



ENVELOPE A – TECHNICAL PROPOSAL

TENDER NO:RFP-ICT-058

**ICT NETWORK REFRESH 2017
REQUEST FOR PROPOSAL (RFP) PACK**

FOR THE SUPPLY NETWORK EQUIPMENT FOR
THE EAST LONDON INDUSTRIAL DEVELOPMENT ZONE

START DATE: 01 March 2017

CLOSING DATE: 22 March 2017

NAME OF TENDERER: _____

TENDERER'S ADDRESS:

CHECKLIST FOR SUBMISSIONS

ITEM	TICK
Supporting Documentation To Be Submitted	
Original Cancelled Cheque / Bank Stamped Letter	
Accredited Valid Original or Certified B-BBEE Certificate	
Company Profile	
Two Completed Reference Letters (Annexure 2)	
Compulsory Documentation To Be Submitted	
Valid Tax Clearance Certificate	
Company Registration Document accompanied by Share Certificates where applicable	
Completed and Signed ELIDZ Procurement Handbook	
JV Participation Documentation (If applicable)	

Please Note: All the above documents must be submitted with Envelope A - Technical Proposal.

The price schedule and proposed solution costing must be submitted with Envelope B – Financial Proposal.

RFP PACK CONTENTS

1. **Section A:** General Guidelines
2. **Section B:** Requirements Specification
3. **Section C:** Service Level Agreement
4. **Annexure 1:** Procurement Handbook
5. **Annexure 2:** Reference Letter



SECTION A: General Guidelines

FOR THE SUPPLY NETWORK EQUIPMENT FOR
THE EAST LONDON INDUSTRIAL DEVELOPMENT ZONE

1 EVALUATION CRITERIA AND COMMERCIAL EQUITY GOALS

The East London Industrial Development Zone (ELIDZ) supports national transformation goals and strives to target its procurement to create opportunities for Historically Disadvantaged suppliers and service providers. In awarding this tender, preference will be given to companies with a better rating in terms of contributions towards Broad Based Black Economic Empowerment (BBBEE).

The “tender” will be evaluated in accordance with the ELIDZ Procurement Policy using the 90/10 rule i.e. 90 of evaluation points will be based on price competitiveness and 10 will be based on BBBEE status. The following formula is used:

Calculation of the points for Price:

$$Ps = R \times \left[1 - \frac{Pt - Pmin}{Pmin} \right]$$

Where:

Ps = Points scored for price of tender under consideration

R = Percentage of the price

Pt = Rand value of tender under consideration

Pmin = Rand value of lowest acceptable tender

R must be up to a maximum of 90

Score Breakdown:

Price (R) = 90 points

BBBEE = 10 points

A maximum of ten (10) points will be awarded to a tenderer for achieving BBBEE objectives.

Preference points shall be awarded on the basis of a B-BBEE verification certificate issued by an accredited Verification Agency.

Tenderers are required to submit a Valid original or certified B-BBEE Certificate. Failure to submit a valid B-BBEE certificate will result in zero points being awarded for preference.

A trust, consortium or joint venture will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.

A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure.

The following table shall be used to convert the contribution level as per B-BBEE certificate into points.

Table: B-BBEE Points Conversion

Level Contribution	B-BBEE Score	Points Conversion 10	Points Conversion 20
Level 1	>100%	10	20
Level 2	85~100%	9	18
Level 3	75~85%	8	16
Level 4	65~75%	5	12
Level 5	55~65%	4	8
Level 6	45~55%	3	6
Level 7	40~45%	2	4
Level 8	30~40%	1	2
Non-Compliant	0~30%	0	0

Companies with annual turnover less than R10million (Exempted Micro Enterprises or EME's) are automatically awarded a level 4 contributor status, unless the EME is Black Owned (more than 50% black ownership), in which case the enterprise will have a level 2 contributor status. EME which is 100% black owned qualifies for a level 1 contributor. In awarding the EME status, the ELIDZ shall accept a letter from an accounting firm or SARS confirming a company's turnover as less than R10m as well as a sworn affidavit confirming annual turnover and level of black ownership. B-BBEE certificates issued by non-accredited verification agencies will not be accepted as valid proof of a company's B-BBEE status.

No points will be awarded for achieving B-BBEE objectives if the total percentage scored for B-BBEE is less than 30%. All tenders with functionality less than 70% of the total functional requirements will not be considered for the next stage of tender evaluation. Proposals with the total price exceeding the project estimate by 30% will not be considered.

The tender will be awarded to the bid with the highest number of points. A tender may be awarded to a bidder that did not score the highest number of points if reasonable and justifiable grounds exist.

Any contract offered by the ELIDZ will be based on the correctness of information submitted by the service providers. Any misrepresentation of facts by a service provider may lead to disqualification. Should such misrepresentation be uncovered after the commencement of the contracted work, the ELIDZ reserves the right to terminate the contract and recover all payments made to that service provider and any costs that may have been incurred in the process.

ELIDZ reserves the right to have the tenderer's Black Economic Empowerment Credentials verified by an independent agency. (Procurement Handbook – Annexure: 1 must be fully completed and supplementary information may be completed by service providers with a turnover of less than R10m and be accompanied by letter from an accounting firm or SARS confirming the company's or sworn affidavit turnover is less than R10m).

2 CONDITIONS OF TENDERING

General Conditions

PLEASE NOTE THE FOLLOWING CONDITIONS ARE APPLICABLE TO ALL TENDERS.

- A compulsory briefing session will be held on the 10 March 2017, 14h00 at the East London IDZ Head Office building, auditorium.
- Questions relating to the RFP will be accepted until 12h00 on the 16 March 2017. All questions must be submitted to RFP-ICT-058@ELIDZ.CO.ZA
- The closing date for this tender is at 12h00 on the 22 March 2017;
- E-mailed, faxed, late, or incomplete proposals will not be considered;
- ELIDZ is not obligated to accept the lowest or any proposal;
- Tender documents are to be securely bound;
- Any expenses incurred by the tenderer in preparing and submitting the proposal will be for the tenderer's account, as the ELIDZ SOC Ltd will not accept any liability in this regard;
- We reserve the right to correct discrepancies and errors as necessary with the consent of the tenderer; however, the value total of the prices shall remain unaltered;
- Proposals which do not comply with the tender conditions or which are incomplete will, as a general rule, not be considered.
- Tenderers should be registered on CSD database from Treasury and in possession of a MAAA number

3 SIGNATURES ON TENDERS

All tenders submitted must be signed by that individual, or by someone on his behalf duly authorized hereto and proof of that authority must be attached. All tenders submitted by a company must be signed by a person duly authorized thereto by a resolution of the Board of Directors, a copy of which resolution, duly certified by the Chairman of the company can be submitted with the tender.

If the tender is submitted by a joint venture of more than one person and/or companies and/or firms it shall be accompanied by:

A certified copy of the original document under which the joint venture was constituted. This document must clearly define the conditions under which the joint venture will function, as well as the duration and participation of the several constituent persons and/or companies and/or firms.

A certificate signed by or on behalf of each participating person and/or company and/or firm authorizing the person who signed the tender to do so.

In instances of a joint venture, each participating person and/or company and/or firm must complete and submit Annexure 1 (Procurement Handbook) with the tender together with all profit sharing percentage information.

4 AREA OF SERVICE/POINT OF DELIVERY

The delivery of services will be required at the ELIDZ office, Lower Chester Road, Sunnyridge, East London.

5 SPECIAL CONDITIONS APPLICABLE TO THIS CONTRACT

Service Providers must note the following special conditions of contract will apply to this contract:

Modification of any applicable terms of reference of this contract must be mutually agreed between the parties and reduced to writing.

- VAT: Unless otherwise stated all prices will be inclusive of **Value Added Tax**.
- All services provided must comply and be in accordance with pertinent laws and policies of government.

6 COMPANY PROFILE

A brief company profile is required, to assist ELIDZ in assessing your capabilities, capacity and competitive advantages.

7 INADEQUATE SERVICE LEVELS AND PERFORMANCE

In instances of transgression of a more serious nature, should the ELIDZ during the contract period for any reason regard the Service provider's service levels and performance against this contract as being inadequate or not to the ELIDZ's satisfaction, the details will be reduced to writing, clearly headed "Inadequate performance" and sent to the service provider. In the event that the service provider is unable to remedy the complaints to the ELIDZ's satisfaction within 14 days of such notice of inadequate performance, ELIDZ reserves the right to immediately cancel this contract and recover costs in terms of the Service Agreement. Notice of cancellation shall either be by fax or in writing.

8 SERVICE LEVEL AGREEMENT

The successful tenderer will be required to enter into a written Service level agreement with the ELIDZ which will be based on the draft Agreement set out herein in Section C, which will include Section A and B and include such terms and conditions as Management may require or prescribe to give effect to in terms of its legal obligations.

9 PRICE BASIS

ELIDZ requires the tender price to remain firm for the validity period of ninety (90) days after the closing date of the tender. The tender price shall be in South African Rand.

Where prices are subject to variation it must be noted that no prices are to be revised or invoiced, without prior mutual agreement and official modification of the contract.

10 PAYMENT TERMS

A maximum payment processing period of thirty (30) days will be enforced. The thirty day period is effective from the date a complete claim is received. A complete claim requires the following to be processed:

- Original invoices;
- Original covering letter of approval by the consultant where applicable;
- Original covering letter of approval by the relevant ELIDZ official where applicable.

All information relating to the ELIDZ's customers (and potential customers), systems, operating procedures etc. is confidential and to this end, the successful tenderer will be required to enter into a Confidentiality Agreement with the ELIDZ.

11 SUFFICIENCY OF TENDER

The tenderer shall satisfy itself before tendering, as to the correctness and sufficiency of its tender for the project. The tenderer shall ensure that the rates and prices it has stated in the schedules cover all the obligations included in the tender and sufficient for the proper completion of the project.

12 TENDERER'S CONDITION

All tenderer's shall be deemed to have waived, renounced and abandoned any terms and conditions printed or written upon any stationery used by the tenderer for the purpose of, or in connection with the submission of this tender.

13 DISQUALIFICATION

Respondents are advised that should there be any contact with ELIDZ staff and the Adjudication Team which could in any way be seen or deemed to constitute a conflict of interest, bribe or otherwise influence the process and the outcome thereof, will result in immediate disqualification.

It must be stressed that any queries relating to this tender must be in writing and within the period of one week from the date of the briefing session, and must be addressed to the Project Manager only. Respondents are not to communicate in any manner or form whatsoever with members of ELIDZ personnel about the RFP until the winning service provider has been selected and such selection has been formally communicated to the public. Any such communications by Respondents with ELIDZ personnel or with persons other than the Project Manager may prejudice a Respondent, and may lead to disqualification from consideration for selection. The ELIDZ cannot accept responsibility for the accuracy of any information obtained outside the formal communication process as stipulated.

Any misrepresentation, in particular as it relates to the truthfulness of involvement of HDI's at both ownership level, management and operational level will also result in immediate disqualification.

14 ACCEPTANCE OF TENDER IN WHOLE OR IN PART

The ELIDZ reserves the right to accept the complete tender as submitted by the tenderer or alternatively, to accept only specific "areas of work" (or parts of "areas of work") of the tender as it sees fit.

Accordingly tenderer's are advised to ensure that all prices submitted against each "area of work" are sufficient to cover the tenderer's entire obligation as defined in these documents, required to provide each specific "area of work".

15 SUPPORTING DOCUMENTATION TO BE SUBMITTED

- Original Cancelled Cheque / Bank Stamped Letter
- Accredited Valid B-BBEE Original or Certified Certificate
- Company Profile
- Two Completed Reference Letters (Annexure 2)

16 COMPULSORY DOCUMENTATION TO BE SUBMITTED

The following documentation is considered as compulsory documentation and is required to be submitted with your tender. Failing to submit the compulsory documentation will lead to disqualification due to non responsiveness.

- Valid Tax Clearance Certificate
- Company Registration Document accompanied by Share Certificates where applicable
- Completed and Signed Procurement Handbook
- JV Participation Documentation (If applicable)

17 METHOD OF SUBMISSION

It will be the responsibility of the tenderer to ensure that the tender reaches the ELIDZ. Proof of posting will not be taken as proof of delivery. **All tender documents submitted are to be securely bound and submitted in duplicate.** Tenderers must submit technical and financial proposals in two separate envelopes clearly marked “Envelope A – Technical Proposal” and “Envelope B – Financial Proposal”. The financial proposal will only be opened should the technical proposal be found to be acceptable. The tender should be placed in a sealed envelope and deposited by hand in the tender box before the closing date and time of 12h00, 22 March 2017. ELIDZ WILL NOT BE RESPONSIBLE FOR DOCUMENTS PLACED IN AN INCORRECT TENDER BOX.

The tender box will be marked “RFP-ICT-058 NETWORK REFRESH 2017” which can be found in the following location:

The ELIDZ, Head Office Reception, Lower Chester Road, Sunnyridge, East London, 5201

Tenders must be marked:

CONFIDENTIAL TENDER

For the attention of:

The ELIDZ reserves the right:

1. To negotiate with the successful tenderer and/or
2. modify the RFP's goods / service(s) and request Respondents to re-bid on any changes;
3. reject any Proposal which does not conform to instructions and specifications which are detailed herein;
4. disqualify Proposals submitted after the stated submission deadline;
5. disqualify Proposals submitted that do not meet the goods or services specifications;
6. disqualify Proposals submitted that do not meet the necessary functionality where required;
7. not necessarily accept the lowest priced Proposal;
8. reject all Proposals, if it so decides;
9. place an order in connection with this Proposal at any time after the RFP's closing date;
10. award only a portion of the proposed goods / service/s which are reflected in the scope of this RFP;
11. split the award of the order/s between more than one Supplier/Service Provider; or
12. make no award at all;
13. ELIDZ reserves the right not to award business to the highest scoring bidder/s where objective criteria justify the award to another bidder.
14. The ELIDZ does not bind itself to accept your (or any) proposal, nor will it disclose any information regarded as confidential.



SECTION B: Requirements Specification

FOR THE SUPPLY NETWORK EQUIPMENT FOR
THE EAST LONDON INDUSTRIAL DEVELOPMENT ZONE

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1. Introduction

The ELIDZ is a greenfield development project that is part of a sub-regional economic growth and employment creation initiative driven by the government's micro-economic reform strategy, as implemented by the South African Department of Trade and Industry. Over 400 hectares of prime land has been transformed into a world-class industrial location.

The ELIDZ is the operator of the zone, an entity that exists to help manufacturers to become globally competitive through the development and efficient management of a modern, purpose built industrial location, which offers investing industries a streamlined business environment enhanced by a range of supporting services.

The ELIDZ is a prime industrial park in South Africa. It is perfectly positioned for light industry manufacturers that are investing from R10 million (+/- \$1.2 million) upwards. The zone is specially developed for growth-oriented manufacturers in search of ultimate global competitiveness. The zone focuses on streamlining business operations and engineering operational efficiencies for located industries.

The zone is already operational and currently houses a number of manufacturers that supply products for the local and international markets. The zone is situated on the Buffalo City's West Bank, adjacent to the existing East London port. The ELIDZ includes a Customs Control Area to allow for a duty-free importation of manufacturing inputs utilized in the production of export products as well as providing access to a variety of general sector-specific industrial investment incentives.

The zone has six individually fenced sub-zones, each designed to serve specific manufacturing needs. It is characterised by excellent internal roads and a newly built dual carriageway designed to carry both light and heavy vehicles including 22m-long interlines.

Boasting 150 fully serviced sites with access to all utilities including the highest calibre ICT infrastructure and systems and all are within close proximity to key transport networks. The ELIDZ is on a mission and has already succeeded in establishing local and global export-oriented industries within the zone.

2. Scope

2.1. The Scope of This RFP Includes the Following:

The East London IDZ would like to appoint suitably qualified and competent service provider for the supply of networking equipment and other related items specified in this section.

Travel and accommodation costs need to be included where applicable.

2.2. The Scope of This RFP Excludes the Following:

- Configuration and installation of networking equipment.
- Any maintenance or support other than the default warranty are to be excluded.

3. Considerations

3.1. Requirements Considerations

Failure to comply with the requirements as set out in Section B, point 4; would impact on the evaluation scoring of the submission.

Summary evaluation criteria of this project is as follows in Table 3.1A.

Table 3.1A

Evaluation Areas	Evaluation Criteria	Total Max Points	Item Max Points	Evaluation Description
Local Operational Office		20	20	Proof of a local office in BCMM Area provided
			16	Proof of a local office in Eastern Cape Province provided
			10	Proof of local an office in RSA provided
			0	No local office in RSA that is operation
Project Approach	Proposed Solution	50	50	All equipment provided as per list
			0	Equipment list is not supplied

Service Providers Expertise and Resources	References	30	30	2 Relevant completed reference letters. The score per individual reference will be averaged to a score out of 2. The average score of all references will be combined and divided by the total number of references submitted, (Subject to a minimum of 2). This combined average score will then be translated to a final score out of 30.
			0	No relevant references provided

3.2. Financial Considerations

The total bid price from the service provider for this project can't be exceeded. All services providers need to ensure that the rates and price tendered sufficiently covers the service provider's obligations under this project and will allow for the proper completion of the project.

Payment milestones will be attached to the service level agreement. Usage above the contract values will need to be either billed directly to the users or claimed back by the ELIDZ.

3.3. Time Constraints

<u>Milestones</u>	<u>Target Date</u>
Advert and Issuing of RFP	: 01 March 2017
Briefing Session	: 14h00, 10 March 2017
Deadline for Questions	: 16h30, 16 March 2017
Response to Questions	: 16h30, 17 March 2017
RFP Submission Due Date	: 12h00, 22 March 2017

3.4. Area of Service & Facilities

The delivery of services will be required at the East London IDZ offices, Lower Chester Road, Sunnyridge, East London. We currently have no remote or branch offices.

4. Detailed Requirements

4.1. Equipment List

Please supply the list of equipment in Table 4.1A, take into account that the majority of the equipment is part of an bundle that will provide additional cost savings.

Table 4.1A

Description	Category	Model	Quantity
ONE Bundle: ONENTWK-NGAD-10-50	Switching	WS-C3850-48P-S	10
		C3850-NM-2-10G	10
	WLAN: Access Points	AIR-CAP2702I-E-K9	30
		AIR-CAP2702E-E-K9	20
	WLAN: Controllers	AIR-CT5520-K9	2
		LIC-CT5520-50A	1
	Additional Products and Licencing	Prime Infrastructure Device License for LF & AS for Cat 2k, 3k	10
		Identity Services Engine EndPoint Base Lic	1750
		Energy Mgmt Perpetual Lic - Distibuted Office End Points	1750
		Prime Infrastructure Device License for LF & AS for WLAN	50
CMX Base (Location + Connect) - 1AP license		50	
Non-Bundle Addition	Switching	WS-C3650-24PS-S	1
		WS-C3850-24XS-E with (CAB-C15-CBN x2, C3850-NM-4-10G, PWR-C1-715WAC/2, STACK-T1-50CM, CAB-SPWR-30CM)	2
	Cabinet	APC Netshelter SX 42U 600mm Wide x 1070mm Deep Enclosure	2
		APC Rack PDU 2G, Metered, Zero U, 32A, 230V, (20)C13 & (4)C19	2
		APC Vertical Cable Organizer, 8 Cable Rings, Zero U	8
	SFP	10GB Single mode SFP (LC)	8
		1GB Single Mode SFP (LC)	20
	Cables	LC to SC Single Mode 10m	2
		LC to SC Single Mode 2m	1
		ST to SC Single Mode 10m	1

5. Response Format

5.1. Company Profile

- Provide an overview of your company profile.
- Provide information on your operation office locations. Do you have local offices in the BCMM Area \ Eastern Cape Province \ National or International?
- Service providers are required to provide a Municipal Clearance Certificate, Utility Account or Lease Agreement registered in the company's name.

5.2. Understanding of Business Requirements

Describe your understanding of the requirements in this tender.

5.3. Proposed Solution

Describe your proposed solution or services that will be provided for in detail in response to the detailed requirements as per Section B, point 4.. The service provider is also required to provide proof of being a registered reseller with a mobile operator if applicable. This is an essential part of your response and it will form part of the service level agreement.

5.4. Exclusions

Provide a detailed list of all exclusions that deviate from Section B, point 4 (Detailed Requirements), if any. If you have no exclusions, please indicate in your response.

5.5. References

- Provide a minimum of 2 relevant completed reference letters, stamped, signed and dated.
- Provide details of the relevant services offered to these references, establishing a track record as well as provide contactable references at these sites \ clients.

6. Conclusion

This document seeks to provide comprehensive information for the purposes of supporting the proposal of a solution that meets the requirements of the ELIDZ.

The information provided herein has been done so in partnership with the relevant business units of the ELIDZ in order to describe necessary requirements.

Please forward any queries to RFP-ICT-058@ELIDZ.CO.ZA at the following contact details:

Tel: (043) 702 8200

Fax: (043) 702 8251



SECTION C: Service Level Agreement

FOR THE SUPPLY NETWORK EQUIPMENT FOR
THE EAST LONDON INDUSTRIAL DEVELOPMENT ZONE

ORDER NUMBER: _____

CONTRACT ELIDZ: REFERENCE NUMBER

SERVICE LEVEL AGREEMENT

entered into by and between

EAST LONDON INDUSTRIAL DEVELOPMENT ZONE SOC LTD

Registration No. 2003/012647/30
("The Client")

and

FULL NAME OF SERVICE PROVIDER

Registration No. _____
("The "Service Provider")

(Collectively referred to as "the parties")
for

NAME OF PROJECT

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1. INTRODUCTION AND PURPOSE

- 1.1. The CLIENT requires certain services and the SERVICE PROVIDER is willing to provide such services to the CLIENT.
- 1.2. **The purpose of this Agreement is to regulate the relationship between the CLIENT and the SERVICE PROVIDER** and to ensure that high quality and performance standards are achieved and maintained by the PARTIES.

2. DEFINITIONS AND INTERPRETATION

- 2.1. The headings of the clauses in this Agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this Agreement nor any clause hereof.
- 2.2. In this Agreement, unless a contrary intention clearly appears any expression which denotes
 - 2.2.1. one gender includes the other gender
 - 2.2.2. the singular includes the plural and vice versa, and
 - 2.2.3. natural persons includes juristic persons and vice versa.
- 2.3. In this Agreement, unless the context indicates otherwise the following words and expressions will have the meaning assigned to them in this clause:
 - 2.3.1. **"Agreement"** refers to this Agreement and all annexures hereto and any amendments recorded in writing and signed by the parties. The annexures to this Agreement consist of the following:
IF THERE IS AN EXCEPTION TO TENDER PROCESS OR REQUISITION REQUIRING SLA

Section	A	-	Request for Quotation / Proposal (not attached),
Section	B	-	Quotation / Proposal (not attached),
Section	C	-	Letter of Award or Purchase Order confirmation and Acceptance (not attached),
Annexure	1	-	Scope of Work,
Annexure	2	-	Payment Schedule.

IF THERE IS AN OPEN TENDER PROCESS

Section	A	-	Response to Tender including, invitation (not attached)
Section	B	-	Letter of Award (not attached),
Section	C	-	Acceptance of award (not attached),
Annexure	1	-	Scope of work,
Annexure	2	-	Payment Schedule,
 - 2.3.2. **"CLIENT"** refers to the client, being the EAST LONDON INDUSTRIAL DEVELOPMENT ZONE SOC LTD, Registration No. 2003/012647/30;
 - 2.3.3. **"Contract documentation"** refers to contracts documentation, agreements, minutes, drawings, specifications, designs and models, electronic matter in the nature of computer software, programmes, computer data and other matter and information relating to this Agreement, provided by the SERVICE PROVIDER to the CLIENT in terms of the services rendered in this Agreement;
 - 2.3.4. **"key persons"** refers to employees, agents or representatives of the SERVICE PROVIDER whose contribution is, in terms of this Agreement, agreed to be critical to the compliance of the SERVICE PROVIDER'S obligations in terms of this Agreement;
 - 2.3.5. **"prime rate"** refers to the variable interest rate as charged and calculated by the Client's Bankers from time to time to it;
 - 2.3.6. **"professional service provider"** refers to service providers whose services are generally considered to be professional in their nature and are overseen by a supervisory Body recognised in terms of the South African Law;
 - 2.3.7. **"professional indemnity"** refers to the professional indemnity, detailing the required level of Professional Indemnity Insurance in respect of the obligations of the SERVICE PROVIDER insofar as these are applicable as set out by the standards of the particular consultancy industry;
 - 2.3.8. **"quality and performance standards"** refers to service levels and conditions agreed to

between the parties in terms of this, legal requirements promulgated from time to time and industry standards as practiced or observed in the various service industries involved;

- 2.3.9. "services" refers to the services that the SERVICE PROVIDER has undertaken to provide in terms of this Agreement and in particular the services as listed in ANNEXURE 1;
 - 2.3.10. "SERVICE PROVIDER" refers to FULL NAME OF SERVICE PROVIDER, Registration Number: _____, a _____ duly registered and/or incorporated according to the laws of the Republic of South Africa and having its principal place of business in _____;
 - 2.3.11. "SHE" refers to safety, health and environment,
 - 2.3.12. "signature date" refers to the date of signature of this Agreement and, if signed on different dates, the later of the two dates.
- 2.4. Any reference to an enactment is to that enactment as at the date of signature hereof and as amended or re-enacted from time to time.
 - 2.5. If any provision in a definition is a substantive provision conferring rights or imposing obligations on any party, notwithstanding that it is only in the definition clause, effect shall be given to it as if it were a substantive provision in the body of the Agreement.
 - 2.6. When any number of days is prescribed in this Agreement, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or public holiday, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday.
 - 2.7. Where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail.
 - 2.8. Expressions defined in this Agreement shall bear the same meanings in schedules or annexures to this Agreement which do not themselves contain their own definitions.

3. APPOINTMENT

- 3.1. The CLIENT appoints the SERVICE PROVIDER to provide the services and the SERVICE PROVIDER accepts such appointment for the duration and on the terms and conditions of the Agreement.
- 3.2. The basis of the appointment in clause 3.1 is in terms of a tender process, a copy of which forms part of this Agreement but not attached hereto, as set out in:
 - 3.2.1. SECTION A
 - 3.2.2. SECTION B
 - 3.2.3. SECTION C

4. PROVISION OF SERVICES

The SERVICE PROVIDER hereby undertakes in favour of the CLIENT to perform the services in accordance with the provisions of this Agreement, and in particular the services and time frames as set out in hereto marked ANNEXURE 1.

5. UNDERTAKINGS BY THE SERVICE PROVIDER

- 5.1. The SERVICE PROVIDER undertakes whilst it is providing the services that:
 - 5.1.1. the services will be performed by sufficient number of professional service providers who have the skill and experience required to perform the services;
 - 5.1.2. the services will be performed in accordance with the quality and performance standards expected of service providers of same stature, or as referenced in clause 2.3.8;
 - 5.1.3. the services will be provided in accordance with the needs of the CLIENT;
 - 5.1.4. it will plan, coordinate and manage the service provisions in consultation with the CLIENT and deal timeously with the documented results of service reviews in so far as there is sub-standard performance such that the interests of the CLIENT's business is not prejudiced;
 - 5.1.5. it will fully comply with all tender / brief specifications and requirements as per entire Agreement herein;
 - 5.1.6. it will take out and adhere to its professional indemnity insurance that and as is required by the consultancy industry; and

- 5.1.7. it will consult with the CLIENT with regard to any client competitor tendering of work before such tender is undertaken.

6. DELIVERY

- 6.1. The supply of services shall be in accordance with the general terms of this Agreement and more specifically in terms of **ANNEXURE 1**.
- 6.2. Should the SERVICE PROVIDER fail to complete the services or any part thereof before the date which is stipulated herein, an amount equal to one fourteen percent (1/14%) of the contract value may be deducted per day by the CLIENT for each day falling after stipulated completion date, until the services are complete.
- 6.3. Such penalty shall be in consultation with the Conventional Penalties Act 1962 as amended.

7. TIMING

- 7.1. Commencement dates
The Parties agree to the commencement date of _____ for the commencement of the services and accordingly the services shall be completed by _____.
- 7.2. Delays
The SERVICE PROVIDER acknowledges that any delay may impede the business objectives of the CLIENT and will constitute a material breach of its obligations and render the SERVICE PROVIDER liable for damages as well as consequential damages.

8. OBSERVANCE OF QUALITY AND STANDARDS

- 8.1. Quality standards
- 8.1.1. The SERVICE PROVIDER acknowledges that the CLIENT is committed to the highest standards of performance in the conduct of its affairs, including the observance of ISO 14001 requirements in its environmental management and of ISO 18001 in the implementation of Occupational Health and Safety standards.
- 8.1.2. The SERVICE PROVIDER undertakes to perform the services of this Agreement in terms of quality and performance standards expected of a SERVICE PROVIDER as set out in clause 2.3.8 and as set out in **SECTION A** herein and the SERVICE PROVIDER furthermore undertakes not to do anything or to omit to do anything that may, in anyway, compromise the commitment of the CLIENT to its standards.
- 8.2. Disclosure
- 8.2.1. The SERVICE PROVIDER undertakes to make full disclosure of any and all breaches, shortcomings, errors or defects in materials or performance as soon as they come to the notice of the SERVICE PROVIDER who acknowledges that it will in all events hold itself liable for such breaches, shortcomings, errors or defects in materials or performance including any consequential damages that might flow there from including the disclosure of work or potential work to be received for and by or on behalf of the CLIENT'S competitor.
- 8.2.2. The SERVICE PROVIDER acknowledges that the services provided in terms of this Agreement may fall within the business objectives of the CLIENT and is aware of the implications of this and its exposure to consequential damages.

9. REPORT BACK MEETINGS

- 9.1. Where required by the CLIENT and communicated to the SERVICE PROVIDER in the manner provided for in this Agreement, the SERVICE PROVIDER shall, attend all such reasonable meetings as it may be required to and, there, provide such reports and other documentation as may be reasonably required for the purposes contemplated by this Agreement.
- 9.2. Traveling costs in respect of report back meetings as referred to above shall be agreed to prior to such meetings and shall be paid by the SERVICE PROVIDER and shall be regarded as not budgeted for in terms of the **ANNEXURE 2**.

10. BY-LAWS AND REGULATIONS

- 10.1. In the performance of its obligations, as provided for by this Agreement, the SERVICE PROVIDER undertakes:
- 10.1.1. to comply and ensure compliance with all local, statutory, governmental and other laws and regulations in force and of application to the SERVICE PROVIDER, its employees, contractors and other persons or institutions subject to its control for the purposes of this Agreement,
 - 10.1.2. to indemnify the CLIENT against any loss, damages or punitive fines that it may suffer or have imposed on it by reason of its failure to comply with the provisions of clause 10.1.1, and
 - 10.1.3. to take out any professional indemnity for all professional service provider and key persons for the purposes of rendering the services provided for in terms of this Agreement.

11. PAYMENT

- 11.1. The CLIENT undertakes to pay the SERVICE PROVIDER the total sum of R _____ (IN WORDS) including VAT, as set out in ANNEXURE 2 for the diligent services rendered
- 11.2. Payment will only be due and payable once the SERVICE PROVIDER has performed the necessary deliverables set out in ANNEXURE 1 and has issued the correct invoice.
- 11.3. The SERVICE PROVIDER shall, in respect of the services provided render an original VAT compliant invoice (where applicable), containing sufficient information to enable the CLIENT to determine whether the charges have been debited in accordance with this Agreement and with the agreed price set out in ANNEXURE 2, on or before the 25th day of the month.
- 11.4. All amounts reflected on invoices shall strictly be as per the agreed terms contained in ANNEXURE 2.
- 11.5. The SERVICE PROVIDER shall not be paid for any additional work unless such work has been agreed to before execution thereof in writing and confirmed by way of an addendum to this Agreement and signed by both parties.
- 11.6. The CLIENT undertakes to make payment of all amounts due within 30 days from receipt of an invoice which complies with the provisions of clause 11.3.
- 11.7. All invoices are to be submitted for the attention of:, delivered to the ELIDZ at the EAST LONDON INDUSTRIAL DEVELOPMENT ZONE HEAD OFFICE , EAST LONDON IDZ HEAD OFFICE, LOWER CHESTER , ROAD SUNNYRIDGE, EAST LONDON or PO BOX 5458, GREENFIELDS, EAST LONDON 5208 or by email to or facsimile to
- 11.8. The CLIENT shall not be in breach of clause 11.6 in the event of it failing to pay any invoice submitted that does not comply with any provisions contained under this clause 11.
- 11.9. In the event that the SERVICE PROVIDER has submitted an invoice in contravention of this clause, the CLIENT shall notify the SERVICE PROVIDER within 5 (five) working days of the non-compliant invoice, together with the reasons, and the SERVICE PROVIDER shall thereafter withdraw the non-compliant invoice and submit a further original VAT compliant invoice.

12. KEY PERSONS

- 12.1. The SERVICE PROVIDER shall, by Agreement with the CLIENT, identify one key person whose contribution is, in the discretion of the CLIENT, critical to the objects contemplated by this Agreement.
- 12.2. Such Key Persons:
- 12.2.1. shall, unless it is agreed otherwise, personally attend to all instructions arising out of this Agreement or shall personally oversee the performance of all instructions and shall accord due priority to the obligations of the SERVICE PROVIDER arising from this Agreement,
 - 12.2.2. shall personally attend all meetings contemplated in terms of this Agreement unless, by Agreement, an alternative person is agreed to;
 - 12.2.3. shall be responsible for the provision of all reports which the CLIENT may reasonably require from time to time; and
 - 12.2.4. shall be responsible for the certification of all works executed in terms of this Agreement.
- 12.3. Should the Key Person discontinue to serve in this role for any cause whatsoever, then and in that event the CLIENT may, without prejudice to its other rights, summarily, and on such terms and notice as it may be

deem fit, terminate the agreement.

12.4. Key person for the CLIENT is: _____

12.5. Key person for the SERVICE PROVIDER is: _____

13. INTELLECTUAL PROPERTY, COPYRIGHT AND OWNERSHIP OF DOCUMENTS

- 13.1. It is agreed that the Contract Documentation shall be and shall remain the property of the CLIENT and shall, upon written request addressed to the SERVICE PROVIDER, be delivered over to the CLIENT.
- 13.2. The SERVICE PROVIDER waives his rights to any claimed hypothec or any other right of retention over the Contract Documentation for any cause whatsoever.
- 13.3. In the event of the SERVICE PROVIDER claiming that it has any further claim, irrespective the nature of such claim, the SERVICE PROVIDER shall upon written request, deliver over the Contract Documentation to the CLIENT and such claim shall then be dealt with in accordance with the dispute procedure provided for in this Agreement.
- 13.4. It is agreed that, upon payment by the CLIENT to the SERVICE PROVIDER of such remuneration as it is entitled to in terms of this Agreement, the copyright and the ownership of the Contract Documentation shall vest in the CLIENT.

14. CONFIDENTIALITY

- 14.1. Subject to the provisions of clause 14.2 hereof, the SERVICE PROVIDER shall keep secret all and any matter disclosed to it in connection with this Agreement and/or contained in the documents relating to the Agreement.
- 14.2. The foregoing paragraph shall not apply to information which:
 - 14.2.1. is in the public domain,
 - 14.2.2. is received from a third party who did not obtain such information from the CLIENT,
 - 14.2.3. may be disclosed with the consent of the CLIENT.
 - 14.2.4. is required in terms of law to be disclosed, provided that the SERVICE PROVIDER gives the CLIENT reasonable notice before any disclosure, to enable it to attempt to prevent such disclosure should it so wish.

15. SOLICITING EMPLOYEES

- 15.1. The SERVICE PROVIDER undertakes that it will not induce, encourage or procure any employee/s of the CLIENT to:
 - 15.2. leave the services of the CLIENT with a view to their being employed or in any other way associated with the SERVICE PROVIDER; or
 - 15.3. provide any information or advice held by that employee of the CLIENT in his capacity as such to any party who should not be privy to that information.
- 15.4. Nothing in the foregoing subparagraph will prevent the transfer of employees from the CLIENT to the SERVICE PROVIDER by written agreement between the parties.
- 15.5. Breach of this clause, resulting in the loss of an employee by CLIENT, will without prejudice to its other rights, entitle the CLIENT to claim and recover from the SERVICE PROVIDER damages suffered by the CLIENT.

16. FORCE MAJEURE

The SERVICE PROVIDER shall not be liable for any failure to meet any obligations in terms of this Agreement to the extent to which that failure is caused by the circumstances whatsoever which is beyond the SERVICE PROVIDERS control including, but not limited to labour disputes, strike, war, riot, civil commotion, or any order or regulations of any Government or other lawful authority and or and act which constitutes as an act of God.

17. DISPUTES

- 17.1. Any dispute arising out of or in connection with this Agreement, or related thereto, whether directly or indirectly, or any alleged breach and / or repudiation thereof, its interpretation, application and /or termination, shall be resolved in accordance with the provisions of this clause.
- 17.2. A dispute shall arise once the dispute is communicated by one party to the other in writing, (“the dispute notice”).
- 17.3. Within twenty one (21) days of the dispute arising, the parties shall seek an amicable resolution to such dispute by referring such dispute to representatives of each of the parties concerned for their negotiation and resolution of the dispute.
- 17.4. In the event that the parties representatives fail to resolve the dispute by way of negotiation, either party may refer the dispute for resolution by way of arbitration as envisaged in the clauses below.
- 17.5. The Arbitration will be held as an expedited arbitration in accordance with the then current rules for expedited arbitration of the Arbitration Foundation in South Africa (AFSA) by one arbitrator appointed by agreement between the Parties. If the parties cannot agree on the arbitrator within a period of ten (10) days after the referral of the dispute to arbitration, the arbitrator shall be appointed by the secretariat of AFSA;
- 17.6. Nothing contained in this clause shall preclude either Party from seeking interim relief from any competent court having jurisdiction pending the institution of any mediation or arbitration proceedings in terms of this clause.
- 17.7. The provisions of this clause shall survive the termination for whatever reasons of this Agreement.
- 17.8. Unless otherwise agreed, the party appointed to determine the dispute shall act as an expert, rather than an arbitrator, shall conduct proceedings in an informal manner and procedure with a view to resolving its expeditiously as the circumstances permit with due adherence to a fair procedure and to a just solution.
- 17.9. The decision of the expert shall be final and binding and capable of being made an order of court in accordance with the provisions of the Arbitration Act
- 17.10. The person appointed to determine the dispute shall, in his discretion be permitted to
 - 17.10.1. determine the disputes between the parties;
 - 17.10.2. determine whether to permit the parties to be represented by attorneys and / or advocates;
 - 17.10.3. determine the procedure;
 - 17.10.4. determine the amount that should be deposited as security for his expenses prior to the commencement of proceedings; and
 - 17.10.5. make such order as to costs, if any, including the applicable tariff.
- 17.11. The provisions of this Clause shall constitute and irrevocable consent, on the part of the parties, to the resolution of this dispute in the manner provided for herein.

18. BREACH AND PENALTY

In the event of one or other party breaching this Agreement or failing to perform any of the terms conditions thereof and remaining in default notwithstanding written notice to comply within fourteen (14) days, calculated from the date of delivery of the notice, then and in that event, the party complaining of the breach or non-performance shall be entitled to cancel the Agreement without prejudice to any other rights in terms hereof to recover damages arising from the breach.

19. TERMINATION

- 19.1. Notwithstanding the other grounds for termination referred to in this Agreement, and without prejudice to any right of the relevant party, this Agreement may immediately be terminated by a party if the other party:
 - 19.2. ceases to carry on business;
 - 19.3. is wound up, is placed under liquidation, is sequestrated, placed under business rescue proceedings, placed under an order of judicial management or under any other legal disability, either provisionally or finally; or
 - 19.4. materially breaches the terms of this Agreement.

20. SUMMARY TERMINATION

- 20.1. The CLIENT shall, without prejudice to any right of the CLIENT claim damages from the SERVICE PROVIDER be entitled to summarily or immediately terminate, without notice, this Agreement in the event that:
 - 20.2. false information is furnished by the SERVICE PROVIDER at any time on any material details that might result in losses to the CLIENT;
 - 20.3. the SERVICE PROVIDER breaches any of the terms of this Agreement;
 - 20.4. the SERVICE PROVIDER perpetrates a fraud of any nature upon the CLIENT or performing an act in the nature of fraud; or
 - 20.5. any of the SERVICE PROVIDER'S employees rendering services to the CLIENT in terms of this Agreement are guilty of conduct justifying a summary dismissal according to common law and the SERVICE PROVIDER fails, neglects and/or refuses to take the necessary action against such employees.

21. WARRANTIES

- 21.1. The SERVICE PROVIDER warrants that there is no conflict of interest between the CLIENT and itself and that it shall take steps to avoid any future potential conflict of interest.
- 21.2. The SERVICE PROVIDER warrants that the SERVICE PROVIDER has the capacity to enter into this Agreement and to perform the services as per this Agreement.
- 21.3. The SERVICE PROVIDER shall be deemed that it has satisfied itself before tendering as to the correctness and sufficiency of its tender and of the rates and prices stated in its quotation / tender, as being sufficient to cover the SERVICE PROVIDER'S obligations under this Agreement and everything necessary for the proper completion of this Agreement and maintenance thereof within the required timeframe.

22. INDEMNITY

- 22.1. The SERVICE PROVIDER hereby undertakes to indemnify the CLIENT and hold it harmless against:
 - 22.1.1. any loss or damage to the CLIENT'S own property, whether movable or immovable;
 - 22.1.2. liability in respect of any loss of or damage to the property whether movable or immovable of third parties;
 - 22.1.3. liability in respect of death and or injury to any third party; or
 - 22.2. any claims or legal costs or expenses incurred in connections with claims or actions arising out of any of the foregoing, whenever loss, damage, injury, death, referred to above is due or arises out of the use of the CLIENT'S property by the SERVICE PROVIDER,provided that such loss, damage or liability is not due to the willful misconduct of the CLIENT or any of its employees whilst performing duties allocated to them by the CLIENT.
- 22.3. The CLIENT shall notify the SERVICE PROVIDER forthwith upon receipt of information of any occurrence of any loss, damage, or the receipt of any claim or demand for or against, which the SERVICE PROVIDER is prima facie liable to indemnify the CLIENT for in terms of the above, and shall in respect of such claim or demand abide by the directions of the CLIENT as to what terms it shall be settled, compromised or contested, it being agreed that whatever action may be taken by the SERVICE PROVIDER pursuant to such directions of the CLIENT, but not in so far as acting in a principle / agent relationship, and shall be at the risk and expense of the SERVICE PROVIDER.
- 22.4. The CLIENT reserves the right to institute civil proceedings to recover any damages occasioned by the negligence of the SERVICE PROVIDER, his employees, sub-contractors or agents.
- 22.5. The SERVICE PROVIDER shall not be liable to the CLIENT for any loss or damage of whatsoever nature suffered by the CLIENT as a result of the performance of the services in accordance with this Agreement, save where such loss or damage is as a direct result of the negligence of the SERVICE PROVIDER, its employees or agents, performing the services.
- 22.6. The SERVICE PROVIDER AND ITS SUBCONTRACTORS further indemnifies the CLIENT against Section 37(2) of the Occupational Health and Safety Act, if applicable:
 - 22.6.1. The SERVICE PROVIDER and its subcontractors shall bear full responsibility for ensuring that the provisions of the Occupational Health and Safety Act and its regulations are properly

implemented in the areas designated for contractual work in respect of all aspects of the work to be undertaken and that all other laws that pertain to that work will also be complied with and hereby indemnifies the CLIENT from any responsibility legally for injury or claim

- 22.6.2. The SERVICE PROVIDER and its subcontractors shall be responsible for the well-being in relation to the health and safety of all persons coming upon/into such area in accordance with the Occupational Health and Safety Act, subject to any directives issued by the CLIENT.
- 22.6.3. The SERVICE PROVIDER and its subcontractors undertakes to report to the CLIENT any hazard to health, safety or the environment that exists or arises during the contract work in the area concerned.
- 22.6.4. This Agreement is supplementary and additional to any health and safety specifications issued to the SERVICE PROVIDER and its subcontractors.

23. WHOLE AGREEMENT

- 23.1. It is agreed that this document together with its Annexures constitutes the whole Agreement as between the parties unless supplemented by further Agreements, which are reduced to writing and signed by the parties, constitutes the sole record of the Agreement between the parties.
- 23.2. The parties agree that any amendment to this Agreement shall be reduced to writing and signed by the parties, failing which it shall be of no force or effect.

24. SEVERABILITY

The Parties agree that each clause of this Agreement shall be severable, the one from the other, and if any clause is found to be defective or unenforceable for any reason by any competent court, then the remaining clauses shall be and continue to be of full force and effect.

25. VARIATION, SUSPENSION, DELETION, AMENDMENT OR MODIFICATION

No variation, suspension, deletion, extension, amendment or modification of this Agreement shall be of any force or effect, unless recorded in writing and signed by the parties, and shall be effective only in the specific instance and for the purpose and to the extent set out.

26. INDULGENCE OR EXTENSION

No latitude, extension of time or other indulgence which may be given or allowed by either party to the other in respect of the performance of any obligation or the enforcement of any right arising from this Agreement, shall be construed to be an implied consent by the former party or to operate as a waiver or a notation of, or otherwise affect, any of that party's rights in terms of or arising from this Agreement or stop such party from enforcing, at any time and without notice, strict and punctual compliance with each and every provision hereof.

27. WAIVER

No waiver on the part of either party of any rights arising from a breach of any provision of this Agreement will constitute a waiver of rights in respect of any subsequent breach of any other provision in the same Agreement.

28. SUPERSESION

This Agreement and its Annexures are to be taken as complementary to each other. In the event of any conflict between the contents of this Agreement and any or all of the Annexures, the Agreement shall prevail to the extent of such inconsistency.

29. GOOD FAITH

The Parties undertake to observe good faith in dealing with each other and in implementing the provisions of this Agreement.

30. SUBCONTRACTING AND CESSION

Neither party shall, without the prior written consent of the other, cede or assign any of its rights or obligations in terms of this Agreement to any third party. The party wishing to cede or assign its rights or obligations to any third party shall, if so required by the other party, be obliged to bind itself as surety and co-principal debtor with the third party for all its obligations in terms of this Agreement.

31. INDIRECT AND CONSEQUENTIAL DAMAGES

31.1. Unless expressly otherwise provided for, neither party ("the defaulting party") shall be liable to the other ("the aggrieved party") for any indirect or consequential damages or loss of profits suffered by the aggrieved party except if such damages or loss:

31.2. arises out of the gross negligence, fraud or any other illegal act or illegal omission on the part of the defaulting party (or any person for whom it is vicariously liable); or

31.3. arises from a claim made against the aggrieved party by a third party as a consequence of any act or omission committed by the defaulting party against such third party for which the aggrieved party is entitled to claim a full indemnification in terms of this Agreement

32. PROTECTION OF RIGHTS

If the SERVICE PROVIDER fails to comply with any obligation imposed upon it by this Agreement, CLIENT shall, without prejudice to any other rights it may have, be entitled but not obliged to effect such compliance at the risk and expense of the SERVICE PROVIDER and to recover the fair and reasonable costs and expenses of doing so from the SERVICE PROVIDER.

33. GOVERNING LAW

The provisions of this Agreement shall be governed by South African law and the parties shall at all times be subject to the jurisdiction of the South African Courts irrespective of the place of signature of this Agreement

34. DOMICILUM CITANDI ET EXECUTANDI

34.1. The parties choose as their service address (*domicilium citandi et executandi*) for all purposes under this Agreement, whether in respect of court process, notices or other documents or communications of whatsoever nature, the address set out in hereunder.

34.2. Any notice or communication required or permitted to be given in terms of this Agreement shall be valid and effective only if in writing.

34.3. A party may, by notice to any other party change the physical address and/or telefax number chosen as its *domicilium citandi et executandi* provided that the physical address is one in the Republic of South Africa. The change shall become effective on the 10th business day from the deemed receipt of the notice.

34.4. Unless the contrary is proved, any notice to a party;

34.4.1. delivered by hand to a responsible person during ordinary business hours, shall be deemed to have been received on the day of delivery; or

34.4.2. sent by telefax, shall be deemed to have been received on the date of dispatch.

34.5. The domicile of the CLIENT is: EAST LONDON INDUSTRIAL DEVELOPMENT ZONE, EAST LONDON IDZ HEAD OFFICE, LOWER CHESTER ROAD, SUNNYRIDGE, EAST LONDON, FAX: 043 702 8251

34.6. The domicile of the SERVICE PROVIDER is: _____ FAX: _____

35. SIGNATURES

The signatories to this Agreement hereby warrant that they have the proper and full authority to sign this Agreement on behalf of the parties hereto, and shall produce the necessary resolution to such effect, if called upon to do so.

THUS DONE AND SIGNED BY **EAST LONDON INDUSTRIAL DEVELOPMENT ZONE SOC LTD** on the ____ day of _____ 20__ here in the presence of the undersigned witnesses:

For and on behalf of **EAST LONDON INDUSTRIAL DEVELOPMENT ZONE SOC LTD**

NAME OF DELEGATED AUTHORITY TO SIGN: _____

POSITION: _____, who warrants that he is duly authorized hereto

AS WITNESSES:

1. _____ 2. _____

THUS DONE AND SIGNED BY **FULL NAME OF SERVICE PROVIDER** on the ____ day _____ 20__ in the presence of the undersigned witnesses:

For and on behalf of **FULL NAME OF SERVICE PROVIDER**

NAME OF DELEGATED AUTHORITY TO SIGN: _____

POSITION: _____, who warrants that he is duly authorized hereto

AS WITNESSES:

1. _____ 2. _____



ANNEXURE 1

PROCUREMENT HANDBOOK

PROCUREMENT HANDBOOK



east london idz
business streamlined



BUSINESS STREAMLINED

The East London Industrial Development Zone SOC Ltd is the operator of the East London Industrial Development Zone (ELIDZ), a multi-million-rand infrastructure and bulk services development initiative by the Department of Trade and Industry (DTI) to attract export oriented investment into the city. The zone is located on the West Bank of East London, adjacent to the existing port and airport.

VISION

World class Operator of a prestigious industrial complex where highly competitive organisations thrive on streamlined business benefits and stimulate sustainable regional economic growth.

MISSION

To provide investor solutions and to attract and develop strategic industries that strengthen South Africa's global competitiveness through the development and operation of a thriving, specialized industrial complex.

The ELIDZ pursues its mission through the setting of programmes of action which seek to ensure the creation and delivery of:

- A suitable location for the establishment of strategic investments;
- Promotion and development of productive links between domestic and zone-based industries, to optimize use of existing infrastructure, generation of employment and creation of technology transfers; and
- Enablement of the beneficiation of local resources by resource-seeking industries.

The organization maintains four broad programmes in addressing these objectives. These are:

- Institutional Development and Corporate Administration;
- Zone Development (Infrastructure and Operations);
- Business Development and Investment Promotion; and
- Zone Management and Investor Servicing.

ELIDZ VALUES AND BELIEFS

- We exceed customer expectations and display passion for delivering exceptional service.
- We embrace a challenging style that encourages creativity, free thought and calculated risk-taking in pursuit of ever-higher goals.
- As a team, which values each person's worth and dignity, we learn from each other and from our experiences.
- We accept responsibility with consequences and commit to fair application of the ELIDZ policies, without abuse or manipulation.
- We display transparency in the way we work, and communicate with honesty and integrity in all our relationships.
- We capitalize on diversity and co-operation across departmental boundaries and throughout the company, with our customers and our suppliers.
- We are committed to establishing benchmarked quality in everything we do.

PROCUREMENT

The ELIDZ has established a procurement system with processes that are fair, transparent, equitable and cost-effective. We regard our suppliers as business partners. Service Providers' days shall be held to share information, discuss policy issues and address supplier concerns as a way of building win-win sustainable business relations.

The ELIDZ procurement policy assigned preference to transactions with Local Business (Buffalo City – Eastern Cape – South Africa), Small Businesses and Businesses that are contributing to Broad Based Black Economic Empowerment (BBBEE). Our procurement policy and strategic procurement targets for SMMEs and BEE demonstrate a commitment to socio-economic transformation.

RATIONALE FOR EMPOWERMENT

- Economic advancement.
- Higher growth path is not possible without broad based empowerment.
- Skills, low levels of entrepreneurship and low income are major constraints to economic growth.
- Human and social dimension are important given historical legacy.

REGISTRATION OF INTEREST TO PROVIDE GOODS AND SERVICES

By completing and submitting this form you hereby grant permission to the ELIDZ SOC Ltd to capture this data as part of its vendor database profile. Completion of this form does not in any way guarantee any contracts whatsoever, but said information will be included on the ELIDZ SOC Ltd vendor database.

A. BUSINESS DETAILS

Registered Business Name	<input type="text"/>		
Trading Name	<input type="text"/>		
Location	<input type="text"/>		
Subsidiary	<input type="checkbox"/> Yes	<input type="checkbox"/> No	If yes, Holding Co. Name <input type="text"/>
Central Supplier Database (CSD) Registration number (MAAA Registration number):	<input type="text"/>		

B. ADDRESS

PHYSICAL

Building / Complex Name	<input type="text"/>	City / Town	<input type="text"/>
Street Name & Number	<input type="text"/>	Province	<input type="text"/>
Suburb	<input type="text"/>	Country	<input type="text"/>
	<input type="text"/>	Postal Code	<input type="text"/>

POSTAL

P.O. Box / Pvt Bag	<input type="text"/>	Province	<input type="text"/>
City / Town	<input type="text"/>	Country	<input type="text"/>
	<input type="text"/>	Postal Code	<input type="text"/>

C. CONTACT DETAILS

COMPANY DETAILS

Area Code	<input type="text"/>
Telephone	<input type="text"/>
Facsimile	<input type="text"/>
Website	<input type="text"/>
Email	<input type="text"/>

CONTACT PERSONS DETAILS

First Name	<input type="text"/>
Surname	<input type="text"/>
Position	<input type="text"/>
Area Code	<input type="text"/>
Telephone	<input type="text"/>
Facsimile	<input type="text"/>
Email	<input type="text"/>
Cellular	<input type="text"/>

D. BUSINESS OVERVIEW

Type of Company:	<input type="checkbox"/> Sole Trader	<input type="checkbox"/> Partnership	<input type="checkbox"/> Close Corporation	<input type="checkbox"/> Ltd	<input type="checkbox"/> (Pty) Ltd	<input type="checkbox"/> Other
If other (please specify)	<input type="text"/>					
Main Industry of Business	<input type="text"/>					
Type of Industry	<input type="text"/>					
Professional Membership Details	<input type="text"/>					
(Organisations of which you are a member)	<input type="text"/>					

Please provide details of the services or products you offer

1.
2.
3.

Vat Registration No. (if applicable)	
Business Registration No. / ID No.	
SARS Tax Registration No.	
UIF Registration No.	
Skills Levy Registration No.	
No. of Branches	No. of Subsidiaries

E. BACKGROUND

Date of Establishment			
No. of active business years in Buffalo City Municipality		Eastern Cape	
No. of active business years in RSA		International	
Main services performed in the last 5 years (please list)			
1.			
2.			
3.			

F. REFERENCES

Name of Client	Contact Person	Contact Number

Joint Venture Partners (if applicable)	Joint Venture Contact Person	Joint Venture Contact Number

G. DECLARATION

I understand that should my business be awarded a contract, the said contract offered will be subject to the information given on this form being correct.

Any misrepresentation of facts may lead to disqualifications. Should such misrepresentation be uncovered after commencement of contracted work, the ELIDZ reserves the right to terminate the contract and recover all payments made to the business.

Full Name: Initials:

Please tick box to confirm that you have fully understood and agree with the above statement.

Signature: _____ Date: _____

BROAD BASED BLACK ECONOMIC EMPOWERMENT (BBEE) STATUS

ELIDZ is committed to social transformation. The company targets SMMEs & BEE enterprises when procuring services and products from vendors. This is done in line with the Preferential Procurement Policy Framework Act (5 of 2000) and its regulations as aligned to the Broad-based Black Economic Empowerment Act (53 of 2003), as amended.

Definition of Terms

Black People: Means African, Coloured, Indian or Chinese persons who are natural persons and

- Are citizens of the Republic of South Africa by birth or descent; or
- Are citizens of the Republic of South Africa by naturalization before the commencement date of the Constitution of the Republic of South Africa Act of 1993; or
- Became citizens of the Republic of South Africa after the commencement date of the Constitution of the Republic of South Africa Act of 1993, but who, for the Apartheid policy that had been in place prior to that date, would have been entitled to acquire citizenship by naturalization prior to that date.

Broad Based Black Economic Empowerment: this means the economic empowerment of all black people through diverse but integrated socio-economic strategies that include:

- Increase the number of black people that manage, own and control enterprises and productive assets;
- Facilitating ownership & management of enterprises & productive assets by communities, workers, cooperatives & other collective enterprises;
- Human resources and skills development; \achieving equitable representation in all occupational categories and levels in the workshop;
- Preferential procurement; and
- Investment in enterprises that are owned or managed by black people

Disability: The definition of persons with disabilities as contained in the employment act is used. It means employees who have a long-term or recurring physical or mental impairment, which substantially limits their prospects of entry into, or advancement in employment. The total number of employees with disabilities (irrespective of race or gender) is expressed as a percentage of the total number of employees (irrespective of race or gender) in all levels of the organisation.

B-BBEE Rating

Please tick next to your B-BBEE Level and attach your accredited B-BBEE certificate

Criteria & BBBEE Rating	Please Tick
Level 1 contributor: 100% and above	<input type="checkbox"/>
Level 2 contributor: 85 – 100%	<input type="checkbox"/>
Level 3 contributor: 75 - 85%	<input type="checkbox"/>
Level 4 contributor: 65 - 75%	<input type="checkbox"/>
Level 5 contributor: 55 - 65%	<input type="checkbox"/>
Level 6 contributor: 45 - 55%	<input type="checkbox"/>
Level 7 contributor: 40 - 45%	<input type="checkbox"/>
Level 8 contributor: 30 - 40%	<input type="checkbox"/>
Non-Compliant	<input type="checkbox"/>

Companies with annual turnover less than R10 million to submit an account or SARS letter confirming turnover.

Turnover

State company latest annual turnover

Additional Information

1.1.1 Ownership held by black shareholders

(% of total shares)

1.1.2 Ownership held by black female shareholders

(% of total shares)

DISCLOSURE OF INTEREST

Conflict of interest includes:

- Direct or indirect ownership by ELIDZ employees or members of the board and its committees, their spouses or immediate family in a contractor or supplier (service provider) which is, or intends to do business with the ELIDZ;
- The ELIDZ employees or members of the board and its committees, their spouses or immediate family serving as an officer, director, employee, committee member, agent, representative or consultant, to any current supplier or to any other organization that does business with ELIDZ;
- ELIDZ employees or members of the board and its committees, their spouses or immediate family receiving fees, commissions or other compensations from suppliers or service providers; and
- ELIDZ employees or members of the board and its committees, their spouses or immediate family, receiving gifts, hospitalities, entertainment or other courtesies from suppliers or potential suppliers;
- Amounts received by the ELIDZ employees or members of the board and its committees, their spouses or immediate family that are more than R1000 in the form of fees, donations, gifts, must be disclosed.

DISCLOSURE FORM:

Are any of the directors / members / shareholders of the company employed by a State / Public Entity or Municipality?

No Yes (if yes, complete the following)

Name of Person	Position Occupied	Entity Name

Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the East London IDZ and who may be involved with the evaluation and or adjudication?

No Yes (if yes, complete the following)

Name of Person	Position Occupied	Nature of Relationship

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

No Yes (if yes, complete the following)

Name of Person	Position Occupied	Nature of Relationship

Do ELIDZ members of the board or board committees, employees, their spouses or immediate family have any direct / indirect interest in your company?

No Yes (if yes, complete the following)

Name of Person	Nature of Relationship	Extent of Financial Interest

Do ELIDZ members of the board, committees, employees, their spouses or immediate family currently serve as an officer, director, partner, employee, committee member, agent, representative, or consultant to your company?

No Yes (if yes, complete the following)

Name of Person	Current Position	No. of Years	Remuneration Received

Have ELIDZ members of the board, committees, employees, their spouses or immediate family received any fees, commissions or other compensations from your company within the last year?

No Yes (if yes, complete the following)

Name of Person	Nature of Benefit	Approximate Value

Have ELIDZ members of the board, committees, employees, their spouses or immediate family received any sponsorship from your company within the last year?

No Yes (if yes, complete the following)

Source of Assistance / Sponsorship	Description of Assistance / Sponsorship	Value of Assistance / Sponsorship

Have ELIDZ members of the board, committees, employees, their spouses or immediate family received any gifts, hospitalities, entertainment or any other such gratuities from your company within the last year?

No Yes (if yes, complete the following)

Name of Person	Type of Gratuity	Approximate Value

I _____ understand that should my business be awarded a contract, said contract offered, will be subject to the information given on this form being correct.

Failure to disclose Conflict of interest information amounts to misrepresentation. Should any misrepresentation be uncovered after commencement of contracted work, the ELIDZ reserves the right to terminate the contract and recover all payments made to the business.

Signature: _____

Date: _____

CHECKLIST

Please submit the following documents as an attachment to this handbook

Documents Required		Please tick
1.	Certified Copies of ID (owner / manager)	
2.	Business Profile	
3.	Accredited B-BBEE or Certified copy of original	
4.	Valid TAX Clearance Certificate	
5.	Company Registration Documents	
6.	Letter from an Accountant confirming Annual Turnover for EMES	
7.	EMES - Sworn Affidavit confirming B-BEE management split of company	
8.	Banking details - Bank letter and company letter stating banking details	
9.	Central Supplier Database (CSD) registration summary report	



Lower Chester Road, Sunnyridge,
East London, 5201

PO Box 5458, Greenfields,
East London, 5208
Republic of South Africa

T: +27 (0)43 702 8200 | F: +27 (0)43 702 8251
E: scm@elidz.co.za | www.elidz.co.za



ANNEXURE 2

REFERENCE LETTER

Annexure 2: Reference Letter

PART A – To be completed by respondent for RFP submission

Company name of Respondent:		
Details of client for reference purposes:	Name:	
	Company name:	
	Contact details:	

PART B – To be completed by reference and returned to ELIDZ evaluation team

If the Service Provider has not done any of the tasks below for the Referee, please place Not Applicable (N/A).

Please indicate and rate whether the respondent has performed the attributes/tasks listed below.	Has the service been rendered (Yes / No)	Poor	Average	Good
		1	3	5
Did the service provider implement their last project successfully?				
Was the solution delivered in the required time frame?				
Was conformance to a project management standard adhered to?				
Was the skill competency of the team relevant and adequate to deliver on the solution?				
Were all meetings schedules adhered to?				
Were you satisfied with the technical support provided during the project?				

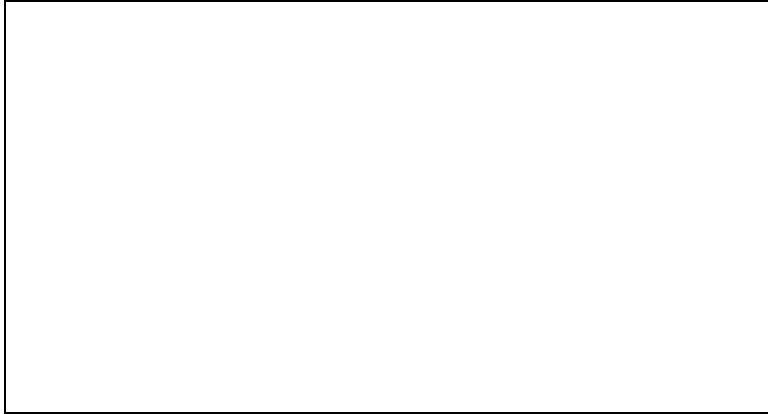
*** The ELIDZ reserves the right to verify references”**

Annexure 2: Reference Letter

Referee name: _____ Referee signature: _____

Date: _____

Company Stamp

A large, empty rectangular box with a thin black border, intended for a company stamp or seal. It is positioned below the 'Company Stamp' heading.