing session	21 st October 2019 at 11:00am
Deadline for Submission of Questions	31 st October 2019
Deadline for Submission of Proposals	04 th November 2019, at 11h00

1.7. QUESTIONS REGARDING THE RFP

All enquiries, questions, and requests for clarification of the contents of this RFP must be in writing and addressed to the CMS contact persons indicated below. A listing of Bidder enquiries (without identifying the source of the inquiry) and the CMS' responses thereto, will be distributed to all Bidders that submit questions. Whenever a response to an enquiry would constitute a modification or addition to the original RFP, the reply will be made in the form of an Amendment Notice to the RFP. All enquiries must include:

1. The company's name, address and telephone number;
2. A clear and concise question; and
3. References to specific points within this RFP.

All questions, in writing, must be submitted before the deadline for the submission of questions specified in the RFP time schedule above, by email, quoting the RFP no. listed on the cover page.

- All technical questions and requests for clarification should be addressed to j.kugel@medicalschemes.com and quote the RFP Reference Number.
- All SCM requests, concerning this RFP should be addressed in writing by email to: m.mmethi@medicalschemes.com
- Always quote in the subject line of the email, the RFP Reference Number.
- No one other than the CMS contact persons identified herein, is authorised to respond to questions regarding this RFP. No meetings or telephonic enquiries will be entertained with qualifying bidders.

1.8. AMENDMENTS TO THE RFP

The CMS may revise or add to the RFP prior to the deadline for Proposals and, at its own discretion, may extend the deadline for all potential Bidders. Any changes to the RFP will be in the form of a written amendment issued by the CMS. Such amendments will be sent by email to all Bidders, with a request for acknowledgement of receipt. Amendments will be clearly marked as such. Each amendment will be numbered consecutively and will become part of this RFP. Any Bidder who fails to receive such amendments shall not be relieved of any obligation under its proposal as submitted. Except as stated in this paragraph, no one is authorised to amend any part of this RFP, in any respect, either in writing or by oral statement.

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1.9. EVALUATION PROCESS AND CRITERIA

Bidders will be evaluated as follows:

- 1.9.1. Phase 1 – Administrative Evaluation;
- 1.9.2. Phase 2 – Pre-Qualification Criteria;
- 1.9.3. Phase 3 – Local Content Evaluation (NOT Applicable);
- 1.9.4. Phase 4 – Functional/Technical Evaluation;
- 1.9.5. Phase 5 – Price and Preference Evaluation; and
- 1.9.6. Phase 6 – Objective Criteria.

Should a bidder fail to qualify for any of the evaluation phases above, the bidder will be disqualified and will not be evaluated further (for any of the following phases).

1.9.1. Phase 1 - Administrative Evaluation

The bidder must meet all the following requirements to pass the Administrative Evaluation:

- All bids must be submitted, before the Tender Closing Date and Time, in the tender box at the address noted on the cover page. All bids submitted after the Closing Date will not be opened but may be returned to the bidder.
- The bidder must fully comply with the Instruction for Submitting Proposals, outlined in section 4 (instruction for submitting proposals) and must ensure that they complete and sign all the bidding documents in this section.
- All the documents listed in Section 4 and 6 of the tender documents must be submitted. Failure to submit the requested documents may result in disqualification at this stage.

Any tenderer that fails to meet the Administrative Evaluation Criteria will be disqualified and will not be considered for further evaluation.

1.9.2. Phase 2 - Pre-Qualification Criteria

Only bidders that meet the following Pre-qualification Criteria may respond to this RFP:

- The bidder must be an EME¹ or QSE²; and
- The bidder must have a minimum B-BBEE status level of contributor of 1, 2, 3, or 4.

CMS will only accept the Sworn Affidavit which meet the following requirements:

- Name/s of deponent as they appear in the identity document and the identity number
- Designation of the deponent as either the director, owner or member must be indicated in order to know that person is duly authorised to depose of an affidavit

¹ "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

² "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;

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- Name of enterprise as per enterprise registration documents issued by the CIPC, where applicable, and enterprise business address.
- Percentage black ownership, black female ownership and whether they fall within a designated group.
- Indicate total revenue for the year under review and whether it is based on audited financial statements or management accounts.
- Recent Financial year-end as per the enterprise's registration documents, which was used to determine the total revenue.
- B-BBEE status level. An enterprise can only have one status level.
- Date deponent signed and date of Commissioner of Oath must be the same. Commissioner of Oath cannot be an employee or ex officio of the enterprise because, a person cannot by law, commission a sworn affidavit in which they have an interest.

Any tenderer that fails to meet any of the above two criteria and the specified requirements of B-BBEE will be disqualified and will not be considered for further evaluation.

1.9.3. Phase 3 - Local Content Evaluation

Local Content is NOT Applicable for this RFP.

1.9.4. Phase 4 - Functional/Technical Evaluation

Refer paragraph 1.10

1.9.5. Phase 5 – Price and B-BBEE Evaluation

In terms of regulations 4 and 8 of the Preferential Procurement Regulations of 2017, pertaining to the Preferential Procurement Policy Framework Act of 2000 (Act 5) acceptable bids will be evaluated on the 80/20 preference points system, with a maximum of 80 points being for price and a maximum 20 points allocation for B-BBEE status.

1.9.6. Phase 6 – Objective Criteria

In terms of Preferential Procurement Regulation 11 and section 2(1)(f) of the Preferential Procurement Policy Framework Act, the following are the objective criteria:

- 1) The risk of fruitless and wasteful expenditure to CMS;
- 2) The risk of an abnormally low bid; and
- 3) The risk of a material irregularity.

1.10. FUNCTIONAL/TECHNICAL EVALUATION

The Functional/Technical Evaluation is divided into two stages:

- 1.10.1. Mandatory Technical Criteria; and
- 1.10.2. Weighted and Rated Technical Criteria.

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1.10.1. MANDATORY TECHNICAL CRITERIA

Bidders must meet all the following criteria to be considered for further evaluation. Failure to meet all the following criteria will lead to the automatic disqualification:

Table 1 - Mandatory Technical Criteria

Mandatory Technical Criteria	Comply	Does not Comply	X-Cross Reference/ Comments. (Bidder to complete this column)
Bidders must include the following in their written response: <ul style="list-style-type: none"> · A description of the nature of the company; · The locations where the company operates; · The history of the company; and · Registration information 			

In their responses, bidder must state whether or not they comply or do not comply with each of the requirements above and provide a comment substantiating their claim or provide a cross reference where in the proposal they address this requirement.

If a bidder does not comply with any requirement in the mandatory criteria they will be disqualified and will not be considered for further evaluation.

1.10.2. WEIGHTED TECHNICAL EVALAUATION.

Bidders will be evaluated in terms of the prevailing supply chain policy applicable to Council for Medical Schemes and it should be noted that:

- A minimum of 70 points out of 100 points on technical capability will be the cut-off to qualify for further evaluation of Price and B-BBEE.
- Council for Medical Schemes will analyse and assess technical capability and therefore the bidder should demonstrate the following:

Table 2 - Weighted Technical Evaluation Criteria

CRITERIA	SUB-CRITERIA	WEIGHTING and MAXIMUM POINTS	CROSS-REFERENCE TO RESPONSE SUPPORTING
A) Approach and Methodology	1.The service provider must demonstrate comprehensive Approach and Methodology to be executed/implemented in line with the objectives, scope of work and project deliverables (20 Points) 2.The service provider must demonstrate a comprehensive execution plan to be utilized during the due diligence study in line with the objectives, scope of work and project deliverables (10 Points)	30	

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B) Organisational Capacity, Capabilities and Experience	<p>1. The service provider must demonstrate organizational experience and capacity in similarly scope and sized assignments and must illustrate their understanding of the services required relevant to the scope. The proof of work must include project description, status, contract value, contact person, email address and telephone numbers:</p> <p>1-2 Proof of previous of work (10 Points)* 3 and above Proof of previous of work (20 Points)* <i>*Non-cumulative</i></p>	20	
C) Capacity and experience of the proposed team	<p>1. The proposed team must demonstrate experience, qualifications and capabilities. Each of the proposed team members must at least have a minimum of three (3) years' experience relevant to the Scope of Work (Attach CV and Profile)</p> <p>The proposed team must demonstrate experience, qualifications and capabilities on the following areas :</p> <p>Legal and governance (10 points) IT Systems (20 points) Finance (10 points) Human Resource (including labour law) (10 points)</p>	50	

Table 3 - Phase 5 – Price and B-BBEE Evaluation

This stage of the evaluation will be as follows:

CRITERIA	SUB-CRITERIA	WEIGHTING/POINTS
Price	Detailed Breakdown	80
B-BBEE	B-BBEE Level Contributor	20
Total		100

1.11. COMPULSORY BRIEFING SESSION

Compulsory Briefing Session to be held at CMS, Block A, Eco Glades Office Park, 420 Witch-Hazel Avenue, Eco Park, Centurion, 0157, (*Failure to attend compulsory briefing session will lead to automatic disqualification and not considered for the further evaluation*) – 21st October 2019 at 11h00AM.

SECTION 3: TERMS AND CONDITIONS OF TENDER

1. CONTRACT NEGOTIATION AND FORMATION

Any contract awarded pursuant to this RFP will incorporate the requirements, specifications, terms, and conditions contained in this RFP, as well as the contents of the Bidder's proposal as accepted by the CMS. The CMS reserves the right to negotiate the modification of proposed terms and conditions with the apparent successful bidder in conjunction with the award criteria contained herein, prior to the execution of a contract to ensure a satisfactory product or service. If the parties are unable to reach an agreement, the CMS may go to the next Bidder with the second highest score. The successful bidder will be required to fill out, sign and submit a written contract form in terms of the Supply Chain Management Act.

2. REJECTION OR ACCEPTANCE OF BIDS

CMS reserve the right to accept or reject bids on each item separately, or as a whole, and to waive any irregularities in a submitted bid. In addition to the above, the successful bidder will be checked against the Register of Defaulters and the List of Restricted Suppliers on the National Treasury database.

3. PROPOSAL PREPARATION COSTS

All costs incurred in the preparation and submission of proposals and related documentation, including the Bidder's presentation to the CMS, will be borne by the Bidder.

4. PROPOSAL ACCEPTANCE PERIOD

'Acceptance Period' as indicated in this RFP, means the number of calendar days available to the CMS for awarding a contract. All bids shall remain available for the CMS' acceptance for a minimum of 120 days following the RFP closing date.

5. CLARIFICATION OF BIDS

Prior to the awarding of the contract, the CMS may, at its sole discretion, seek clarification from any Bidder regarding proposal information, and may do so without notification to any other Bidder.

6. SITE VISITS AND REFERENCE CHECKS

Vendors may be subjected to a site visit and/or reference checks during the procurement process.

7. MARKETING REFERENCES

The successful Bidder shall be prohibited from making any reference to the CMS, in any literature, promotional material, brochures, or sales presentations without the express written consent of the CMS.

8. ETHICS

The successful Bidder shall comply with the CMS policies on gifts and gratuities.

The vendor shall exercise reasonable care and diligence to prevent any action or conditions that could result in a conflict with the CMS interest. During the term of the contract, the vendor shall not accept any employment or engage in any work that creates a conflict of interest with the CMS, or in any way compromises the work to be performed under the contract. The vendor and/or its employees shall not offer gifts, entertainment, payments, loans, or other consideration to the CMS employees, their families, other contractors, subcontractors, and other third parties for the purpose of influencing such persons to act contrary to the CMS interest. The vendor shall immediately notify the CMS of any and all such violations of this provision upon becoming aware of such violations.

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9. CONFIDENTIALITY

The Contractor, its officers, agents, employees, and consultants shall hold in confidence any information or materials identified as proprietary and/or confidential to the CMS or to any third party, to which the Contractor may have access in the course of performing its obligations under this Agreement. The Contractor shall not disclose or authorise disclosure to others, or use for its own benefit, such confidential information or materials without the express written consent of the CMS or any third-party owner. This entire RFP document should be considered proprietary and confidential to the CMS.

This obligation for non-disclosure shall survive this Agreement and continue until such confidential information or materials are otherwise legally obtained or placed in the public domain.

10. SPECIAL CONDITIONS

Any award(s) made as a result of this RFP will be subject to the following terms and conditions:

10.1. Liquidated Damages

The successful Bidder agrees to negotiate in good faith with the CMS, a Liquidated Damages provision which will specify an amount to be payable or credited to the CMS if Bidder fails to comply with the implementation schedule mutually agreed to, in the contract award.

10.2. Payment Schedule and Invoicing

The successful Bidder agrees to negotiate in good faith with the CMS, a progress payment schedule based on significant milestones identified in the scope of work and/or the implementation schedule included in the resulting contract. Bidders should provide a suggested payment schedule as part of their proposal.

10.3. Prime Sponsor Terms and Conditions

Any award which may result from this RFP will be issued subject to the terms and conditions of the prime funding agency, in this case the CMS. Proposals submitted by Bidders who are unable to accept said terms will be considered non-responsive.

11. REJECTION OF PROPOSALS

CMS may reject bids which are non-responsive, including, without limitation, bids which contain the following defects:

- Late or incomplete bids.
- Failure to conform to the rules or requirements contained in the RFP; including the instructions for submitting proposal and the proposal format guidelines.
- Failure to sign the entire original bid documentation (including additional submissions by the Bidder).
- Proof of collusion among Bidders, in which case all proposals involved in the collusive action will be rejected.
- Non-compliance with applicable law, unauthorised additions or deletions, conditional bids, incomplete bids, or irregularities of any kind which may tend to make the bid incomplete, indefinite or ambiguous as to its meaning.
- Provisions reserving the right to accept or reject an award or to enter into a contract containing terms and conditions that are contrary to those in the solicitation.

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- Furthermore, the contract with the successful bidder may be subject to conditions, such as (i) successful Bidder should maintain its B-BBEE status for the duration of the contract and (ii) Bidder should provide additional documentation such as a new tax clearance certificate upon expiry of the previous version.

12. CONTRACT IDENTIFICATION

12.1. Prime Contractor

The CMS prefers to work with a single prime contractor for all product and implementation services. Nevertheless, if vendors wish to partner, they must submit a single proposal with an established entity that shall be the primarily responsible point of contact and contracting.

12.2. Vendor Prime Contractor Responsibility

If a vendor's proposal includes equipment, hardware, software or services to be supplied by other entities, it is desirable that the proposing vendor acts as prime contractor for the procurement of all products and services. The vendor, as the prime contractor, should be the sole point of contact, including payment of any and all charges, resulting from the purchase of the proposed software and services. The vendor, acting as primary contractor, should take full responsibility for the demonstration, construction (if required), delivery, installation, and acceptance testing of the proposed items supplied by its subcontractor(s). Each subcontractor used by the vendor on this project shall be required to submit full identification of their company to the CMS on the form titled Subcontractor Identification, found in Annexure F to this RFP.

13. ENTIRE AGREEMENT

The contract executed pursuant to this RFP will state the entire agreement between the parties in respect to the subject matter covered therein and supersedes any previous or contemporaneous oral or written proposals, statements, discussions, negotiations, or other agreements. However, this RFP and the Bidder's response will be incorporated by reference into the contract.

14. ADDITIONAL INFORMATION

CMS may request additional information either from the Bidder or others, to verify the Bidder's ability to successfully meet the requirements of this RFP.

15. NATIONAL TREASURY REQUIREMENTS

Within ten (10) working days after the closure of the advertised competitive bid, the CMS will publish on its website the names of all bidders that submitted bids in relation to the particular advertisement.

Information on the successful bid will be made available on the CMS website. In addition to the above, the successful bidder will be checked against the Register of Defaulters and the List of Restricted Suppliers on the National Treasury database

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16. REGISTRATION ON NATIONAL TREASURY CENTRAL SUPPLIER DATABASE (CSD)

Bidders must be registered on the CSD. Confirmation of registration in the form of the must be submitted together with the bid documents.

- Prepare a report with clear findings and implementable recommendations on all aspects that form part of the analysis;

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- The due diligence report must outline key risks and benefits of any potential acquisition of the PCNS

SECTION 4: INSTRUCTIONS FOR SUBMITTING PROPOSALS

Bidders should submit their proposals in the format and manner described below. Proposals must provide a complete response to all requirements stated in the RFP. Proposals that are not compliant with the requirements, are subjected to disqualification.

1. Bids sent via facsimile (FAX) or email will not be accepted. Late bids will not be accepted.
2. There should be one signed original, one additional hard copy of the original document submitted and USB memory stick. The original bid document must be initialled on every page/entire document, including all other submissions by the Bidder.
3. The Pricing Schedule should be submitted in a separate sealed envelope. Pricing should not be reflected in any other part of the proposal or cover thereof.
4. Bids must be sealed, and the outer package marked with the RFP number.
5. Structure of the Proposal.

5.1. **ENVELOPE 1 - TECHNICAL PROPOSAL.** The technical proposal must be structured as follows:

Cover page. The cover page must be on the company letterhead and must include:

Name of the company

RFP number and

Bid description

Table of Contents page

Executive Summary

Annexures. All relevant forms attached as Annexures A to J to this document, must be completed in full and signed where applicable by a duly authorised official of the primary contractor / bidder.

- a) Annexure A – SBD 1 - Invitation to Bid
- b) Annexure B – Proof of authority must be submitted e.g. company resolution that the person signing SBD 1 is authorised to do so.
- c) Annexure C – SBD 4 – Declaration of interest
- d) Annexure D – Response to MANDATORY TECHNICAL CRITERIA
- e) Annexure E – Response to Weighted TECHNICAL CRITERIA
- f) Annexure F – SBD 6.1 – Preference Points Claim form – This must be done by completing the “Preference Points Claim Form – Form SBD 6.1” attached as Annexure D to this RFP.
- g) Annexure G – Bidder’s B-BBEE certificate or sworn affidavit.
- h) Annexure H – SBD 8 – Declaration of the Bidder’s past supply chain management practices.
- i) Annexure I – SBD 9 – Certificate of independent bid determination.
- j) Annexure J - Proposal adherence checklist – the checklist has been compiled for your ease of use and to ensure that your bid complies with the CMS administrative and technical requirements.

5.2 *Table – 4 ENVELOPE 2 – PRICING PROPOSAL.*

Bidders must complete the pricing template listed below.

Annexure K – SBD3.3 - Pricing Schedule / Proposal - All prices should include VAT. Pricing schedule should be submitted in a separate sealed envelope. Pricing should not be reflected in any other part of the proposal or cover thereof.

The following values All instructions regarding the format of the proposal should be followed; otherwise Bidders may be excluded from the rest of the bidding process. Please ensure that you comply fully with all requirements set out in the tender document.

6. Bids must be submitted to the address listed on the RFP Cover Page.

SECTION 5: TERMS OF REFERENCE/SCOPE OF WORK

1. OBJECTIVE OF THE PROJECT

The objective of the project is to provide a comprehensive assessment (due diligence) of the state of operational functionality of the Practice Code Numbering System (PCNS).

2. SCOPE OF WORK

Council for Medical Schemes is inviting reputable and experienced service providers to conduct a due diligence study of the PCNS as per the following:

2.1. Legal and Governance

- The service provider must conduct a legal and governance due diligence and advise the Council for Medical Schemes about the legal soundness of the PCNS related third party contracts.
- Review ALL the current agreements/contracts on the PCNS to determine compliance.
- Determine if there are any pending legal matters relating to the PCNS.

2.2. Financial

- The service provider must conduct financial due diligence and advise CMS on whether the PCNS is a going concern, financially viable and self-sustaining
- Assess and highlight financial risks and opportunities of PCNS
- Review and verify if PCNS is compliant with the financial, legal and other relevant compliance requirements such a Tax and other legislation
- Assess the financial costs, options and models and economic value of the PCNS.

2.3. Information, Communication and Technology (ICT)

- The service provider must conduct due diligence on the System and advise CMS on whether the system is viable, sustainable and capable of delivering a comprehensive service provider registration and management function.
- Determine the kind of technology used in the PCNS, with respect to currency, effectiveness and efficiency (interoperability and scalability).
- Determine value for money on the current technology investments made on the PCNS.

4.4. Human Resource

- Review the current structure of the PCNS Standard Operating Model.

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- Determine Human Resource costs to operate PCNS.

4.5. Deliverables

- Prepare a report with clear findings and implementable recommendations on all aspects that form part of the analysis;
- The due diligence report must outline key risks and benefits of any potential acquisition of the PCNS

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SECTION 6: RETURNABLE AND STANDARD BIDDING DOCUMENTS (SBD)**SBD 1**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE COUNCIL FOR MEDICAL SCHEMES					
BID NUMBER:	CMS062019/20	CLOSING DATE:	04 th November 2019	CLOSING TIME:	11:00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT A DUE DILLIGENCE STUDY (PCNS)				
BID/QUOTATION RESPONSE DOCUMENTS MUST BE DELIVERED TO THE FOLLOWING ADDRESS:					
Council for Medical Schemes, Block A, Eco Glades 2 Office Park, 420 Witch-Hazel Avenue, Eco Park, Centurion, 0157					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr. Mpho Mmethi		CONTACT PERSON	Jaap Kugel	
TELEPHONE NUMBER	012 431 0521		TELEPHONE NUMBER	012 431 0485	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	m.mmethi@medicalschemes.com		E-MAIL ADDRESS	j.kugel@medicalschemes.com	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					

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<p>1. ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</p> <p><input type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>[IF YES ENCLOSE PROOF]</p>	<p>2. ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</p> <p><input type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>[IF YES, ANSWER PART B:3]</p>
---	---

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA? YES NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? YES NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? YES NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? YES 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 BELOW

2. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).

2. TAX COMPLIANCE REQUIREMENTS

- 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 VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3. APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4. BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5. IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6. WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

(Proof of authority must be submitted e.g. company resolution)

DATE:

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PRICING SCHEDULE-

SBD 3.3

(Professional Services)

NAME OF BIDDER:	BID NO.:
CLOSING TIME 11:00	CLOSING DATE:

OFFER TO BE VALID FORDAYS 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 total estimated 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

----- days	R-----
----- days	R-----
----- days	R-----
----- days	R-----

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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.....
TOTAL: R.....			

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

- 5.1. Other expenses, for example accommodation (specify, e.g. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On the 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.
.....

DECLARATION OF INTEREST-SBD

4

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

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

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

2.1 Full Name of bidder or his or her representative:.....

2.2 Identity Number:.....

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

2.4 Company Registration Number:

2.5 Tax Reference Number:

2.6 VAT Registration Number:

2.6.1. The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹ "State" means –

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

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

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

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2.7.1. If so, furnish the following particulars:

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

Name of state institution at which you or the person connected to the bidder is employed:.....

.....

Position occupied in the state institution.....

Any other particulars:

.....

.....

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

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

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

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

.....
.....

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

2.8.1. If so, furnish particulars:

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

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

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any relationship (family, friend, other) with a person employed

by the state and who may be involved with the evaluation and

or adjudication of this bid?

2.9.1. If so, furnish particulars.

.....

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

2.10.1. If so, furnish particulars.

.....

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

2.11.1. If so, furnish particulars:

.....

Full details of directors / trustees / members / shareholders.

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

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APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT A DUE DILLIGNCE STUDY (PCNS)
PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT
REGULATIONS 2017- SBD 6.1

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

1.2 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

1.4 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.

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

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2. DEFINITIONS

- 2.1. "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2. "B-BBEE" means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3. "B-BBEE status level of contributor" means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4. "bid" means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5. "Broad-Based Black Economic Empowerment Act" means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6. "comparative price" means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7. "consortium or joint venture" means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 2.8. "contract" means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9. "EME" means any enterprise with an annual total revenue of R 10 million or less.
- 2.10. "Firm price" means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11. "functionality" means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12. "non-firm prices" means all prices other than "firm" prices;
- 2.13. "person" includes a juristic person;
- 2.14. "QSE" means any enterprise with an annual total revenue between R 10 million and R 50 million."
- 2.15. "rand value" means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.16. "sub-contract" means the primary contractor's assigning, leasing, making out work to, or

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employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;

2.17. "total revenue" bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the Government Gazette on 9 February 2007;

2.18. "trust" means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and

2.19. "trustee" means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

2.20. "total rate" means the hours per annum multiplied by hourly rate plus disbursements.

2.21. "total costs" means the total rate plus any other costs incurred during the contract period.

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:

$$P_s = 80 \frac{80/20}{P_{min}} - \frac{P_t - P_{min}}{P_{min}}$$

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

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 (80/20 system)
1	20
2	18
3	14
4	12
5	8

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6	6
7	4
8	2
Non-compliant contributor	0

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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 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	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

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	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME	QSE
	√	√
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		

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Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium One-person
- business/sole propriety Close corporation
- Company (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

8.6 COMPANY CLASSIFICATION

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

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of 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;

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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
.....

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DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES- SBD 8

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database 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(www.treasury.gov.za) 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 (www.treasury.gov.za) 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 outside of 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:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

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CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

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CERTIFICATE OF INDEPENDENT BID DETERMINATION – SBD 9

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

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

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

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

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

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

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

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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

REQUEST FOR PROPOSAL NO. CMS062019/20

APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT A DUE DILLIGENCE STUDY (PCNS)

GOVERNMENT PROCUREMENT GENERAL CONDITIONS OF CONTRACT July 2010

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

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General Conditions of Contract

1. Definitions

The following terms shall be interpreted as indicated:

- 1.1. "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2. "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3. "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4. "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5. "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6. "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7. "Day" means calendar day.
- 1.8. "Delivery" means delivery in compliance of the conditions of the contract or order.
- 1.9. "Delivery ex stock" means immediate delivery directly from stock actually on hand.

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- 1.10. "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- 1.11. "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12. " Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13. "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14. "GCC" means the General Conditions of Contract.
- 1.15. "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16. "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17. "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18. "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19. "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20. "Project site," where applicable, means the place indicated in bidding documents.
- 1.21. "Purchaser" means the organization purchasing the goods.
- 1.22. "Republic" means the Republic of South Africa.
- 1.23. "SCC" means the Special Conditions of Contract.
- 1.24. "Services" means those functional services ancillaries to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25. "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

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2. Application

- 2.1. These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2. Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3. Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 3.1. Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2. With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

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

5. Use of contract documents and information; inspection.

- 5.1. The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2. The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3. Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4. The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

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6. Patent rights

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

7. Performance security

- 7.1. Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2. The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3. The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
 - a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - b) a cashier's or certified cheque
- 7.4. The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1. All pre-bidding testing will be for the account of the bidder.
- 8.2. If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3. If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4. If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5. Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

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

8.7. Any contract supplies may on or after delivery be inspected, tested or 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 supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal, the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

9. Packing

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

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

10. Delivery and documents

10.1. Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract.

The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

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

11. Insurance

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

12. Transportation

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

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13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

- 15.2. This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3. The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4. Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5. If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1. The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2. The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
- 16.3. Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4. Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Contract amendments

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

19. Assignment

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

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20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1. Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2. If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3. No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4. The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5. Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6. Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

- 22.1. Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each

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day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

- 23.1. The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- a) if the supplier fails to deliver any or all the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - b) if the Supplier fails to perform any other obligation(s) under the contract; or
 - c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2. In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3. Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4. If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.
- 23.5. Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- 23.6. If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- i. the name and address of the supplier and / or person restricted by the purchaser;
 - ii. the date of commencement of the restriction
 - iii. the period of restriction; and
 - iv. the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

- 25.1. Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2. If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

- 26.1. The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without

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compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

- 27.1. If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2. If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3. Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4. Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5. Notwithstanding any reference to mediation and/or court proceedings herein,
 - (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

- 28.1. Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
 - a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
 - b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

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

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30. Applicable law

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

31. Notices

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

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

32. Taxes and duties

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

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

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

33. National Industrial Participation (NIP) Programme

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

34. Prohibition of Restrictive practices

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

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

34.3. If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in

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whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

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Checklist (Annexure J)

ADMINISTRATIVE AND TECHNICAL RESPONSIVENESS CHECKLIST

GENERAL REQUIREMENTS	
1 signed original, 1 additional hardcopy	<input type="checkbox"/>
Apart from being signed, the original must also be initialled on each page.	<input type="checkbox"/>
Bids Sealed and outer package marked with Request for Proposal number.	<input type="checkbox"/>
Pricing proposal included in a different envelope to technical proposal	<input type="checkbox"/>
Executive Summary included	<input type="checkbox"/>
SCM Invite to Bid – Form SBD 1 (Annexure A)	
Name of Bidder and all contact details provided	<input type="checkbox"/>
VAT Registration Number supplied	<input type="checkbox"/>
Tax Clearance Certificate/ SARS Pin Document	<input type="checkbox"/>
Registered Representative indicated	<input type="checkbox"/>
Form Signed	<input type="checkbox"/>
Proof of Authority to sign SBD1 (Annexure B)	
Proof of Authority to sign SBD1 included (e.g. company resolution)	<input type="checkbox"/>
SCM Declaration of Interest – Form SBD4 - (Annexure C)	
Questionnaire completed in full and any possible conflict of interest declared.	<input type="checkbox"/>
Declaration signed by duly authorised representative	<input type="checkbox"/>
Mandatory Technical Criteria (Annexure D)	
Mandatory Technical Criteria template completed, and response included	<input type="checkbox"/>
Letters from companies confirming previous clients reference relevant to this tender	<input type="checkbox"/>
Weighted Technical Criteria (Annexure E)	
Weighted Technical Criteria Response included	<input type="checkbox"/>
SCM Preference Points Claim Form – Form SBD 6.1- (Annexures F)	
Claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution (SBD6.1) completed and form signed.	<input type="checkbox"/>
B-BBEE Certificate/Sworn Affidavit – (Annexure G)	
Valid B-BEEE status level certificate issued by Accredited verification agency submitted/ Sworn Affidavit (for EMS/QSE)	<input type="checkbox"/>
SBD 8 – Declaration of bidder’s past supply chain management practices (Annexure H)	
SDB8 from completed and signed	<input type="checkbox"/>
SBD 9 – Certificate of independent bid determination (Annexure I)	
Certificate of independent bid determination completed and signed	<input type="checkbox"/>
SCM Pricing Schedule – Form SBD 3.3 - (Annexure K)	
Pricing proposal included in a different envelope to technical proposal	<input type="checkbox"/>
Completed both the SBD3.3 AND the pricing template provided by CMS	<input type="checkbox"/>