

as specified in Annexure D, Pricing List.

Overtime Rate means the rate for the Equipment and Operator when the Equipment is operating outside of Working Hours as specified in Annexure D, Pricing List and Scope of Services, Appendix iii.

Short Term Hire means a period of hire less than or not exceeding 5 consecutive working days.

Standby Rate means the hire rate for the Equipment as specified in Annexure D, Pricing List, which is payable during Standby Time.

Standby Time means that part of the Working Hours during which the Equipment is on standby at the Designated Site but no work is available.

Idle Time means that when the Equipment is prevented by prolonged inclement weather from working for a complete week, the charge shall be 50% of the hire rate.

Services include the hire of Equipment for construction or maintenance and may be with or without an Operator.

Transport Charge means if more than one Designated Site is specified in Appendix iii Scope of Services ~~to transport~~ the Equipment from one Designated Site to another Designated Site.

Wet Hire means the rate which includes an operator, wages, insurances, fuels and all other operating and overhead costs relevant to the operation of the Equipment.

Working Hours means the hours of the ~~Purchaser's~~ normal working day at the Designated Site or Designated Sites as specified in Appendix iii Scope of Services, during which the Equipment is required for hire by the ~~Purchaser~~.

3.

PROVISION OF EQUIPMENT

The *Contractor*:

- a) Complies with all legislative and Transnet's Occupational Health, Safety and Environmental requirements, including:
 - Equipping the Equipment with an audible reversing warning device, amber rotating lights and any other safety equipment necessary to comply with applicable legislation;
 - Provides Safe Operating Procedures for the Equipment;
- b) Ensures that the Equipment has a current certificate of roadworthiness and is registered and fitted with registration plates to clearly identify it if the Equipment is to be driven on public roads;
- c) Undertakes scheduled servicing and maintenance off site, ensuring that the Equipment maintains reliability, productivity and operational efficiency;
- d) Makes available daily check sheets for each day the Equipment is engaged;
- e) Makes available upon request service records relating to the maintenance, servicing and operation of the Equipment; and

- f) Supplies and store all fuel, oil, grease, replacement parts and all other things necessary for the continuous and efficient operation of the Equipment.

4.

OPERATION OF EQUIPMENT

The *Contractor* ensures that all Operators:

- a) Comply with Transnet Safety Procedures and any site specific Hazard Management Plans, Safety and Environmental Plans;
- b) Are supplied with personal protective equipment and the Operators wear the equipment;
- c) Have all appropriate licenses and certificates and are trained in the operation of the Equipment;
- d) Have a minimum of three years' experience;
- e) Comply with the requirements of all relevant legislation, awards and the lawful requirements of the public or other authorities affecting the work under this Agreement;
- f) Minimise detrimental effects on the environment and work in accordance with Transnet's Health and Safety Specification, HAS- STD-0001 and Environmental Best Practice for Construction.
- g) Co- operate with any other *Suppliers/Contractors* and Transnet employees during the course of work
- h) Appointment letter for construction vehicle and /mobile plant inspector.
- i) Appointment letter for construction vehicle and /mobile plant operator.
- j) Proof of competency for the construction vehicle and /mobile plant operator.
- k) Proof of competency for the construction vehicle and /mobile plant inspector **if different from the operator.**
- l) Proof of competency for engineer (for maintenance/ servicing purposes).
- m) Valid Certificate of fitness for construction vehicle and /mobile plant operator.
- n) Valid load test certificate for Lifting Machines.
- o) Service/ Maintenance record for construction vehicles and mobile plants as per manufactures' specification i.e. at specific kilometres or man hours.
- p) Daily inspection register for all construction vehicles and mobile plants.

5.

OPERATOR, CHAGE OF EQUIPMENT OR OPERATOR

- a) The *Contractor* must use its best endeavours to provide the nominated Operator. The *Contractor* notifies the *Purchaser's Representative* of any change of the nominated Operator.

The *Contractor* must not remove the Operator or Equipment from a Designated Site without the approval of the *Purchaser's Representative*.

- b) The Operator will be under the sole and absolute control and supervision of the *Purchaser*. *Purchaser* undertakes that it will give to the Operator clear and specific instructions and directions for all work to be performed by the Operator and the Equipment. The *Contractor* is responsible for the payment of the Operator

- c) The *Contractor* may stand down his equipment for repairs or maintenance with sufficient advice to the *Purchaser*. During this period neither the Operator nor the Equipment may be charged for. The *Purchaser* will not pay for any period of stand down. If the period of stand down impacts on the site works the *Contractor* must provide replacement equipment as per the *Purchaser's* request.

- d) Operator Time sheets.

The Operator submits to the *Purchaser's Representative*, for verification a daily time sheet on the *Contractor's stationery* which shows for that day the actual hours of work (including any hours of Overtime), hours of Standby Time, hours of stand down of the Equipment, and any Transport Costs.

The *Purchaser* will only pay the Transport Costs:

- a). where the Equipment is on Short Term Hire or
- b). where the Equipment is on Long Term Hire, if the *Purchaser's Representative* 1). Requires the Equipment to be re-located to another Designated Site
- 2). When the Equipment requires to be removed from the Designated site for repairs only when the *Purchaser* is responsible. Where the Operator is negligent, all costs shall be borne by the *Contractor*.

6.

PERIODS OF HIRE

Equipment must be available from the Contract Start Date to the Completion Date as stated in the *Purchaser's Contract Data Part One* under Core Clause Time and more specifically as per the SAP Purchase Order.

Working Hours are from 06:00 to 06:00 (24 hrs.) Monday to Friday, Saturday and Sunday from 26 June 2013 till 05 July 2013.

Working Hours from 07:00 to 16:00 Monday to Friday for the balance of the SAP Purchase Order and if required.

Start and End Time during Working Hours may differ, depending on the consultation between the Construction Manager and Contractor.

Working Hours must be 9 hours per day.

The hours in the Pricing schedule is estimated hours, payment will only be effected on actual hours worked with proof of the signed site log sheets.

a) Standby Time

A standby time rate is submitted for an item of Equipment this is to be a day rate (24 hours) not an hourly rate. When the Equipment is prevented by prolonged inclement weather from working for a complete week, the charge shall be 50% of the hire rate.

Standby time will only be paid with the prior agreement of the *Purchaser's Representative* for periods of 24 hours or more in the event of the Equipment not being required to operate on site within the agreed period of hire. Standby time will not be paid for periods of less than 24 hours. The *Purchaser's Representative* reserves the right to "off-hire and re-hire" the Equipment if the standing time is likely to exceed 72 hours, if he considers financial savings could be made by this approach. In the event of such an occurrence demobilisation and remobilisation costs will be paid (at the rate submitted for the Equipment at the time of registration). With the prior approval of the *Purchaser's Representative* the Equipment may remain on-site during this 'off-hire' period.

b) Idle Time

When the Equipment is prevented by prolonged inclement weather from working for a complete week, the charge shall be 50% of the hire rate.

7.

MAINTENANCE, BREAKDOWNS AND REPAIRS

The *Contractor* must at its own cost ensure all items of Equipment are inspected daily, serviced and maintained in accordance with the relevant manufacturer's recommendations or instructions, as frequently as may be necessary to ensure that it is in a good and safe state of repair and condition, is not dangerous and is in satisfactory working order.

Where such Equipment breaks down or fails to work satisfactorily, in the opinion of the *Purchaser*, the Equipment will be immediately off-hired, and all costs of moving or returning the Equipment from the Designated Site for and after repairs shall be the responsibility of the *Contractor*.

In the event of a breakdown that cannot be repaired within 24 hours the *Contractor* must provide replacement Equipment which is of at least equal capacity to the one being replaced.

8.

HEALTH, SAFETY AND ENVIRONMENTAL REQUIREMENTS

- a) The *Contractor* and their employees must adhere to the provisions of Transnet Freight Rail (RME's) Health and Safety Specifications HAS-STD-0001 and Transnet's safety, Vehicle and Substance abuse Policies. These provisions may be in addition to, but not in substitution of, any other safety requirement of any legislation.

Unsafe equipment shall be either made safe or removed off the Designated Site. Transnet Freight Rail -RME may at any time during the Contract period request a further Safety Inspection Report.

- b) **Protective Clothing** - must be provided by the *Contractor* and should be appropriate for working safely and in particular:

- **High Visibility Vest** – The *Contractor* and their employees must wear a high visibility vest;
- **Footwear** – The *Contractor* and their employees must wear appropriate footwear;
- **Safety helmets** – The *Contractor* and their employees must wear safety helmets wherever there is a danger of material falling from above;
- **Overalls** - The *Contractor's* Overalls must be in good repair, and condition and;
- **Any** other personal protective equipment as per site specific risk assessment.

c) **Notice of Accidents**

If the Equipment is involved in any accident resulting in an injury to persons or damage to property, immediate notice (the same shift) must be given to the *Purchaser's Representative* or site supervisor, by the Operator. The *Purchaser's Representative* undertakes to notify the

Contractor of such an event. The *Purchaser's* Safety Officer and Representative will investigate the event and make relevant recommendations to the *Purchaser's Representative* and the *Purchaser's* Risk Manager.

In the event of any accident and/or damages sustained negligently by the operator/equipment while on duty, the *Purchaser* shall not be liable for any damages thereon and that payment of any compensation will be the responsibility of the *Contractor*.

d) **Inspections**

The *Purchaser* will be entitled to conduct safety inspections or audits at any time.

In the event of any Equipment failing safety checks or in the event of unsafe acts or conditions, the *Purchaser's* Safety Officers may stop the work and off hire the Equipment and this event will not be deemed a Compensation Event.

The *Contractor* ensures that all of his personnel associated with these Works identified in the *Scope of Services* has been to a safety induction and is in possession of a Medical Certificate from an Occupational Health and Safety Practitioner.

9. **ENVIRONMENTAL REQUIREMENTS**

In addition to complying with all statutory requirements, the *Contractor* where required must comply with Transnet's environmental requirements.

ENVIRONMENTAL CONTROL

a) **General**

The *Contractor* complies with Environment Act 107 of SA, 1998 at all times with respect to pollution from noise, air, water, land and waste sources.

The *Contractor* must be able to respond immediately to any situation where environmental harm is taking place.

b) **Trucking**

All trucks leaving the Site with earth, material or loose debris shall be loaded in a manner that will prevent wind-blown emissions and dropping of materials on streets and shall have suitable tarpaulins fastened over the load before leaving the Site. Trucks bringing earth or materials to the site shall be similarly loaded and covered.

The *Contractor* ensures that the wheels, track and body surfaces of all vehicles and equipment leaving the site are free of mud and that mud is not carried on to adjacent paved streets or other areas.

c) Dirt, Dust and Water

Adjoining owners, residents and the public shall be protected against dust, dirt and water nuisance. Levels of dust generated by the *Contractor's* operations outside contaminant areas shall be NIL at all times.

When required, the costs of providing measures that may need to be undertaken to control dust levels shall be deemed a Compensation Event.

d) Noise Control and Vibration

The *Contractor* complies with noise and vibration criteria resulting from its activities. All construction equipment must be fitted with noise suppressors and used so that noise is minimised.

e) Restoration of Site

The *Contractor* reinstates to the satisfaction of the *Purchaser's Representative* all areas disturbed by the *Contractor*. Restoration includes remediation of any ground contaminated by incidents such as oil or fuel spills (particularly in fuel storage areas), appropriate re-vegetation and any other measures to restore the land to a condition at least similar to the existing conditions before disturbance.

f) Waste Management

The *Contractor* disposes of and will be solely responsible for disposal of all solid, liquid and gaseous contaminants, in accordance with the requirements of the local and regional statutory authorities.

Effluent from the amenities for which the *Contractor* is responsible shall be discharged into the local sewerage system, where available. Otherwise, septic tanks and portable self-contained toilets of suitable capacity may be used subject to acceptable arrangements for disposal of the effluent. Pit toilets are not permitted.

Littering or dumping of unwanted waste or disposal of surplus construction materials on any land on or around the site is not permitted.

Appropriate receptacles must be provided by the *Contractor* for depositing of litter and other waste materials, and their contents disposed off site to a suitable waste disposal station on a regular basis.

The *Contractor* must recycle and divert from landfill surplus soil, rock and other excavated or demolition materials, wherever this is practical. In addition, the *Contractor* must separately collect and stream quantities of waste concrete, bricks, blocks, timber, metals, plasterboard, paper and packaging, glass and plastics and offer them for recycling where practical.

Subject to the foregoing, all waste shall be removed from the site to approved locations. The *Contractor* shall not unlawfully spill, leak or emit environmentally harmful or ozone depleting substances.

g) Reporting

- d) Where scheduled deliveries are required, the delivery period(s) specified must be strictly complied with, unless otherwise requested by Transnet Freight Rail. Material supplied earlier than specified may not be paid for or may be returned by Transnet Freight Rail, with the *Contractor* being held liable for all expenses so incurred, e.g. transport charges, handling charges, etc.

- e) Indicate below the action that the Respondent proposes to take to ensure continuity of supply during non-working days or holidays and periods occupied in stocktaking or in effecting repairs to plant or in overhaul of plant which would ordinarily occur within the stated delivery lead time:

12. INSPECTION DETAILS

The Respondents must state the actual name(s) and address/addresses of the suppliers of the equipment for inspection purposes only:

DEPOT NAME	ADDRESS

13. IMPORTED CONTENT

The Respondents must state hereunder the value and percentage of the imported content as well as the country of origin in respect of each item tendered for:

RFP ITEM NO / DESCRIPTION.	VALUE	% COST	COUNTRY OF ORIGIN

Note: Where more than one country is applicable to one item, the Respondents must furnish this information separately.

The above basic requirements are in terms of Construction, Driven Machinery and General Machinery Regulations under the Occupational Health and Safety Act, Act 85 of 1993.



2. TECHNICAL SCHEDULE

ITEM	DESCRIPTION OF EQUIPMENT	NUMBER OF PLANT AVAILABLE	AVERAGE AGE OF EQUIPMENT	NUMBER OF CERTIFIED OPERATORS AVAILABLE
				PROVIDE DOCUMENTED PROOF
232	HIRE; LOADER SCOOP TYPE: EXCAVATOR WITH BUCKET			
681	HIRE, TRUCK, TANKER; WATER 15000 LITRE			
216	HIRE, TRUCK; TIPPER 6M3			
223	HIRE, ROLLER; VIBRATING 10T			
TBA	HIRE, ROLLER; PAD FOOT 10T			
222	HIRE, MACHINE; GRADER 140			
229	HIRE, BULLDOZER, EARTH MOVING; 4X4 TLB			
626	HIRE;BULLDOZER;EARTHMOVING D4 DOZER			
232	HIRE; LOADER SCOOP TYPE: EXCAVATOR WITH BUCKET			
681	HIRE, TRUCK, TANKER; WATER 15000 LITRE			
216	HIRE, TRUCK; TIPPER 6M3			
223	HIRE, ROLLER; VIBRATING 10T			

Respondent's Signature

Date & Company Stamp



3. TECHNICAL QUESTIONNAIRE

No	Item	Number (Days)	Yes Tick (Submit Proof)	No Tick
Health and Safety	Do you keep safety procedures			
	Do you keep daily inspection sheet on Equipment			
	Do you keep daily inspection sheet on Equipment			
	Do you keep safety incidence reports			
	Do you keep Environmental procedures			
	Do you have a valid Letter of good standing (COID)			
Method Statement	What is the number of days taken to establish plant on site after issuing Purchase order			
	What is the number of days taken to replace defective plant			
	What is the number of days taken to replace an Operator			

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	Do you have processes for establishing plant to designated sites			
	Do you keep equipment for refuelling Equipment			
Maintenance	Do you keep Maintenance records for equipment			
	Do you have a plant maintenance programme			
	Do you have a plant maintenance workshop			
	Do you keep CVs of Plant Maintenance Staff			
	Do you have processes for handling breakdowns			
	Do you keep Workshop inspection reports			
Resources	Do you have proof of ownership or a long-term lease agreement for Equipment			
	Do you have a list of your Operational Sites (as per Appendix iii paragraph 12)			
	What is the company's number of years' experience			

Respondent's Signature

Date & Company Stamp

Annexure D

PRICING SCHEDULE

entered into by and between

TRANSNET SOC LTD

Registration Number 1990/000900/30

and

Registration Number _____

RFP Number TPG CON 020/2013

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1. **PRICING SCHEDULE**

Description	Material/ Item No.	Unit	Est. Total	Rate	Amount
HIRE, TRUCK;TIPPER 10M3	216				
Shut work					
Establishment and de-establishment		each	30		
Hire rate (wet) for 12 ea. Tipper		hour	1080		
Overtime rate (wet) for 12 ea. Tipper		hour	1800		
Idle Time		hour	0		Rate only
Standby rate (excluding Operator) for 3 ea. Tipper		hour	720		
Post shut work					
Hire rate (wet) for 2 ea. Tipper		hour	180		
HIRE, MACHINE; GRADER 140	222				
Shut work					
Establishment and de-establishment		each	6		
Hire rate (wet) for 2 ea. Graders		hour	180		
Overtime rate (wet) for 2 ea. Graders		hour	300		
Idle Time		hour	0		Rate only
Standby rate (excluding Operator) for 1 ea. Grader		hour	240		

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Description	Material/ Item No.	Unit	Est. Total	Rate	Amount
Post shut work					
Hire rate (wet) for 1 ea. Grader		hour	45		
HIRE, BULLDOZER,EARTH MOVING;TLB 4X4	229				
Shut work					
Establishment and de-establishment		each	6		
Hire rate (wet) for 2 ea.TLB		hour	180		
Overtime rate (wet) for 2 ea. TLB		Hour	300		
Idle Time		hour	0		Rate only
Standby rate (excluding Operator) for 1 ea. Grader		Hour	240		
Post shut work					
Hire rate (wet) for 2 ea. TLB		Hour	180		
HIRE, BULLDOZER;D 4 DOZER	626				
Shut work					
Establishment and de-establishment		Each	6		
Hire rate (wet) for 2 ea. Dozer		Hour	180		
Overtime rate (wet) for 2 ea. Dozer		Hour	300		
Idle Time		hour	0		Rate only
Standby rate (excluding Operator) for 1 ea. Dozer		Hour	240		

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Description	Material/ Item No.	Unit	Est. Total	Rate	Amount
Post shut work					
Hire rate (wet) for 1 ea. Dozer		Hour	45		
HIRE, TRUCK, TANKER; WATER 15000L	681				
Shut work					
Establishment and de-establishment		Each	10		
Hire rate (wet) for 4 ea. Water Tanker		Hour	360		
Overtime rate (wet) for 4 ea. Water Tanker		Hour	600		
Idle Time		hour	0		Rate only
Standby rate (excluding Operator) for 1 ea. Water Tanker		Hour	240		
Post shut work					
Hire rate (wet) for 1 ea. Water Tanker		Hour	45		
HIRE, ROLLER; VIBRATING 10T	223				
Shut work					
Establishment and de-establishment		Each	6		
Hire rate (wet) for 2 ea. Roller		Hour	180		
Overtime rate (wet) for 2 ea. Roller		Hour	300		
Idle Time		hour	0		Rate only
Standby rate (excluding Operator) for 1 ea. Roller		Hour	240		

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Description	Material/ Item No.	Unit	Est. Total	Rate	Amount
Post shut work					
Hire rate (wet) for 1 ea. Roller		Hour	45		
HIRE, LOADER;950 FRONT END	227				
Shut work					
Establishment and de-establishment		Each	6		
Hire rate (wet) for 2 ea. Front End Loader		Hour	180		
Overtime rate (wet) for 2 ea. Front End Loader		Hour	300		
Idle Time		hour	0		Rate only
Standby rate (excluding Operator) for 1 ea. Front End Loader		Hour	240		
HIRE, LOADER, SCOOP TYPE;EXCAVATORS 20T	232				
Shut work					
Establishment and de-establishment		Each	6		
Hire rate (wet) for 2 ea. Excavator		Hour	180		
Overtime rate (wet) for 2 ea. Excavator		Hour	300		
Idle Time		hour	0		Rate only
Standby rate (excluding Operator) for 1 ea. Excavator		Hour	240		

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Description	Material/ Item No.	Unit	Est. Total	Rate	Amount
HIRE, ROLLER; PAD FOOT 10T	TBA				
Shut work					
Establishment and de- establishment		Each	6		
Hire rate (wet) for 2 ea. Pad foot Roller		Hour	180		
Overtime rate (wet) for 2 ea. Pad foot Roller		Hour	300		
Idle Time		hour	0		Rate only
Standby rate (excluding Operator) for 1 ea. Pad foot Roller		Hour	240		

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Appendix (i)

GENERAL BID CONDITIONS - SERVICES

[October 2012]

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1 DEFINITIONS

Where the following words or phrases are used in this Agreement, such words or phrases shall have the meaning assigned thereto in this clause, except where the context clearly requires otherwise:

- 1.1 **Bid** shall mean a Respondent's tendered response / proposal to a Transnet RFP or RFQ;
- 1.2 **Bid Document(s)** shall mean a reference to a Request for Proposal or Request for Quotation;
- 1.3 **Day** shall mean any day other than a Saturday, Sunday or public holiday;
- 1.4 **Respondent(s)** shall mean a respondent/bidder to a Bid Document;
- 1.5 **RFP** shall mean Request for Proposal;
- 1.6 **RFQ** shall mean Request for Quotation;
- 1.7 **RFX** shall mean RFP or RFQ, as the case may be;
- 1.8 **Services** shall mean the services required by Transnet as specified in its Bid Document;
- 1.9 **Service Provider** shall mean the successful Respondent;
- 1.10 **Tax Invoice** shall mean the document as required by Section 20 of the Value-Added Tax Act, 89 of 1991, as may be amended from time to time;
- 1.11 **Transnet** shall mean Transnet SOC Ltd, a State Owned Company; and
- 1.12 **VAT** shall mean Value-Added Tax in terms of the Value-Added Tax Act, 89 of 1991, as may be amended from time to time.

2 GENERAL

All Bid Documents and subsequent contracts and orders shall be subject to the following general conditions as laid down by Transnet and are to be strictly adhered to by any Respondent to this RFX.

3 SUBMISSION OF BID DOCUMENTS

- 3.1 A Bid, which shall hereinafter include reference to an RFP or RFQ, shall be submitted to Transnet no later than the closing date and time specified in accordance with the directions issued in the Bid Documents. Late Bids will not be considered.
- 3.2 Bids shall be delivered in a sealed envelope in accordance with the instructions indicated in the Bid Documents with the Bid number and subject marked on the front of the envelope.
- 3.3 The Respondent's return address must be stated on the reverse side of the sealed envelope.

4 USE OF BID FORMS

- 4.1 Where special forms are issued by Transnet for the submission of Bids, Respondents are required to submit their Bids by completion of the appropriate sections on such official forms and not in other forms or documents bearing their own terms and conditions of contract. Non-compliance with this condition may result in the rejection of a Bid.
- 4.2 Respondents must note that the original Bid forms must be completed for submission and not a reprocessed copy thereof.

- 4.3 Only if insufficient space has been allocated for a particular response may a Respondent submit additional information under separate cover using its company's letterhead. This must be duly cross-referenced in the RFX.

5 BID FEES

- 5.1 A non-refundable fee may be charged for Bid Documents, depending on the administrative cost of preparing and issuing such Bid Documents.
- 5.2 Only Respondents that have paid the Bid fee and provided proof of payment when submitting their Bid will be considered.

6 VALIDITY PERIOD

- 6.1 Respondents must hold their Bid valid for acceptance by Transnet at any time within the requested validity period after the closing date of the RFX.
- 6.2 Respondents may be requested to extend their validity period for a specified additional period. In such instances, Respondents will not be allowed to change any aspect of their Bid, unless they are able to demonstrate that the proposed change(s) is as a direct and unavoidable consequence of Transnet's extension of the validity period.

7 SITE VISIT / BRIEFING SESSION

Respondents may be requested to attend (i) a site visit where it is considered necessary to view the site prior to the preparation of Bids, or (ii) an RFX briefing session when Transnet deems it necessary to provide Respondents with additional information relevant to the compilation of their Bids. When such visits or sessions are indicated as compulsory in the Bid Document, Respondents are obliged to attend these meetings as failure to do so will result in their disqualification.

8 CLARIFICATION BEFORE THE CLOSING DATE

Should clarification be required on any aspect of the RFX before the closing date, the Respondent must direct such queries to the contact person identified in the Bid Document.

9 COMMUNICATION AFTER THE CLOSING DATE

After the closing date of a Bid [i.e. during the evaluation period] the Respondent may only communicate with the Secretary of the relevant Acquisition Council.

10 UNAUTHORISED COMMUNICATION ABOUT BIDS

Where Bids are submitted to the Secretary of an Acquisition Council, Respondents may at any time communicate with the Secretary on any matter relating to its Bid but, in the absence of written authority from the Secretary, no communication on a question affecting the subject of a Bid shall take place between Respondents or other potential service providers or any member of the Acquisition Council or official of Transnet during the period between the closing date for the receipt of the Bid and the date of the notification of the successful Respondent(s). A Bid, in respect of which any such unauthorised communication has occurred, could be disqualified.

11 RETURNABLE DOCUMENTS

All returnable documents listed in the RFX Documents must be submitted with Respondent's Bid. Failure to submit mandatory returnable schedules / documents will result in disqualification. Failure to submit other schedules / documents may result in disqualification.

12 DEFAULTS BY RESPONDENTS

12.1 If the Respondent, after it has been notified of the acceptance of its Bid fails to:

- a) enter into a formal contract when called upon to do so within such period as Transnet may specify; or
 - b) accept an order in terms of the Bid;
 - c) furnish satisfactory security when called upon to do so for the fulfilment of the contract; or
 - d) comply with any condition imposed by Transnet,
- Transnet may, in any such case, without prejudice to any other legal remedy which it may have, proceed to accept any other Bid or, if it is necessary to do so, call for Bids afresh, and may recover from the defaulting Respondent any additional expense incurred by Transnet in calling for new offers or in accepting a less favourable offer.

12.2 If any Respondent, who has submitted a Bid and/or concluded a contract with Transnet [hereinafter referred to as the **Service Provider**] or in the capacity of agent or subcontractor who has been associated with such Bid or contract:

- a) has withdrawn such Bid after the advertised date and hour for the receipt of Bids; or
- b) has, after having been notified of the acceptance of its Bid, failed or refused to sign a contract when called upon to do so in terms of any condition forming part of the Bid Documents; or
- c) has carried out any contract resulting from such Bid in an unsatisfactory manner or has breached any condition of such contract; or
- d) has offered, promised or given a bribe in relation to the obtaining or the execution of such contract; or
- e) has acted in a fraudulent or improper manner or in bad faith towards Transnet or any government department or towards any public body, company or person; or
- f) has made any misleading or incorrect statement either
 - (i) in the affidavit or certificate referred to in clause 18 *Notice to Unsuccessful Respondents*; or
 - (ii) in any other document submitted as part of its Bid submission and is unable to prove to the satisfaction of Transnet that
 - it made the statement in good faith honestly believing it to be correct; and
 - before making such statement, it took all reasonable steps to satisfy itself of its correctness; or
- g) caused Transnet damage, or to incur costs in order to meet the Service Provider's requirements which could not be recovered from the Service Provider;
- h) has litigated against Transnet in bad faith;

- i) has been found guilty by a court of law, tribunal or other administrative body of a serious breach of any law, during the preceding 5 [five] years;
- j) has been included as a company or person prohibited from doing business with the public sector on National Treasury's database of Restricted Suppliers or Register of Bid Defaulters; then a Bid from any such Respondent shall be disqualified and the person, enterprise or company [including any directors] shall, subject to clause 12.3 below, be disqualified from bidding for any Transnet business through its "blacklisting" process.

12.3 Any person or enterprise or company against whom a decision to blacklist has been taken, may make representations to the Chief Financial Officer of Transnet SOC Ltd, whose decision shall be final.

12.4 Any disqualification [**Blacklisting**] imposed upon any person or enterprise or company, may also apply to any other enterprise under the same or different names of disqualified persons or enterprise or company [or associates thereof] and may also be applied to any agent or employee of the person or enterprise or company concerned.

13 CURRENCY

All monetary amounts referred to in a Bid response must be in Rand, the currency of the Republic of South Africa [ZAR], save to the extent specifically permitted in the RFX.

14 PRICES SUBJECT TO CONFIRMATION

14.1 Prices which are quoted subject to confirmation will not be considered.

14.2 Firm prices quoted for the duration of any resulting order and/or contract will receive precedence over prices which are subject to fluctuation if this is in Transnet's best interests.

15 ALTERATIONS MADE BY THE RESPONDENT TO BID PRICES

All alterations made by the Respondent to its Bid price(s) prior to the submission of its Bid Documents must be done by deleting the incorrect figures and words where required and by inserting the correct figures and words against the items concerned. All such alterations must be initiated by the person who signs the Bid Documents. Failure to observe this requirement may result in the particular item(s) concerned being excluded in the matter of the award of the business.

16 EXCHANGE AND REMITTANCE

16.1 The Respondent should note that where the whole or a portion of the contract or order value is to be remitted overseas, Transnet shall, if requested to do so by the Service Provider, effect payment overseas directly to the foreign principal of such percentage of the contract or order value as may be stipulated by the Respondent in its Bid Documents.

16.2 In instances where an overall Rand agreement cannot be concluded Transnet would request the Respondent to give favourable consideration to obtaining forward exchange cover on the foreign currency portion of the contract at a cost that is acceptable to Transnet to protect itself against any currency rate fluctuation risks for the duration of any resulting contract or order.

16.3 The Respondent who desires to avail itself of the aforementioned facility must at the time of bidding furnish the information called for in the *Exchange and Remittance* section of the Bid Documents and also furnish full details of the principals to whom payment is to be made.

16.4 The South African Reserve Bank's approval is required before any foreign currency payments can be made to or on behalf of Respondents.

16.5 Transnet will not recognise any claim for adjustment of the order and/or contract price if the increase in price arises after the date on which agreement on an overall Rand contract has been reached.

17 ACCEPTANCE OF BID

17.1 Transnet does not bind itself to accept the lowest priced or any Bid.

17.2 Transnet reserves the right to accept any Bid in whole or in part.

17.3 Upon the acceptance of a Bid by Transnet, the parties shall be bound by these General Bid Conditions ~~and any contractual terms and/or any schedule of "Special Conditions"~~ or otherwise which form part of the Bid Documents.

17.4 Where the Respondent has been informed by Transnet per fax message or email of the acceptance of its Bid, the acknowledgement of receipt transmitted shall be regarded as proof of delivery to the Respondent.

18 NOTICE TO UNSUCCESSFUL RESPONDENTS

Unsuccessful Respondents shall be advised in writing that their Bids have not been accepted as soon as possible after the closing date of the Bid. On award of business to the successful Respondent all unsuccessful Respondents shall be informed of the name of the successful Respondent and of the reason as to why their Bids have not been successful.

19 TERMS AND CONDITIONS OF CONTRACT

19.1 The Service Provider shall adhere to the Terms and Conditions of Contract issued with the Bid Documents, together with any schedule of "Special Conditions" or otherwise which form part of the Bid Documents.

19.2 Should the Respondent find any conditions unacceptable, it should indicate which conditions are unacceptable and offer amendments/ alternatives by written submission on its company letterhead. Any such submission shall be subject to review by Transnet's Legal Counsel who shall determine whether the proposed amendments/ alternative(s) are acceptable or otherwise, as the case may be.

20 CONTRACT DOCUMENTS

20.1 The contract documents will comprise these General Bid Conditions, the Terms and Conditions of Contract and any schedule of "Special Conditions" which form part of the Bid Documents.

20.2 The abovementioned documents together with the Respondent's Bid response will constitute the contract between the parties upon receipt by the Respondent of Transnet's letter of award / intent, subject to all additional amendments and/or special conditions thereto as agreed to by the parties.

20.3 Should Transnet inform the Respondent that a formal contract will be signed, the abovementioned documents together with the Respondent's Bid response [and, if any, its covering letter and any subsequent exchange of correspondence] as well as Transnet's Letter of Intent, shall constitute a binding contract until the final contract is signed.

21 LAW GOVERNING CONTRACT

The law of the Republic of South Africa shall govern the contract created by the acceptance of a Bid. The *domicilium citandi et executandi* shall be a place in the Republic of South Africa to be specified by the Respondent in its Bid at which all legal documents may be served on the Respondent who shall agree to submit to the jurisdiction of the courts of the Republic of South Africa. A foreign Respondent shall, therefore, state in its Bid the name of its authorised representative in the Republic of South Africa who is empowered to sign any contract which may be entered into in the event of its Bid being accepted and to act on its behalf in all matters relating to the contract.

22 IDENTIFICATION

If the Respondent is a company, the full names of the directors shall be stated in the Bid. If the Respondent is a close corporation, the full names of the members shall be stated in the Bid. If the Respondent is a partnership or an individual trading under a trade name, the full names of the partners or of such individual, as the case may be, shall be furnished.

23 CONTRACTUAL SECURITIES

23.1 The successful Respondent, when called upon to do so, shall provide security to the satisfaction of Transnet for the due fulfilment of a contract or order. Such security shall be in the form of an advanced payment guarantee (APG) and/or a performance bond [Performance Bond], as the case may be, to be furnished by an approved bank, building society, insurance or guarantee corporation carrying on business in South Africa.

23.2 The security may be applied in whole or part at the discretion of Transnet to make good any loss or damage which Transnet may incur in consequence of a breach of the contract or any part thereof.

23.3 Such security, if required, shall be an amount which will be stipulated in the Bid Documents.

23.4 The successful Respondent shall be required to submit to Transnet or Transnet's designated official the specified security document(s) within 30 [thirty] Days from the date of signature of the contract. Failure to return the securities within the prescribed time shall, save where prior extension has been granted, entitle Transnet without notice to the Service Provider to cancel the contract with immediate effect.

23.5 Additional costs incurred by Transnet necessitated by reason of default on the part of the Service Provider in relation to the conditions of this clause 23 will be for the account of the Service Provider.

24 DELETION OF ITEMS TO BE EXCLUDED FROM BID

The Respondent must delete items for which it does not wish to tender.

25 VALUE-ADDED TAX

25.1 In respect of local Services, i.e. Services to be rendered in the Republic of South Africa, the prices quoted by the Respondent are to be exclusive of VAT which must be shown separately at the standard rate on the Tax Invoice.

25.2 In respect of foreign Services rendered:

- a) the invoicing by a South African Service Provider on behalf of its foreign principal rendering such Service represents a Service rendered by the principal; and

- b) the Service Provider's Tax Invoice(s) for the local portion only [i.e. the "commission" for the Services rendered locally] must show the VAT separately.

26 IMPORTANT NOTICE TO RESPONDENTS REGARDING PAYMENT

26.1 Method of Payment

- a) The attention of the Respondent is directed to the Terms and Conditions of Contract which set out the conditions of payment on which Bid price(s) shall be based.
- b) However, in addition to the foregoing the Respondent is invited to submit offers based on alternative methods of payment and/or financing proposals.
- c) The Respondent is required to give full particulars of the terms that will be applicable to its alternative offer(s) and the financial merits thereof will be evaluated and taken into consideration when the Bid is adjudicated.
- d) The Respondent must, therefore, in the first instance, tender strictly in accordance with clause 26.1a) above. Failure to comply with clause 26.1a) above may preclude a Bid from further consideration.

NOTE: The successful Respondent [the **Service Provider**], where applicable, shall be required to furnish a guarantee covering any advance payments, as set out in clause 23 above [*Contractual Securities*].

26.2 Conditional Discount

Respondents offering prices which are subject to a conditional discount applicable for payment within a specific period are to note that the conditional period will be calculated from the date of receipt by Transnet of the Service Provider's month-end statement reflecting the relevant Tax Invoice(s) for payment purposes, provided the conditions of the order or contract have been fulfilled and the Tax Invoice is correct in all respects in terms of the contract on order. Incomplete and/or incorrect Tax Invoices shall be returned and the conditional discount period will be recalculated from the date of receipt of the correct documentation.

27 DELIVERY REQUIREMENTS

27.1 Period Contracts

It will be a condition of any resulting contract/order that the delivery period embodied therein will be governed by the provisions of the Terms and Conditions of Contract.

27.2 Progress Reports

The Service Provider may be required to submit periodical progress reports with regard to the delivery of the Services.

27.3 Emergency Demands as and when required

If, due to unforeseen circumstances, the rendering of the Services covered by the Bid are required at short notice for immediate delivery, the Service Provider will be given first right of refusal for such business. If it is unable to meet the desired critical delivery period, Transnet reserves the right to purchase such services as may be required to meet the emergency outside the contract if immediate delivery can be offered from any other source. The "*Total or Partial Failure to Perform the Scope of*

Services” section in the Terms and Conditions of Contract will not be applicable in these circumstances.

28 SPECIFICATIONS AND COPYRIGHT

28.1 Specifications

The Respondent should note that, unless notified to the contrary by Transnet or a designated official by means of an official amendment to the Bid Documents, it is required to tender for the Services strictly in accordance with the specifications supplied by Transnet.

28.2 Copyright

Copyright in plans, drawings, diagrams, specifications and documents compiled by the Service Provider for the purpose of contract work shall be governed by the *Intellectual Property Rights* section in the Terms and Conditions of Contract.

29 BIDS BY OR ON BEHALF OF FOREIGN RESPONDENTS

29.1 Bids submitted by foreign principals may be forwarded directly by the principals or by its South African representative or agent to the Secretary of the Acquisition Council or to a designated official of Transnet according to which ever officer is specified in the Bid Documents.

29.2 In the case of a representative or agent, written proof must be submitted to the effect that such representative or agent has been duly authorised to act in that capacity by the principal. Failure to submit such authorisation by the representative or agent shall disqualify the Bid.

29.3 When legally authorised to prepare and submit Bids on behalf of their principals not domiciled in the Republic of South Africa, representatives or agents must compile the Bids in the names of such principals and sign them on behalf of the latter.

29.4 South African representatives or agents of a successful foreign Respondent must when so required enter into a formal contract in the name of their principals and must sign such contract on behalf of the latter. In every such case a legal Power of Attorney from their principals must be furnished to Transnet by the South African representative or agents authorising them to enter into and sign such contract.

a) Such Power of Attorney must comply with Rule 63 [Authentication of documents executed outside the Republic for use within the Republic] of the Uniform Rules of Court: Rules regulating the conduct of the proceedings of the several provincial and local divisions of the Supreme Court of South Africa.

b) The Power of Attorney must be signed by the principal under the same title as used in the Bid Documents.

c) If a Power of Attorney held by the South African representative or agent includes matters of a general nature besides provision for the entering into and signing of a contract with Transnet, a certified copy thereof should be furnished.

d) The Power of Attorney must authorise the South African representative or agent to choose the *domicilium citandi et executandi* as provided for in the Terms and Conditions of Contract.

29.5 If payment is to be made in South Africa, the foreign Service Provider [i.e. the principal, or its South African agent or representative], must notify Transnet in writing whether, for payment by electronic funds transfer [LEFT]:

- a) funds are to be transferred to the credit of the foreign Service Provider's account at a bank in South Africa, in which case the name and branch of such bank shall be furnished; or
- b) funds are to be transferred to the credit of its South African agent or representative, in which case the name and branch of such bank shall be furnished.

30 CONFLICT WITH BID DOCUMENT

Should a conflict arise between these General Bid Conditions and the Bid Document issued, the conditions stated in the Bid Document shall prevail.

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Appendix (ii)

STANDARD TERMS AND CONDITIONS OF CONTRACT
FOR THE PROVISION OF SERVICES TO TRANSNET
[October 2017]

PREVIEW COPY ONLY

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1 INTRODUCTION

When an Agreement is entered into between Transnet SOC Ltd [**Transnet**] and the appointed supplier of Services to Transnet [**the Service Provider**], these Standard Terms and Conditions of Contract, the technical specifications for the Services, a Work Order including such special conditions as may be applicable, and any terms in the associated Bid Documents, exclusively govern the provision of Services by the Service Provider to Transnet.

2 DEFINITIONS

Where the following words or phrases are used in the Agreement, such words or phrases shall have the meaning assigned thereto in this clause, except where the context clearly requires otherwise:

- 2.1 **ARSA** means the Arbitration Foundation of South Africa;
- 2.2 **Agreement** means the Agreement and its associated schedules and/or annexures and/or appendices, including the Work Order(s), specifications for the Services and such special conditions as shall apply to the Agreement, together with the General Tender Conditions and any additional provisions in the associated bid documents tendered by the Service Provider [as agreed in writing between the Parties], which collectively and exclusively govern the provision of Services by the Service Provider to Transnet;
- 2.3 **Background Intellectual Property** means all Intellectual Property introduced and required by either Party to give effect to their obligations under the Agreement owned in whole or in part by or licensed to either Party or their affiliates prior to the Commencement Date or developed after the Commencement Date otherwise pursuant to the Agreement;
- 2.4 **Business Day(s)** means Mondays to Fridays between 07:30 and 16:00, excluding public holidays as proclaimed in South Africa;
- 2.5 **Commencement Date** means, notwithstanding the signature date of the Agreement;
- 2.6 **Confidential Information** means any information or other data, whether in written, oral, graphic or in any other form such as in documents, papers, memoranda, correspondence, notebooks, reports, drawings, diagrams, discs, articles, samples, test results, prototypes, designs, plans, formulae, patents, or inventor's certificates, which a Party discloses or provides to the other Party [intentionally or unintentionally, or as a result of one Party permitting the representative of the other Party to visit any of its premises], or which otherwise becomes known to a Party, and which is not in the public domain and includes, without limiting the generality of the term:
 - a) information relating to methods of operation, data and plans of the disclosing Party;
 - b) the contents of the Agreement;
 - c) private and personal details of employees or clients of the disclosing Party or any other person where an onus rests on the disclosing Party to maintain the confidentiality of such information;
 - d) any information disclosed by either Party and which is clearly marked as being confidential or secret;
 - e) information relating to the strategic objectives and planning of the disclosing Party relating to its existing and planned future business activities;

- f) information relating to the past, present and future research and development of the disclosing Party;
- g) information relating to the business activities, business relationships, products, services, customers, clients and Subcontractors of the disclosing Party where an onus rests on the disclosing Party to maintain the confidentiality of such information;
- h) information contained in the software and associated material and documentation belonging to the disclosing Party;
- i) technical and scientific information, Know-How and trade secrets of a disclosing Party including inventions, applications and processes;
- j) Copyright works;
- k) commercial, financial and marketing information;
- l) data concerning architecture, demonstrations, tools and techniques, processes, machinery and equipment of the disclosing Party;
- m) plans, designs, concepts, drawings, functional and technical requirements and specifications of the disclosing Party;
- n) information concerning faults or defects in goods, equipment, hardware or software or the incidence of such faults or defects; and
- o) information concerning the charges, Fees and / or costs of the disclosing Party or its authorised Subcontractors, or their methods, practices or service performance levels actually achieved;

2.7 **Copyright** means the right in expressions, procedures, methods of operations or mathematical concepts, computer program codes, compilations of data or other material, literary works, musical works, artistic works, sound recordings, broadcasts, program carrying signals, published editions, photographic works, or cinematographic works of the copyright owner to do or to authorise the doing of certain acts specified in respect of the different categories of works;

2.8 **Default** means any breach of the obligations of either Party [including but not limited to fundamental breach or breach of a fundamental term] or any Default, act, omission, negligence or statement of either Party, its employees, agents or Subcontractors in connection with or in relation to the subject of the Agreement and in respect of which such Party is liable to the other;

2.9 **Deliverable(s)** means any and all works of authorship, products and materials developed, written, prepared, assembled, integrated, modified or provided by the Service Provider in relation to the Services;

2.10 **Designs** mean registered Designs and/or Design applications and will include the monopoly right granted for the protection of an independently created industrial design including designs dictated essentially by technical or functional considerations as well as topographies of integrated circuits and integrated circuits;

2.11 **Fee(s)** shall mean the agreed Fees for the Services to be purchased from the Service Provider by Transnet, as detailed in the Work Order(s), issued in accordance with the Agreement, as amended by mutual agreement between the Parties and in accordance with the provisions of the Agreement from time to time;

2.12 **Foreground Intellectual Property** means all Intellectual Property developed by either Party pursuant to the Agreement;

- 2.13 **Intellectual Property** means Patents, Designs, Know-How, Copyright and Trade Marks and all rights having equivalent or similar effect which may exist anywhere in the world and includes all future additions and improvements to the Intellectual Property;
- 2.14 **Know-How** means all Confidential Information of whatever nature relating to the Intellectual Property and its exploitation as well as all other Confidential Information generally relating to Transnet's field of technology, including technical information, processing or manufacturing techniques, Designs, specifications, formulae, systems, processes, information concerning materials and marketing and business information in general;
- 2.15 **Materials** means the Deliverables, the Service Provider Materials and the Third Party Materials;
- 2.16 **Parties** mean the Parties to the Agreement together with their subsidiaries, divisions, business units, successors-in-title and their assigns;
- 2.17 **Party** means either one of these Parties;
- 2.18 Patents mean registered Patents and Patent applications, once the latter have proceeded to grant, and includes a right granted for any inventions, products or processes in all fields of technology;
- 2.19 **Permitted Purpose** means any activity or process to be undertaken or supervised by Personnel or employees of one Party during the term of the Agreement, for which purpose authorised disclosure of the other Party's Confidential Information or Intellectual Property is a prerequisite in order to enable such activity or process to be accomplished;
- 2.20 **Personnel** means any partner, employee, agent, consultant, independent associate or supplier, Subcontractor and the staff of such Subcontractor, or other authorised representative of either Party;
- 2.21 **Purchase Order(s)** means official orders issued by an operating division of Transnet to the Service Provider for the provision of Services;
- 2.22 **Service(s)** means **Supply and Delivery of Earthmoving Equipment and Services for the Greater Gauteng Region on an as and when hire basis for a period of twenty four months**, the Service(s) provided to Transnet by the Service Provider, pursuant to the Work Order(s) in terms of the Agreement;
- 2.23 **Service Level Agreement** or **SLA** means the processes, deliverables, key performance indicators and performance standards relating to the Services to be provided by the Service Provider;
- 2.24 **Subcontract** means any contract or agreement or proposed contract or agreement between the Service Provider and any third party whereby that third party agrees to provide to the Service Provider the Services or any part thereof;
- 2.25 **Subcontractor** means the third party with whom the Service Provider enters into a Subcontract;
- 2.26 **Service Provider Materials** means all works of authorship, products and materials [including, but not limited to, data, diagrams, charts, reports, specifications, studies, inventions, software, software development tools, methodologies, ideas, methods, processes, concepts and techniques] owned by, or licensed to, the Service Provider prior to the Commencement Date or independently developed by the Service Provider outside the scope of the Agreement at no expense to Transnet, and used by the Service Provider in the performance of the Services;
- 2.27 **Tax Invoice** means the document as required by Section 20 of the Value-Added Tax Act, 89 of 1991, as may be amended from time to time;

2.28 **Third Party Material** means software, software development tools, methodologies, ideas, methods, processes, concepts and techniques owned by, or licensed to a third party and used by the Service Provider in the performance of the Services;

2.29 **Trade Marks** mean registered Trade Marks and trade mark applications and includes any sign or logo, or combination of signs and/or logos capable of distinguishing the goods or services of one undertaking from those of another undertaking;

2.30 **VAT** means Value-Added Tax chargeable in terms of the Value-Added Tax Act, 89 of 1991, as may be amended from time to time; and

2.31 **Work Order(s)** means a detailed scope of work for a Service required by Transnet, including timeframes, Deliverable, Fees and costs for the supply of the Service to Transnet, which may be appended to the Agreement from time to time.

3 INTERPRETATION

3.1 Clause headings in the Agreement are included for ease of reference only and do not form part of the Agreement for the purposes of interpretation or for any other purpose. No provision shall be construed against or interpreted to the disadvantage of either Party hereto by reason of such Party having or being deemed to have structured or drafted such provision.

3.2 Any term, word, acronym or phrase used in the Agreement, other than those defined under the clause heading "Definitions" shall be given its plain English meaning, and those terms, words, acronyms, and phrases used in the Agreement will be interpreted in accordance with the generally accepted meanings accorded thereto.

3.3 A reference to the singular incorporates a reference to the plural and *vice versa*.

3.4 A reference to natural persons incorporates a reference to legal persons and *vice versa*.

3.5 A reference to a particular gender incorporates a reference to the other gender.

4 NATURE AND SCOPE

4.1 The Agreement is an agreement under the terms and conditions of which the Service Provider will arrange for the provision to Transnet of the Services which meet the requirements of Transnet, the delivery of which Services is controlled by means of Purchase Orders to be issued by Transnet and executed by the Service Provider, in accordance with the Agreement.

4.2 Such Purchase Orders shall be agreed between the Parties from time to time, subject to the terms of the relevant Work Order(s).

4.3 Each properly executed Purchase Order forms an inseparable part of the Agreement as if it were fully incorporated into the body of the Agreement.

4.4 During the period of the Agreement, both Parties can make written suggestions for amendments to the Work Order(s), in accordance with procedures set out in clause 28 [*Amendment and Change Control*] below. A Party will advise the other Party within 14 [fourteen] Business Days, or such other period as mutually agreed, whether the amendment is acceptable.

4.5 Insofar as any term, provision or condition in the Work Order(s) conflicts with a like term, provision or condition in the Agreement and/or a Purchase Order, or where the Agreement is silent on the matter, the term, provision or condition in this Master Agreement shall prevail, unless such term or provision or condition in this Master Agreement has been specifically revoked or amended by mutual written agreement between the Parties.

- 4.6 Time will be of the essence and the Service Provider will perform its obligations under the Agreement in accordance with the timeframe(s) [if any] set out in the relevant schedule, save that the Service Provider will not be liable under this clause if it is unable to meet such obligation within the time required as a direct result of any act or omission by Transnet and it has used its best endeavours to advise Transnet of such act or omission. In the event of such delay, any time deadlines detailed in the relevant schedule shall be extended by a period equal to the period of that delay.

5 AUTHORITY OF PARTIES

- 5.1 Nothing in the Agreement will constitute or be deemed to constitute a partnership between the Parties, or constitute or be deemed to constitute the Parties as agents or employees of one another for any purpose or in any form whatsoever.
- 5.2 Neither Party shall be entitled to, or have the power or authority to enter into an agreement in the name of the other, or give any warranty, representation or undertaking on the other's behalf, or create any liability against the other or bind the other's credit in any way or for any purpose whatsoever.

6 WARRANTIES

- 6.1 The Service Provider warrants to Transnet that:
- a) it has full capacity and authority to enter into and to perform the Agreement and that the Agreement is executed by a duly authorised representatives of the Service Provider;
 - b) it will discharge its obligations under the Agreement and any annexure, appendix or schedule hereto with all due skill, care and diligence;
 - c) it will be solely responsible for the payment of remuneration and associated benefits, if any, of its Personnel and for withholding and remitting income tax for its Personnel in conformance with any applicable laws and regulations;
 - d) it will procure licences for Transnet in respect of all Third Party Material detailed in the Work Order(s), and will procure the right for Transnet to take such copies [in whole or in part] of such Third Party Materials as it may reasonably require for the purposes of back-up for archiving and disaster recovery; and
 - e) the use or possession by Transnet of any Materials will not subject Transnet to any claim for infringement of any Intellectual Property Rights of any third party.
- 6.2 The Service Provider warrants that it will perform its obligations under the Agreement in accordance with the Service Levels as defined in the relevant schedule. Transnet may at its discretion audit compliance with the Service Levels, provided that any such audit is carried out with reasonable prior notice and in a reasonable way so as not to have an adverse effect on the performance of the Services. Without prejudice to clause 6.3 below, in the event that the Service Provider fails to meet the Service Levels, Transnet may claim appropriate service credits or invoke a retention of Fees as detailed in the relevant schedule and/or Work Order.
- 6.3 The Service Provider warrants that for a period of 90 [ninety] days from Acceptance of the Deliverables they will, if properly used, conform in all material respects with the requirements set out in the relevant schedule. The Service Provider will at its expense remedy any such non-conformance as soon as possible but in any event within 30 [thirty] days of notification by

Transnet. In the event that the Service Provider fails or is unable to remedy such non-conformance within such time-scale, Transnet will be entitled to employ a third party to do so in place of the Service Provider and any excess charges or costs incurred by Transnet as a result shall be paid by the Service Provider.

6.4 The Service Provider will remedy any defect within 30 [thirty] days of being notified of that defect by Transnet in writing.

6.5 The Service Provider will not be liable to remedy any problem arising from or caused by any modification made by Transnet to the Deliverables, or any part thereof, without the prior approval of the Service Provider.

6.6 The Service Provider shall advise Transnet of the effects of any steps proposed by Transnet pursuant to clause 6.5 above, including but not limited to any cost implications or any disruption or delay in the performance of the Services. The Parties agree that any changes to the Services, including the charges for the Services or any timetables for delivery of the Services, will be agreed in accordance with the change control procedure, as set out in clause 28 [Amendment and Change Control].

6.7 The Service Provider warrants that:

- a) it has, using the most up-to-date software available, tested for [and deleted] all commonly known viruses in the Materials and for all viruses known by the Service Provider at the date of the relevant Work Order; and
- b) at the time of delivery to Transnet, the Materials do not contain any trojan horse, worm, logic bomb, time bomb, back door, trap door, keys or other harmful components.

The Service Provider agrees that, in the event that a virus is found, it will at its own expense use its best endeavours to assist Transnet in reducing the effect of the virus and, particularly in the event that a virus causes loss of operational efficiency or loss of data, to assist Transnet to the same extent to mitigate such losses and to restore Transnet to its original operating efficiency.

6.8 The Service Provider undertakes to comply with South Africa's general privacy protection in terms of Section 14 of the Bill of Rights in connection with the Agreement and shall procure that its Personnel shall observe the provisions of Section 14 [as applicable], or any amendments and re-enactments thereof and any regulations made pursuant thereto.

6.9 The Service Provider warrants that it has taken all reasonable precautions to ensure that, in the event of a disaster, the impact of such disaster on the ability of the Service Provider to comply with its obligations under the Agreement will be reduced to the greatest extent possible, and that the Service Provider shall ensure that it has appropriate, tested and documented recovery arrangements in place.

6.10 In compliance with the National Railway Safety Regulator Act, 16 of 2002, the Service Provider shall ensure that the Services, to be supplied to Transnet under the terms and conditions of the Agreement, comply fully with the specifications as set forth in Schedule 1 hereto, and shall thereby adhere [as applicable] to railway safety requirements and/or regulations. Permission for the engagement of a Subcontractor by the Service Provider [as applicable] shall be subject to a review of the capability of the proposed Subcontractor to comply with the specified railway safety requirements and/or regulations. The Service Provider and/or its Subcontractor shall grant Transnet access, during the term of the Agreement, to review any safety-related activities, including the coordination of such activities across all parts of its organisation.

7 TRANSNET'S OBLIGATIONS

- 7.1 Transnet undertakes to promptly comply with any reasonable request by the Service Provider for information, including information concerning Transnet's operations and activities, that relates to the Services as may be necessary for the Service Provider to perform the Services, but for no other purpose. However, Transnet's compliance with any request for information is subject to any internal security rules and requirements and subject to the observance by the Service Provider of its confidentiality obligations under the Agreement.

- 7.2 The Service Provider shall give Transnet reasonable notice of any information it requires in accordance with clause 7.1 above.

- 7.3 Subject to clause 13 [*Service Provider's Personnel*], Transnet agrees to provide the Service Provider or its Personnel such access to and use of its facilities as is necessary to allow the Service Provider to perform its obligations under the Agreement.

8 GENERAL OBLIGATIONS OF THE SERVICE PROVIDER

- 8.1 The Service Provider shall:

- a) respond promptly to all complaints and enquiries from Transnet;
- b) inform Transnet immediately of any dispute or complaint arising in relation to the provision of the Services;
- c) conduct its business in a professional manner that will reflect positively upon the Service Provider and the Service Provider's Services;
- d) keep full records clearly indicating all transactions concluded by the Service Provider relating to the performance of the Services and keep such records for at least 5 [five] years from the date of each such transaction;
- e) obtain, and at all times maintain in full force and effect, any and all licences, permits and the like required under applicable laws for the provision of the Services and the conduct of the business and activities of the Service Provider;
- f) observe and ensure compliance with all requirements and obligations as set out in the labour and related legislation of South Africa, including the Occupational Health and Safety Act, 85 of 1993;
- g) comply with all applicable environmental legislation and regulations, and demonstrate sound environmental policies, management and performance; and
- h) ensure the validity of all renewable certifications, including but not limited to its Tax Clearance Certificate and B-BBEE Verification Certificate, for the duration of the Agreement. Should the Service Provider fail to present Transnet with such renewals as they become due, Transnet shall be entitled, in addition to any other rights and remedies that it may have in terms of the Agreement, to terminate the Agreement forthwith without any liability and without prejudice to any claims which Transnet may have for damages against the Service Provider.

- 8.2 The Service Provider acknowledges and agrees that it shall at all times:

- a) render the Services and perform all its duties with honesty and integrity;
- b) communicate openly and honestly with Transnet and demonstrate a commitment to performing the Services timeously, efficiently and to the required standards;

- c) endeavour to provide the highest possible standards of service and professionalism, with a reasonable degree of care and diligence;
- d) use its best endeavours and make every diligent effort to meet agreed deadlines;
- e) treat its own Personnel, as well as all Transnet's officers, employees, agents and consultants, with fairness and courtesy and respect for their human rights;
- f) practice and promote its own internal policies aimed at prohibiting and preventing unfair discrimination [as further referred to in clause 22 – *Equality and Diversity*];
- g) treat all enquiries from Transnet in connection with the Services with courtesy and respond to all enquiries promptly and efficiently. Where the Service Provider is unable to comply with the provisions of this clause, the Service Provider will advise Transnet of the delay and the reasons therefor and will keep Transnet informed of progress made regarding the enquiry;
- h) when requested by Transnet, provide clear and accurate information regarding the Service Provider's own policies and procedures, excluding Know-How and other Confidential Information, except where a non-disclosure undertaking has been entered into between the Parties;
- i) not allow a conflict of interest to develop between its own interests [or the interests of any of its other customers] and the interests of Transnet;
- j) not accept or offer, nor allow, induce or promote the acceptance or offering of any gratuity, enticement, incentive or gift that could reasonably be regarded as bribery or an attempt to otherwise exert undue influence over the recipient;
- k) not mislead Transnet or its officers, employees and stakeholders, whether by act or omission;
- l) not otherwise act in an unethical manner or do anything which could reasonably be expected to damage or tarnish Transnet's reputation or business image; and
- m) immediately report to Transnet any unethical, fraudulent or otherwise unlawful conduct of which it becomes aware in connection with Transnet or the provision of Services.

9 FEES AND EXPENSES

- 9.1 In consideration of the provision of the Services, Transnet will pay to the Service Provider the Fees detailed in the relevant schedule or Work Order.
- 9.2 Transnet will not be invoiced for materials used in the provision of the Services save for those materials [if any] set out in the Work Order and accepted by Transnet or in any relevant Work Order [which will be invoiced to Transnet at cost].
- 9.3 Unless otherwise agreed in a schedule or Work Order, Transnet will reimburse to the Service Provider all reasonable and proper expenses incurred directly and solely in connection with the provision of the Services, provided that all such expenses:
 - a) are agreed by Transnet in advance;
 - b) are incurred in accordance with Transnet's standard travel and expenses policies;
 - c) are passed on to Transnet at cost with no administration fee; and
 - d) will only be reimbursed if supported by relevant receipts.

- 9.4 All Tax Invoices relating to Fees, out of pocket expenses and, if applicable, travel and accommodation costs, will provide the detail for each of the Personnel carrying out the Services and incurring the expenses, and the Tax Invoice will, where appropriate, include VAT as a separate item.

10 INVOICING AND PAYMENT

- 10.1 Transnet shall pay the Service Provider the amounts stipulated in the relevant schedule or Work Order, subject to the terms and conditions of the Agreement.
- 10.2 Transnet shall pay such amounts to the Service Provider, upon receipt of a valid and undisputed Tax Invoice together with the supporting documentation as specified in the Work Order appended hereto, once the undisputed Tax Invoices, or such portion of the Tax Invoices which are undisputed become due and payable to the Service Provider for the provision of the Services, in terms of clause 10.4 below.
- 10.3 All Fees and other sums payable under the Agreement are exclusive of VAT, which will be payable at the applicable rate.
- 10.4 Unless otherwise provided for in the Work Order(s) appended to the Agreement, Tax Invoices shall be submitted together with a month-end statement. Payment against such month-end statement shall be made by Transnet within 30 [thirty] days after date of receipt by Transnet of the statement together with all undisputed Tax Invoices and supporting documentation.
- 10.5 Where the payment of any Tax Invoice, or any part thereof which is not in dispute, is not made in accordance with this clause 10, the Service Provider shall be entitled to charge interest on the outstanding amount, at The Standard Bank of South Africa's prime rate of interest in force, for the period from the due date of payment until the outstanding amount is paid.

11 FEE ADJUSTMENTS

- 11.1 Fees for Services rendered in terms of the Agreement shall be subject to review as indicated in the Work Order(s) annexed hereto from time to time.
- 11.2 No less than 2 [two] months prior to any proposed Fee adjustment, the Parties shall commence negotiations for Fees for the next period or as otherwise indicated and appended hereto.
- 11.3 Should Transnet and the Service Provider fail to reach an agreement on Fees for the successive period, either Party shall be entitled to submit this matter to dispute resolution in accordance with clause 25 of this Master Agreement [*Dispute Resolution*].

12 INTELLECTUAL PROPERTY RIGHTS

12.1 Title to Confidential Information

- a) Transnet will retain all right, title and interest in and to its Confidential Information and Background Intellectual Property and the Service Provider acknowledges that it has no claim of any nature in and to the Confidential Information and Background Intellectual Property that is proprietary to Transnet. For the avoidance of doubt, all the Service Provider's Background Intellectual Property shall remain vested in the Service Provider.
- b) Transnet shall grant to the Service Provider an irrevocable, royalty free, non-exclusive licence to use Transnet's Background Intellectual Property only for the Permitted Purpose. This license shall not permit the Service Provider to sub-license to other parties.

- c) The Service Provider shall grant to Transnet an irrevocable, royalty free, non-exclusive licence to use the Service Provider's Background Intellectual Property for the Permitted Purpose. This licence shall not permit Transnet to sub-license to other parties.
- d) The Service Provider shall grant Transnet access to the Service Provider's Background Intellectual Property on terms which shall be *bona fide* negotiated between the Parties for the purpose of commercially exploiting the Foreground Intellectual Property, to the extent that such access is required.

12.2 **Title to Intellectual Property**

- a) All right, title and interest in and to Foreground Intellectual Property prepared, conceived or developed by the Service Provider, its researchers, agents and employees shall vest in Transnet and the Service Provider acknowledges that it has no claim of any nature in and to the Foreground Intellectual Property. The Service Provider shall not at any time during or after the termination or cancellation of the Agreement dispute the validity or enforceability of such Foreground Intellectual Property, or cause to be done any act or anything contesting or in any way impairing or tending to impair any part of that right, title and interest to any of the Foreground Intellectual Property and shall not counsel or assist any person to do so.
- b) Transnet shall be entitled to seek protection in respect of the Foreground Intellectual Property anywhere in the world as it shall decide in its own absolute discretion and the Service Provider shall reasonably assist Transnet in attaining and maintaining protection of the Foreground Intellectual Property.
- c) Where the Foreground Intellectual Property was created by the Service Provider or its researchers, agents and employees and where Transnet elects not to exercise its option to seek protection or decides to discontinue the financial support of the prosecution or maintenance of any such protection, Transnet shall notify the Service Provider who shall have the right of first refusal to file or continue prosecution or maintain any such applications and to maintain any protection issuing on the Foreground Intellectual Property.
- d) No consideration shall be paid by Transnet to the Service Provider for the assignment of any Foreground Intellectual Property from the Service Provider to Transnet, over and above the sums payable in terms of the Agreement. The Service Provider undertakes to sign all documents and do all things as may be necessary to effect, record and perfect the assignment of the Foreground Intellectual Property to Transnet.
- e) Subject to anything contrary contained in the Agreement and/or the prior written consent of Transnet [which consent shall not be unreasonably be withheld or delayed], the Service Provider shall under no circumstances be entitled as of right, or to claim the right, to use Transnet's Background Intellectual Property and/or Foreground Intellectual Property.

12.3 **Title to Improvements**

Any improvements, developments, adaptations and/or modifications to the Foreground Intellectual Property, and any and all new inventions or discoveries, based on or resulting from the use of Transnet's Background Intellectual Property and/or Confidential Information shall be exclusively owned by Transnet. The Service Provider shall disclose promptly to Transnet all such improvements, developments, adaptations and/or modifications, inventions or discoveries. The

Service Provider hereby undertakes to sign all documents and do all things as may be necessary to effect, record and perfect the assignment of such improvements, developments, adaptations and/or modifications, inventions or discoveries to Transnet and the Service Provider shall reasonably assist Transnet in attaining, maintaining or documenting ownership and/or protection of the improved Foreground Intellectual Property.

12.4 **Unauthorised Use of Confidential Information**

The Service Provider shall not authorise any party to act on or use in any way any Confidential Information belonging to Transnet whether or not such party is aware of such Confidential Information, and shall promptly notify Transnet of the information if it becomes aware of any party so acting, and shall provide Transnet the information with such assistance as Transnet reasonably requires, at Transnet's cost and expense, to prevent such third party from so acting.

12.5 **Unauthorised Use of Intellectual Property**

- a) The Service Provider agrees to notify Transnet in writing of any conflicting uses of, and applications of registrations of Patents, Designs and Trade Marks or any act of infringement, unfair competition or passing off involving the Intellectual Property of Transnet of which the Service Provider acquires knowledge and Transnet shall have the right, as its own option, to proceed against any party infringing its Intellectual Property.
- b) It shall be within the sole and absolute discretion of Transnet to determine what steps shall be taken against the infringer and the Service Provider shall co-operate fully with Transnet, at Transnet's cost, in whatever measure including legal action to bring any infringement of illegal use to an end.
- c) The Service Provider shall cooperate to provide Transnet promptly with all relevant ascertainable facts.
- d) If proceedings are commenced by Transnet alone, Transnet shall be responsible for all expenses but shall be entitled to all damages or other awards arising out of such proceedings. If proceedings are commenced by both Parties, both Parties will be responsible for the expenses and both Parties shall be entitled to damages or other awards arising out of proceedings.

13 **SERVICE PROVIDER'S PERSONNEL**

- 13.1 The Service Provider's Personnel shall be regarded at all times as employees, agents or Subcontractors of the Service Provider and no relationship of employer and employee shall arise between Transnet and any Service Provider Personnel under any circumstances regardless of the degree of supervision that may be exercised over the Personnel by Transnet.

- 13.2 The Service Provider warrants that all its Personnel will be entitled to work in South Africa or any other country in which the Services are to be performed.

- 13.3 The Service Provider will ensure that its Personnel comply with all reasonable requirements made known to the Service Provider by Transnet concerning conduct at any Transnet premises or any other premises upon which the Services are to be performed [including but not limited to security regulations, policy standards and codes of practice and health and safety requirements]. The Service Provider will ensure that such Personnel at all times act in a lawful and proper manner in accordance with these requirements.

13.4 Transnet reserves the right to refuse to admit or to remove from any premises occupied by or on behalf of it, any Service Provider Personnel whose admission or presence would, in the reasonable opinion of Transnet, be undesirable or who represents a threat to confidentiality or security or whose presence would be in breach of any rules and regulations governing Transnet's Personnel, provided that Transnet notifies the Service Provider of any such refusal [with reasons why]. The reasonable exclusion of any such individual from such premises shall not relieve the Service Provider from the performance of its obligations under the Agreement.

13.5 The Service Provider agrees to use all reasonable endeavours to ensure the continuity of its Personnel assigned to perform the Services. If any re-assignment by the Service Provider of those Personnel is necessary, or if Transnet advises that any such Personnel assigned are in any respect unsatisfactory, including where any such Personnel are, or are expected to be or have been absent for any period, then the Service Provider will promptly supply a replacement of equivalent calibre and experience, and any such replacement shall be approved by Transnet prior to commencing provision of the Services, such approval not to be unreasonably withheld or delayed.

14 LIMITATION OF LIABILITY

14.1 Neither Party excludes or limits liability to the other Party for:

- a) death or personal injury due to negligence; or
- b) fraud.

14.2 The Service Provider shall indemnify and keep Transnet indemnified from and against liability for damage to any Transnet property [whether tangible or intangible] or any other loss, costs or damage suffered by Transnet to the extent that it results from any act of or omission by the Service Provider or its Personnel in connection with the Agreement. The Service Provider's liability arising out of this clause 14.2 shall be limited to a maximum amount payable in respect of any one occurrence or a series of related occurrences in a single calendar year, such amount to be agreed in writing by the Parties.

14.3 Subject always to clauses 14.1 and 14.2 above, the liability of either the Service Provider or Transnet under or in connection with the Agreement, whether for negligence, misrepresentation, breach of contract or otherwise, for direct loss or damage arising out of each Default or series of related Defaults shall not exceed 100% [one hundred per cent] of the Fees paid under the schedule or Work Order to which the Default(s) relates.

14.4 Subject to clause 14.1 above, and except as provided in clauses 14.2 and 14.3 above, in no event shall either Party be liable to the other for indirect or consequential loss or damage or including indirect or consequential loss of profits, business, revenue, goodwill or anticipated savings of an indirect nature or loss or damage incurred by the other Party as a result of third party claims.

14.5 If for any reason the exclusion of liability in clause 14.4 above is void or unenforceable, either Party's total liability for all loss or damage under the Agreement shall be as provided in clause 14.3 above.

14.6 Nothing in this clause 14 shall be taken as limiting the liability of the Service Provider in respect of clause 12 [Intellectual Property Rights] or clause 16 [Confidentiality].

15 INSURANCES

15.1 Without limiting the liability of the Service Provider under the Agreement, the Service Provider shall take out insurance in respect of all risks for which it is prudent for the Service Provider to insure against, including any liability it may have as a result of its activities under the Agreement for theft, destruction, death or injury to any person and damage to property. The level of insurance will be kept under review by Transnet, on an annual basis, to ensure its adequacy, provided that any variation to the level of such insurance shall be entirely at the discretion of the Service Provider.

15.2 The Service Provider shall arrange insurance with reputable insurers and will produce to Transnet evidence of the existence of the policies on an annual basis within 30 [thirty] days after date of policy renewals.

15.3 Subject to clause 15.4 below, if the Service Provider fails to effect adequate insurance under this clause 15, it shall notify Transnet in writing as soon as it becomes aware of the reduction or inadequate cover and Transnet may arrange or purchase such insurance. The Service Provider shall promptly reimburse Transnet for any premiums paid provided such insurance protects the Service Provider's liability. Transnet assumes no responsibility for such insurance being adequate to protect all of the Service Provider's liability.

15.4 In the event that the Service Provider receives written notice from its insurers advising of the termination of its insurance cover referred to in clause 15.1 above or if the insurance ceases to be available upon commercially reasonable terms, the Service Provider shall immediately notify Transnet in writing of such termination and/or unavailability, whereafter either the Service Provider or Transnet may terminate the Agreement on giving the other Party not less than 30 [thirty] days prior written notice to that effect.

16 CONFIDENTIALITY

16.1 The Parties hereby undertake the following, with regard to Confidential Information:

- a) not to divulge or disclose to any person whatsoever in any form or manner whatsoever, either directly or indirectly, any Confidential Information of the other, without the prior written consent of such other Party, other than when called upon to do so in accordance with a statute, or by a court having jurisdiction, or by any other duly authorised and empowered authority or official, in which event the Party concerned shall do what is reasonably possible to inform the other of such a demand and each shall assist the other in seeking appropriate relief or the instituting of a defensive action to protect the Confidential Information concerned;
- b) not to use, exploit, permit the use of, directly or indirectly, or in any other manner whatsoever apply the Confidential Information, disclosed to it as a result of the Agreement, for any purpose whatsoever other than for the purpose for which it is disclosed or otherwise than in strict compliance with the provisions in the Agreement;
- c) not to make any notes, sketches, drawings, photographs or copies of any kind of any part of the disclosed Confidential Information, without the prior written consent of such other Party, except when reasonably necessary for the purpose of the Agreement, in which case such copies shall be regarded as Confidential Information;

- d) not to de-compile, disassemble or reverse engineer any composition, compilation, concept application, item, component de-compilation, including software or hardware disclosed and shall not analyse any sample provided by Transnet, or otherwise determine the composition or structure or cause to permit these tasks to be carried out except in the performance of its obligations pursuant to the Agreement;
- e) not to exercise less care to safeguard Transnet Confidential Information than the Party exercises in safeguarding its own competitive, sensitive or Confidential Information;
- f) Confidential Information disclosed by either Party to the other or by either Party to any other party used by such Party in the performance of the Agreement, shall be dealt with as "restricted" or shall be dealt with according to any other appropriate level of confidentiality relevant to the nature of the information concerned, agreed between the Parties concerned and stipulated in writing for such information in such cases;
- g) the Parties shall not make or permit to be made by any other person subject to their control any public statements or issue press releases or disclose Confidential Information with regard to any matter related to the Agreement, unless written authorisation to do so has first been obtained from the Party first disclosing such information;
- h) each Party shall be entitled to disclose such aspects of Confidential Information as may be relevant to one or more technically qualified employees or consultants of the Party who are required in the course of their duties to receive the Confidential Information for the Permitted Purpose provided that the employee or consultant concerned has a legitimate interest therein, and then only to the extent necessary for the Permitted Purpose, and is informed by the Party of the confidential nature of the Confidential Information and the obligations of the confidentiality to which such disclosure is subject and the Party shall ensure such employees or consultants honour such obligations;
- i) each Party shall notify the other Party of the name of each person or entity to whom any Confidential Information has been disclosed as soon as practicable after such disclosure;
- j) each Party shall ensure that any person or entity to which it discloses Confidential Information shall observe and perform all of the covenants the Party has accepted in the Agreement as if such person or entity has signed the Agreement. The Party disclosing the Confidential Information shall be responsible for any breach of the provisions of the Agreement by the person or entity; and
- k) each Party may by written notice to the other Party specify which of the Party's employees, officers or agents are required to sign a non-disclosure undertaking.

16.2 The duties and obligations with regard to Confidential Information in this clause 16 shall not apply where:

- a) a Party can demonstrate that such information is already in the public domain or becomes available to the public through no breach of the Agreement by that Party, or its Personnel; or
- b) was rightfully in a Party's possession prior to receipt from the other Party, as proven by the first-mentioned Party's written records, without an infringement of an obligation or duty of confidentiality; or
- c) can be proved to have been rightfully received by a Party from a third party without a breach of a duty or obligation of confidentiality; or

d) is independently developed by a Party as proven by its written records.

16.3 This clause 16 shall survive termination for any reason of the Agreement and shall remain in force and effect from the Commencement Date of the Agreement and 5 [five] years after the termination of the Agreement. Upon termination of the Agreement, all documentation furnished to the Service Provider by Transnet pursuant to the Agreement shall be returned to Transnet including, without limitation all corporate identity equipment including dyes, blocks, labels, advertising matter, printing matter and the like.

17 TOTAL OR PARTIAL FAILURE TO PERFORM THE SCOPE OF SERVICES

Should the Service Provider fail or neglect to execute the work or to deliver any portion of the Service, as required by the terms of the Agreement or Work Order, Transnet may cancel the Agreement or Work Order in so far as it relates to the unexecuted work or rejected portion of the Service, and, in such event, the provision of any remaining commitment shall remain subject in all respects to these conditions.

18 TERM AND TERMINATION

18.1 Notwithstanding the date of signature hereof, the Commencement Date if the Agreement is and the duration shall be for a **two (2)** year period, expiring on, unless:

- a) the Agreement is terminated by either Party in accordance with the provisions incorporated herein or in any schedules or annexures appended hereto, or otherwise in accordance with law or equity; or
- b) the Agreement is extended at Transnet's option for a further period to be agreed by the Parties.

18.2 Either Party may terminate the Agreement forthwith by notice in writing to the other Party where the other Party has committed a material Default and where such Default is capable of remedy, has failed to remedy such Default within 30 [thirty] days of receiving notice specifying the Default and requiring its remedy.

18.3 Either Party may terminate the Agreement forthwith by notice in writing to the other Party when the other Party is unable to pay its debts as they fall due or commits any act or omission which would be an act of insolvency in terms of the Insolvency Act, 74 of 1936 [as may be amended from time to time], or if any action, application or proceeding is made with regard to it for:

- a) a voluntary arrangement or composition or reconstruction of its debts;
- b) its winding-up or dissolution;
- c) the appointment of a liquidator, trustee, receiver, administrative receiver or similar officer; or
- d) any similar action, application or proceeding in any jurisdiction to which it is subject.

18.4 Transnet may terminate the Agreement at any time within 2 [two] months of becoming aware of a change of control of the Service Provider by notice in writing to the Service Provider. For the purposes of this clause, "control" means the right to direct the affairs of a company whether by ownership of shares, membership of the board of directors, agreement or otherwise.

18.5 Transnet may cancel any schedule or Work Order hereto at any time on giving the Service Provider 30 [thirty] days' written notice.

- 18.6 Notwithstanding this clause 18, either Party may cancel the Agreement without cause by giving 30 [thirty] days prior written notice thereof to the other Party.

19 CONSEQUENCE OF TERMINATION

- 19.1 Termination in accordance with clause 18 *[Term and Termination]* shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to either Party and all provisions which are to survive the Agreement or impliedly do so shall remain in force and in effect.

- 19.2 On termination of the Agreement or a Work Order, the Service Provider will immediately deliver up, and procure that its Personnel will immediately deliver up to Transnet, all Deliverables and property belonging to Transnet [or, in the event of termination of a Work Order, such as is relevant to that Work Order] which may be in the possession of, or under the control of the Service Provider, and certify to Transnet in writing that this has been done.

- 19.3 To the extent that any of the Deliverables and property referred to in clause 19.2 above are in electronic form and contained on non-detachable storage devices, the Service Provider will provide Transnet with unencypted copies of the same on magnetic media and will irretrievably destroy and delete copies so held.

- 19.4 In the event that the Agreement is terminated by the Service Provider under clause 18.2 *[Term and Termination]*, or in the event that a Work Order is terminated by Transnet under clause 18.5 *[Term and Termination]*, Transnet will pay to the Service Provider all outstanding Fees [apportioned on a *pro rata* basis] relating to the work undertaken by the Service Provider up until the date of such termination. Transnet will also pay the costs of any goods and materials ordered by the Service Provider in relation to the such work for which the Service Provider has paid or is legally obliged to pay, in which case, on delivery of such goods or materials, the Service Provider will promptly deliver such goods and materials to Transnet or as it may direct.

- 19.5 The provisions of clauses 1 *[Definitions]*, 6 *[Warranties]*, 12 *[Intellectual Property Rights]*, 14 *[Limitation of Liability]*, 16 *[Confidentiality]*, 19 *[Consequence of Termination]*, 25 *[Dispute Resolution]* and 29 *[Governing Law]* shall survive termination or expiry of the Agreement.

- 19.6 If either Party **[the Defaulting Party]** commits a material breach of the Agreement and fails to remedy such breach within 30 [thirty] Business Days of written notice thereof, the other Party [hereinafter **the Aggrieved Party**], shall be entitled, in addition to any other rights and remedies that it may have in terms of the Agreement, to terminate the Agreement forthwith without any liability and without prejudice to any claims which the Aggrieved Party may have for damages against the Defaulting Party.

- 19.7 Should:

- a) the Service Provider effect or attempt to effect a compromise or composition with its creditors; or
- b) either Party be provisionally or finally liquidated or placed under judicial management, whether provisionally or finally; or
- c) either Party cease or threaten to cease to carry on its normal line of business or default or threaten to default in the payment of its liabilities generally, or commit any act or omission which would be an act of insolvency in terms of the Insolvency Act, 24 of 1936 [as may be amended from time to time];

then the other Party shall be entitled, but not obliged, to terminate the Agreement on written notice, in which event such termination shall be without any liability and without prejudice to any claims which either Party may have for damages against the other.

20 ASSIGNMENT

Neither Party may assign the benefit of the Agreement or any interest hereunder except with the prior written consent of the other. Further, in the event that Transnet wishes to assign or novate the Agreement to any third party, the Service Provider agrees that it shall not unreasonably withhold or delay its consent to such assignment or novation and that it shall only be entitled to recover from Transnet any reasonable legal costs incurred by it as a direct result of such assignment or novation.

21 FORCE MAJEURE

21.1 Neither Party shall have any claim against the other Party arising from any failure or delay in the performance of any obligation of either Party under the Agreement caused by an act of *force majeure* such as acts of God, fire, flood, war, strike, lockout, industrial dispute, government action, laws or regulations, riots, terrorism or civil disturbance, defaults, delays or discontinuance on the part of independent contractors, suppliers, or other circumstances or factors beyond the reasonable control of either Party, and to the extent that the performance of obligations of either Party hereunder is delayed by virtue of the foregoing, any period stipulated for any such performance shall be reasonably extended.

21.2 Each Party will take all reasonable steps by whatever lawful means that are available, to resume full performance as soon as practicable and will seek agreement to modification of the relevant provisions of the Agreement in order to accommodate the new circumstances caused by the act of *force majeure*. If a Party fails to agree to such modifications proposed by the other Party within 90 [ninety] days of the act of *force majeure* first occurring, either Party may thereafter terminate the Agreement with immediate notice.

22 EQUALITY AND DIVERSITY

22.1 The Service Provider will not victimise, harass or discriminate against any employee of either Party to the Agreement or any applicant for employment with either Party to the Agreement due to their gender, race, disability, age, religious belief, sexual orientation or part-time status. This provision applies, but is not limited to employment, upgrading, work environment, demotion, transfer, recruitment, recruitment advertising, termination of employment, rates of pay or other forms of compensation and selection for training.

22.2 Both Parties to the Agreement undertake that they will not, and shall procure that its employees, agents and Subcontractors will not breach any applicable discrimination legislation and any amendments and re-enactments thereof.

23 NON-WAIVER

23.1 Failure or neglect by either Party, at any time, to enforce any of the provisions of the Agreement, shall not, in any manner, be construed to be a waiver of any of that Party's rights in that regard and in terms of the Agreement.

23.2 Such failure or neglect shall not, in any manner, affect the continued, unaltered validity of the Agreement, or prejudice the right of that Party to institute subsequent action.

24 PARTIAL INVALIDITY

If any provision of the Agreement shall be held to be invalid, illegal or unenforceable, or shall be required to be modified, the validity, legality and enforceability of the remaining provisions shall not be affected thereby.

25 DISPUTE RESOLUTION

25.1 Should any dispute of whatsoever nature arise between the Parties concerning the Agreement, the Parties shall try to resolve the dispute by negotiation within 10 [ten] Business Days of such dispute arising.

25.2 If the dispute has not been resolved by such negotiation, either of the Parties may refer the dispute to AFSA and notify the other Party accordingly, which proceedings shall be held in Johannesburg.

25.3 Such dispute shall be finally resolved in accordance with the rules of AFSA by an arbitrator or arbitrators appointed by AFSA.

25.4 This clause constitutes an irrevocable consent by the Parties to any proceedings in terms hereof, and neither of the Parties shall be entitled to withdraw from the provisions of this clause or claim at any such proceedings that it is not bound by this clause 25.

25.5 This clause 25 is severable from the rest of the Agreement and shall remain in effect even if the Agreement is terminated for any reason.

25.6 This clause 25 shall not preclude either Party from seeking urgent relief in a court of appropriate jurisdiction, where grounds for urgency exist.

26 ADDRESSES FOR NOTICES

26.1 The Parties to the Agreement select the physical addresses and facsimile numbers, as detailed hereafter, as their respective addresses for giving or sending any notice provided for or required in terms of the Agreement, provided that either Party shall be entitled to substitute such other address or facsimile number, as may be, by written notice to the other:

a) Transnet

(i) For legal notices:

Transnet Freight Rail (RME)

Corner Jetpark & North Reef Road, Elandsfontein

Fax No. 086 743 9743

Attention: Mncedisi Nkumane

(ii) For commercial matters:

Commodity Specialist

Fax No. 086 743 9743

Attention: Mncedisi Nkumane

b) The Service Provider

(i) For legal notices:

.....

Fax No.

Attention:

(ii) For commercial matters:

.....

Fax No.

Attention:

26.2 Any notice shall be addressed to a Party at its physical address or delivered by hand, or sent by facsimile.

26.3 Any notice shall be deemed to have been given:

- a) if hand delivered, on the day of delivery; or
- b) if posted by prepaid registered post, 10 [ten] days after the date of posting thereof; or
- c) if faxed, on the date and time of sending of such fax, as evidenced by a fax confirmation printout, provided that such notice shall be confirmed by prepaid registered post on the date of dispatch of such fax, or, should no postal facilities be available on that date, on the next Business Day.

27 WHOLE AND ONLY AGREEMENT

27.1 The Parties hereby confirm that the Agreement constitutes the whole and only agreement between them with regard to the subject matter of the Agreement.

27.2 The Parties hereby confirm that the Agreement replaces all other agreements which exist or may have existed in any form whatever between them, with regard to the subject matter dealt with in the Agreement, including any annexures, appendices, schedules or Work Order(s) appended hereto.

28 AMENDMENT AND CHANGE CONTROL

28.1 Any requirement for an amendment or change to the Agreement or to a Work Order shall only be valid if it is in writing, signed by both Parties and added to the Agreement as an addendum hereto.

28.2 In the event the Parties cannot agree upon changes, the Parties shall in good faith seek to agree any proposed changes using the dispute resolution procedures in clause 25 [Dispute Resolution].

29 GOVERNING LAW

The Agreement is exclusively governed by and construed in accordance with the laws of the Republic of South Africa and is subject to the jurisdiction of the courts of the Republic of South Africa.

29.1 Change of Law

In the Agreement, unless the context otherwise requires, references to a statutory provision include references to that statutory provision as from time to time amended, extended or re-enacted and any regulations made under it, provided that in the event that the amendment, extension or re-enactment of any statutory provision or introduction of any new statutory provision has a material impact on the obligations of either Party, the Parties will negotiate in good faith to agree such amendments to the Agreement as may be appropriate in the circumstances. If, within a reasonable period of time, the Service Provider and Transnet cannot reach agreement on the nature of the changes required or on modification of Fees, Deliverables, warranties, or other terms and conditions, either Party may seek to have the matter determined in accordance with clause 25 [Dispute Resolution] above.

30 COUNTERPARTS

The Agreement may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument. Either Party may enter into the Agreement by signing any such counterpart.

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“PREVIEW COPY ONLY”

Appendix (iii)

SCOPE OF SERVICES

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Note

For the purposes of this document, any reference to a/the “*Contractor*” shall be construed to mean a reference to a Respondent (in terms of this RFP) and/or to a successful Respondent (to whom the business is to be awarded), as so indicated by the context hereinafter.

1. GENERAL DESCRIPTION OF THE SERVICES

The *Contractor* supplies the Equipment and ensures that the Equipment and all parts of the Equipment are maintained in good repair, condition and working order. The *Contractor* pays for all fuel, insurance, maintenance, servicing, lubricants, spare parts and other items necessary to maintain and keep the Equipment and all parts of the Equipment in good repair, condition and working order.

The *Contractor* provides the Equipment full of fuel and in well maintained working order.

The *Contractor* provides an Operator together with an Operator’s Manual with the Equipment at the point of delivery as well as a ‘check list’ on daily maintenance procedures.

The period of hire commences at the time when the *Purchaser’s Representative* has requested for the Equipment to be available at the Designated Site, subject to the Equipment being in good repair, condition and working order.

The *Contractor* mobilises the Equipment to the *Purchaser’s* Designated Site and demobilises from the *Purchaser’s* Designated Site, as per the SAP Purchase Order request from the *Purchaser*. Unless otherwise specifically provided, unloads and loads the Equipment at the site as per instructions from the *Purchaser’s Representative*, where required

2.

DEFINITION

Dry Hire means the hire of Equipment with the Operator and without fuel but including costs such as insurances, grease, oil and maintenance of Equipment.

Equipment means the item of equipment as specified in Annexure D Pricing List and Appendix iii Scope of Services, Including an Operator.

Long Term Hire means a period of hire exceeding five (5) consecutive working days.

Mobilisation and Demobilisation charge means the price to be charged by the *Contractor* as specified in Annexure D, Pricing List, to mobilise and transport the Equipment to the Designated Site and de-mobilise and transport the Equipment from the Designated Site.

Normal Rate means the rate for the Equipment and Operator when the Equipment is operating in normal Working Hours as specified in Annexure D, Pricing List.

Operator means the competent person in terms of the OSHA Act, provided and remunerated by the *Contractor* to operate the Equipment.

Overtime means the time the Equipment is operated outside of the Working Hours

BID DECLARATION

I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the company/firm, certify that points claimed, based on the B-BBEE status level of contribution indicated in paragraph 4 above, qualifies the company/firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct.
- (ii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 6 above, the contractor may be required to furnish documentary proof to the satisfaction of Transnet that the claims are correct.
- (iii) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, Transnet may, in addition to any other remedy it may have:
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) restrict the Bidder or contractor, its shareholders and directors, and/or associated entities, or only the shareholders and directors who acted in a fraudulent manner, from obtaining business from Transnet for a period not exceeding 10 years, after the *audi alteram partem* [hear the other side] rule has been applied; and/or
 - (e) forward the matter for criminal prosecution.

WITNESSES:

1.

2.

SIGNATURE OF BIDDER

DATE:

COMPANY NAME:

ADDRESS:

Annexure B

NON-DISCLOSURE AGREEMENT

entered into by and between

TRANSNET SOC LTD

Registration Number 1990/000900/30

and

Registration Number _____

RFP Number TPG CON 020/2013

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Respondent's Signature

Date & Company Stamp

THIS AGREEMENT is made between

Transnet SOC Ltd [Transnet] [Registration No. 1990/000900/30]

whose registered office is at 49th Floor, Carlton Centre, 150 Commissioner Street, Johannesburg 2001,

and

_____ **[the Company]** [Registration No. _____]

whose registered office is at _____

WHEREAS

Transnet and the Company wish to exchange Information [as defined below] and it is envisaged that each party may from time to time receive Information relating to the other in respect thereof. In consideration of each party making available to the other such Information, the parties jointly agree that any dealings between them shall be subject to the terms and conditions of this Agreement which themselves will be subject to the parameters of the Bid Document.

IT IS HEREBY AGREED

1 INTERPRETATION

In this Agreement:

1.1 **Agents** mean directors, officers, employees, agents, professional advisers, contractors or sub-contractors, or any Group member;

1.2 **Bid or Bid Document** means Transnet's Request for Information [RFI] Request for Proposal [RFP] or Request for Quotation [RFQ], as the case may be;

1.3 **Confidential Information** means any information or other data relating to one party (the **Disclosing Party**) and/or the business carried on or proposed or intended to be carried on by that party and which is made available for the purposes of the Bid to the other party (the **Receiving Party**) or its Agents by the Disclosing Party or its Agents or recorded in agreed minutes following oral disclosure and any other information otherwise made available by the Disclosing Party or its Agents to the Receiving Party or its Agents, whether before, on or after the date of this Agreement, and whether in writing or otherwise, including any information, analysis or specifications derived from, containing or reflecting such information but excluding information which:

- a) is publicly available at the time of its disclosure or becomes publicly available (other than as a result of disclosure by the Receiving Party or any of its Agents contrary to the terms of this Agreement); or
- b) was lawfully in the possession of the Receiving Party or its Agents (as can be demonstrated by its written records or other reasonable evidence) free of any restriction as to its use or disclosure prior to its being so disclosed; or

Respondent's Signature

Date & Company Stamp

- c) following such disclosure, becomes available to the Receiving Party or its Agents (as can be demonstrated by its written records or other reasonable evidence) from a source other than the Disclosing Party or its Agents, which source is not bound by any duty of confidentiality owed, directly or indirectly, to the Disclosing Party in relation to such information;

1.4 **Group** means any subsidiary, any holding company and any subsidiary of any holding company of either party; and

1.5 **Information** means all information in whatever form including, without limitation, any information relating to systems, operations, plans, intentions, market opportunities, know-how, trade secrets and business affairs whether in writing, conveyed orally or by computer-readable medium.

2 CONFIDENTIAL INFORMATION

2.1 All Confidential Information given by one party to this Agreement (the **Disclosing Party**) to the other party (the **Receiving Party**) will be treated by the Receiving Party as secret and confidential and such Receiving Party will not, without the Disclosing Party's written consent, directly or indirectly communicate or disclose (whether in writing or orally or in any other manner) Confidential Information to any other person other than in accordance with the terms of this Agreement.

2.2 The Receiving Party will only use the Confidential Information for the sole purpose of technical and commercial discussions between the parties in relation to the Bid or for the subsequent performance of any contract between the parties in relation to the Bid.

2.3 Notwithstanding clause 2.1 above, the Receiving Party may disclose Confidential Information:

- a) to those of its Agents who strictly need to know the Confidential Information for the sole purpose set out in clause 2.2 above, provided that the Receiving Party shall ensure that such Agents are made aware prior to the disclosure of any part of the Confidential Information that the same is confidential and that they owe a duty of confidence to the Disclosing Party. The Receiving Party shall at all times remain liable for any actions of such Agents that would constitute a breach of this Agreement; or
- b) to the extent required by law or the rules of any applicable regulatory authority, subject to clause 2.4 below.

2.4 In the event that the Receiving Party is required to disclose any Confidential Information in accordance with clause 2.3b) above, it shall promptly notify the Disclosing Party and cooperate with the Disclosing Party regarding the form, nature, content and purpose of such disclosure or any action which the Disclosing Party may reasonably take to challenge the validity of such requirement.

2.5 In the event that any Confidential Information shall be copied, disclosed or used otherwise than as permitted under this Agreement then, upon becoming aware of the same, without prejudice to any rights or remedies of the Disclosing Party, the Receiving Party shall as soon as practicable notify the Disclosing Party of such event and if requested take such steps (including the institution

of legal proceedings) as shall be necessary to remedy (if capable of remedy) the default and/or to prevent further unauthorised copying, disclosure or use.

- 2.6 All Confidential Information shall remain the property of the Disclosing Party and its disclosure shall not confer on the Receiving Party any rights, including intellectual property rights over the Confidential Information whatsoever, beyond those contained in this Agreement.

3 RECORDS AND RETURN OF INFORMATION

- 3.1 The Receiving Party agrees to ensure proper and secure storage of all Information and any copies thereof.
- 3.2 The Receiving Party shall keep a written record, to be supplied to the Disclosing Party upon request, of the Confidential Information provided and any copies made thereof and, so far as is reasonably practicable, of the location of such Confidential Information and any copies thereof.
- 3.3 The Company shall, within 7 (seven) days of receipt of a written demand from Transnet:
- a) return all written Confidential Information (including all copies); and
 - b) expunge or destroy any Confidential Information from any computer, word processor or other device whatsoever into which it was copied, read or programmed by the Company or on its behalf
- 3.4 The Company shall on request supply a certificate signed by a director as to its full compliance with the requirements of clause 3.3(b) above.

4 ANNOUNCEMENTS

- 4.1 Neither party will make or permit to be made any announcement or disclosure of its prospective interest in the Bid without the prior written consent of the other party.
- 4.2 Neither party shall make use of the other party's name or any information acquired through its dealings with the other party for publicity or marketing purposes without the prior written consent of the other party.

5 DURATION

The obligations of each party and its Agents under this Agreement shall survive the termination of any discussions or negotiations between the parties regarding the Bid and continue thereafter for a period of 5 (five) years.

6 PRINCIPAL

Each party confirms that it is acting as principal and not as nominee, agent or broker for any other person and that it will be responsible for any costs incurred by it or its advisers in considering or pursuing the Bid and in complying with the terms of this Agreement.

7 ADEQUACY OF DAMAGES

Nothing contained in this Agreement shall be construed as prohibiting the Disclosing Party from pursuing any other remedies available to it, either at law or in equity, for any such threatened or actual breach of this Agreement, including specific performance, recovery of damages or otherwise.

Respondent's Signature

Date & Company Stamp

8 PRIVACY AND DATA PROTECTION

- 8.1 The Receiving Party undertakes to comply with South Africa's general privacy protection in terms of the Bill of Rights (Section 14) in connection with this Bid and shall procure that its personnel shall observe the provisions of such Act (as applicable) or any amendments and re-enactments thereof and any regulations made pursuant thereto.
- 8.2 The Receiving Party warrants that it and its Agents have the appropriate technical and organisational measures in place against unauthorised or unlawful processing of data relating to the Bid and against accidental loss or destruction of, or damage to such data held or processed by them.

9 GENERAL

- 9.1 Neither party may assign the benefit of this Agreement, or any interest hereunder, except with the prior written consent of the other, save that Transnet may assign this Agreement at any time to any member of the Transnet Group.
- 9.2 No failure or delay in exercising any right, power or privilege under this Agreement will operate as a waiver of it, nor will any single or partial exercise of it preclude any further exercise or the exercise of any right, power or privilege under this Agreement or otherwise.
- 9.3 The provisions of this Agreement shall be severable in the event that any of its provisions are held by a court of competent jurisdiction or other applicable authority to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent permitted by law.
- 9.4 This Agreement may only be modified by a written agreement duly signed by persons authorised on behalf of each party.
- 9.5 Nothing in this Agreement shall constitute the creation of a partnership, joint venture or agency between the parties.
- 9.6 This Agreement will be governed by and construed in accordance with South African law and the parties irrevocably submit to the exclusive jurisdiction of the South African courts.

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Annexure C

TECHNICAL CRITERIA

entered into by and between

TRANSNET SOC LTD

Registration Number: 1990/000900/30

and

Registration Number _____

RFP Number TPG CON 020/2013



1. TECHNICAL SCORING SCALE

Quality criteria	Sub-criteria
Health and Safety	<ul style="list-style-type: none">• Safe Operating Procedures.<ul style="list-style-type: none">➤ Example of daily inspection sheet on equipment.➤ Example of in station inspection.➤ Safety (PPE) requirements for operators.• Workman Compensation, (COID).• Previous Safety Incident Record.<ul style="list-style-type: none">➤ Example of incident reporting form.• Proof of Environmental Procedures.
Method Statement	<ul style="list-style-type: none">• Turnaround upon placement of SAP Purchase Order.• Turnaround for replacement of defective Equipment.• Turnaround for replacement of operator.• Proof of Processes for Establishment and De-establishment of Equipment to Designated Sites.• Fuelling infrastructure and processes.



Maintenance Plan	<ul style="list-style-type: none">• Equipment Maintenance Systems and Service records<ul style="list-style-type: none">➢ Example of service record of each equipment type (note if successful, maintenance records of all equipment allocated to a site will be inspected).• Infrastructure deployed for Maintenance.<ul style="list-style-type: none">➢ In house maintenance to OEM specs or guaranteed maintenance by OEM.➢ Proof of Maintenance workshop and infrastructure.➢ Proof of CVs of maintenance staff.• Proof of Processes for Risk mitigation measures against breakdowns.• Workshop inspection.
Resources and Capacity	<ul style="list-style-type: none">• Ownership or long term hire lease.<ul style="list-style-type: none">➢ Proof of Ownership / lease agreement of plant.• Availability of different types of Equipment.• Quantity and qualifications of Operators.• Geographical location of Tenderer's operational sites.• Age of Equipment to be deployed.• Tenderer's Operational Experience.

TRANSNET FREIGHT RAIL (RME)

an Operating Division of **TRANSNET SOC LTD**

[Registration No. 1990/000900/30]

REQUEST FOR PROPOSAL [RFP]

SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE TEZA-HAIG MMC LINE SHUTDOWN

RFP NUMBER	TPG CON 020/2013
ISSUE DATE:	28 - 30 May 2013
CLOSING DATE:	7 June 2013
CLOSING TIME:	12:00
BID VALIDITY PERIOD:	60 days from Closing Date

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APPENDIX (ii)	TERMS AND CONDITIONS OF CONTRACT FOR THE PROVISION OF SERVICES TO TRANSNET
APPENDIX (iii)	SCOPE OF SERVICES

“**PREVIEW COPY ONLY**”

Respondent's Signature

Date & Company Stamp

LIST OF ACRONYMS

B-BBEE	Broad-Based Black Economic Empowerment
CD	Compact/computer disc
DAC	Divisional Acquisition Council
DPE	Department of Public Enterprises
DTI	Department of Trade and Industry
EME	Exempted Micro Enterprise
GBC	General Bid Conditions
ID	Identity Document
JV	Joint Venture
LOI	Letter of Intent
NDA	Non-Disclosure Agreement
NGP	New Growth Path
OD	Transnet Operating Division
PTN	Post Tender Negotiations
QSE	Qualifying Small Enterprise
RFP	Request for Proposal
SME	Small Medium Enterprise
SOC	State Owned Company
TAC	Transnet Acquisition Council
TCO	Total Cost of Ownership
VAT	Value-Added Tax
ZAR	South African Rand

Respondent's Signature

Date & Company Stamp

**RFP FOR THE PROVISION OF
SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE TEZA-
HAIG MMC LINE SHUTDOWN**

Section 1 : NOTICE TO BIDDERS

1 PROPOSAL REQUEST

Responses to this RFP [hereinafter referred to as a **Bid** or a **Proposal**] are requested from persons, companies, close corporations or enterprises [hereinafter referred to as an **entity**, **Respondent** or **Bidder**] to provision of **supply and delivery of earthmoving equipment and services for the Teza-HAIG MMC line shutdown [the Services]** to Transnet.

On or after **27 May 2013**, the RFP documents may be inspected at, and are obtainable from the **Transnet Freight Rail RME, Procurement office, Old Naval base, Commodores Close, Meerensee, Richards Bay**, on payment of an amount of **R500.00** [inclusive of VAT] per set. Payment is to be made as follows:

Bank: Standard Bank
Account Number: 420673016
Branch code: 012442
Account Name: Transnet Freight Rail (RME)
Reference: TPG CON 020/2013

NOTES –

- a) This amount is not refundable.
- b) A receipt for such payment made must be presented when collecting the RFP documents and submitted thereafter with your Proposal.

RFP documents will only be available until **15:00 on 30 May 2013**.

N.B: Pursuant to note (b) above, should a third party [such as a courier] be instructed to collect RFP documents on behalf of a Respondent, please ensure that this person [the third party] has a "proof of payment" receipt for presentation to Transnet when collecting the RFP documents.

Any additional information or clarification will be faxed or emailed to all Respondents, if necessary.

2 FORMAL BRIEFING

A compulsory pre-proposal RFP briefing will be conducted at the **Casuarina Boardroom** on the **31st May 2013**, at **Transnet Freight Rail (RME), Old Naval base, Commodores Close, Meerensee, Richards Bay**, for a period of **± 2 hours**. [Respondents to provide own transportation and accommodation].

- 2.1 *A Certificate of Attendance in the form set out in **Section 14** hereto must be completed and submitted with your Proposal.*
- 2.2 Respondents failing to attend the compulsory RFP briefing will be disqualified.

Respondent's Signature _____

Date & Company Stamp
Transnet ISCM Services: RFP October 2012

- 2.3 Respondents who have not purchased and/or been issued with a valid RFP bid document/s will not be allowed to attend the RFP briefing. Bid documents will not be issued and/or sold at the RFP briefing.
- 2.4 The briefing session will start punctually at **10:00** and information will not be repeated for the benefit of Respondents arriving late.

3 PROPOSAL SUBMISSION

Proposals in **duplicate [1 original and 1 copy]** must reach the Secretariat, Transnet Freight Rail (RME) Acquisition Council before the closing hour on the date shown below, and must be enclosed in a sealed envelope which must have inscribed on the outside:

RFP No:

TPG CON 020/2013

Description

**SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT
AND SERVICES FOR THE TEZA-HAIG MMC LINE SHUTDOWN**

Closing date and time:

7 June 2013 at 12:00

Closing address

[Refer to options in paragraph 4 below]

4 DELIVERY INSTRUCTIONS FOR RFP

4.1 Delivery by hand

If delivered by hand, the envelope is to be deposited in the Transnet tender box which is located at **Tender Box, Transnet Freight Rail (RME), Main Reception, Old Naval base, Commodores Close, Meerensee, Richards Bay**, and should be addressed as follows:

THE SECRETARIAT.

TRANSNET FREIGHT RAIL (RME) ACQUISITION COUNCIL.

TENDER No. TPG CON 020/2013

SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE
TEZA-HAIG MMC LINE SHUTDOWN
ATTENTION: LIZELLE SMIT.

- a) The measurements of the "tender slot" are 400mm wide x 100mm high, and Respondents must please ensure that response documents or files are no larger than the above dimensions. Responses which are too bulky [i.e. more than 100mm thick] must be split into two or more files, and placed in separate envelopes, each such envelope to be addressed as required in paragraph 3 above.

- b) It should also be noted that the above tender box is located at the Transnet Freight Rail (RME), Main Reception, Old Naval base, Commodores Close, Meerensee, Richards Bay and is accessible to the public during working hours 08:00 to 15:30, Monday to Friday.

4.2 Dispatch by courier

If dispatched by courier, the envelope must be addressed as follows and delivered to the Office of The Secretariat, Transnet Freight Rail (RME) Acquisition Council and a signature obtained from that Office:

THE SECRETARIAT.

TRANSNET FREIGHT RAIL (RME) ACQUISITION COUNCIL.

Respondent's Signature

Date & Company Stamp

Transnet ISCM Services: RFP October 2012

TENDER No. TPG CON 020/2013
 SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE
 TEZA-HAIG MMC LINE SHUTDOWN
 ATTENTION: LIZELLE SMIT.

- 4.3 Please note that this RFP closes punctually at **12:00 on Friday 7 June 2013.**
- 4.4 If responses are not delivered as stipulated herein, such responses will not be considered and will be treated as "NON-RESPONSIVE" and will be disqualified.
- 4.5 No email or facsimile responses will be considered, unless otherwise stated herein.
- 4.6 The responses to this RFP will be opened as soon as practicable after the expiry of the time advertised for receiving them.
- 4.7 Transnet shall not, at the opening of responses, disclose to any other company any confidential details pertaining to the Proposals / information received, i.e. pricing, delivery, etc. The names and locations of the Respondents will be divulged to other Respondents upon request.
- 4.8 Envelopes must not contain documents relating to any RFP other than that shown on the envelope. All envelopes must reflect the return address of the Respondent on the reverse side.
- 4.9 No slips are to be attached to the response documents. Any additional conditions must be embodied in an accompanying letter. Subject only to clause 15 *[Alterations made by the Respondent to Bid Prices]* of the General Bid Conditions, alterations, additions or deletions must not be made by the Respondent to the actual RFP documents.

5 BROAD-BASED BLACK ECONOMIC EMPOWERMENT AND SOCIO-ECONOMIC OBLIGATIONS

Transnet fully endorses and supports the Government's Broad-Based Black Economic Empowerment Programme and it is strongly of the opinion that all South African business enterprises have an equal obligation to redress the imbalances of the past.

Transnet would therefore prefer to do business with local business enterprises who share these same values and who are prepared to contribute to meaningful B-BBEE initiatives [including, but not limited to subcontracting and Joint Ventures] as part of their tendered responses. Transnet will accordingly allow "preference" points to companies who provide a valid B-BBEE Verification Certificate. All procurement transactions will be evaluated accordingly.

With respect to B-BBEE, this RFP will be evaluated as follows:

EVALUATION CRITERIA		Section 1 Reference	Final Weighted Points
B-BBEE:			
- Scorecard		Paragraph 5.1	10
Maximum points allocated for B-BBEE:			10

Respondent's Signature

Date & Company Stamp

Transnet will accordingly allocate a maximum of **ten [10] points** to the Respondent's final score based on an entity's B-BBEE scorecard rating. *[Refer **Annexure A** for further details].*

Consequently, when Transnet invites prospective service providers to submit Proposals for its various expenditure programmes, it requires Respondents *[Large Enterprises and QSE's - see below]* to have their B-BBEE status verified in compliance with the Government Gazette No 34612, Notice No. 754 dated 23 September 2011. Valid B-BBEE Verification Certificates must be issued by:

- a) Verification Agencies accredited by the South African National Accreditation System [**SANAS**];
or
- b) Registered Auditors approved by the Independent Regulatory Board of Auditors [**IRBA**], in accordance with the approval granted by the DTI.

A Verification Certificate issued must reflect the weighted points attained by the measured entity for each element of the scorecard as well as the overall B-BBEE rating.

5.1 **B-BBEE Rating**

Enterprises will be rated by Verification Agencies or Registered Auditors based on the following:

- a) **Large Enterprises** [i.e. annual turnover greater than R35 million]:
 - Rating level based on all seven elements of the B-BBEE scorecard
- b) **Qualifying Small Enterprises – QSE** [i.e. annual turnover between R5 million and R35 million]:
 - Rating based on any four of the elements of the B-BBEE scorecard
- c) **Exempted Micro Enterprises – EME** [i.e. annual turnover less than R5 million]:

In accordance with B-BBEE Codes of Good Practice [Statement 000, Section 4], any enterprise with an annual total revenue of R 5 million or less qualifies as an EME.

 - Automatic rating of B-BBEE Level 4 irrespective of race or ownership
 - Black¹ ownership greater than 50% or Black Women ownership greater than 50% automatically qualify as B-BBEE Level 3

Sufficient evidence to qualify as an EME would be a certificate (which may be in the form of a letter) from an auditor or, accounting officer or certificate from a Verification Agency accredited by SANAS. The certificate must confirm the company's turnover, Black ownership / Black female ownership and B-BBEE status level.

Respondents are required to furnish proof of the above to Transnet. [i.e. a detailed scorecard as stipulated above in respect of Large Enterprises and QSEs, or a certificate in respect of EMEs].

N.B. Failure to submit a B-BBEE certificate, which is valid as at the Closing Date of this RFP, will result in a score of zero being allocated for B-BBEE.

Turnover: Kindly indicate your entity's annual turnover for the past year:

R _____

¹ **Black** means South African Blacks, Coloureds and Indians, as defined in the B-BBEE Act, 53 of 2003

*All Respondents must complete and return the B-BBEE Preference Points Claim Form attached hereto as **Annexure A**.*

5.2 B-BBEE Joint Ventures and/or Subcontractors

In addition to the above, Respondents who would wish to enter into a JV with or subcontract portions of the contract to B-BBEE entities must state in their RFPs the percentage of the total contract value that would be allocated to such B-BBEE entities, should they be successful in being awarded any business. A valid B-BBEE Verification Certificate in respect of such B-BBEE JV-partners and/or subcontractor(s), as well as a breakdown of the distribution of the aforementioned percentage must also be furnished with the RFP Bid to enable Transnet to evaluate in accordance with the processes outlined in the B-BBEE Preference Points Claim Form appended hereto as Annexure A.

a) Incorporated JVs/Consortiums

As part of an incorporated JV/Consortium's bid response, the incorporated JV/Consortium must submit a valid B-BBEE certificate in its registered name.

b) Unincorporated JVs/Consortiums

As part of an unincorporated JV/Consortium's tendered response, the unincorporated JV/Consortium must submit a consolidated valid B-BBEE certificate as if it was a group structure and provided that such a consolidated B-BBEE scorecard is prepared for every separate tender.

It is a further requirement that a signed Memorandum of Agreement [MoA] or JV agreement between the parties clearly stating the percentage [%] split of business and the associated roles, responsibilities, contribution etc of each party be submitted. If such a JV agreement is unavailable, the JV partners must submit confirmation in writing of their intention to enter into a JV agreement/partnership should they be awarded business by Transnet through this RFP process. This written confirmation must clearly indicate the percentage [%] split of business and the responsibilities of each party. In such cases, award of business will only take place once a signed copy of a JV agreement is submitted to Transnet.

- c) Please note that a Respondent will not be awarded points for B-BBEE if it is indicated in its Proposal that such Respondent intends subcontracting more than 25% [twenty-five per cent] of the value of the contract to an entity that does not qualify for at least the same points that the Respondent qualifies for, unless the intended subcontractor is an SME with the capability to execute the contract.

5.3 B-BBEE Registration

In addition to the Verification Certificate, Transnet recommends that Respondents register their B-BBEE compliance and supporting documentation on the DTI's National B-BBEE IT Portal and Opportunities Network and provide Transnet with proof of registration in the form of an official B-BBEE Profile issued by the DTI.

Respondent's Signature

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Transnet would wish to use the DTI B-BBEE IT Portal as a data source for tracking B-BBEE compliance.

For instructions to register and obtain a DTI B-BBEE Profile go to <http://bee.thedti.gov.za>

6 COMMUNICATION

Respondents are warned that a Proposal will be liable to disqualification should any attempt be made by a Respondent either directly or indirectly to canvass any officer or employee of Transnet in respect of this RFP between the closing date and the date of the award of the business.

6.1 For specific queries relating to this RFP, a RFP Clarification Request Form should be submitted before **12:00 on 22 April 2013**, substantially in the form set out in Section 12 hereto. In the interest of fairness and transparency Transnet's response to such a query will then be made available to the other Respondents who have collected RFP documents. For this purpose all Respondents are required to indicate by email their intention to respond to this RFP by informing Transnet of their contact details as soon as possible but on or before **12:00 on 3 June 2013** to **Lizelle.smith@transnet.net**.

6.2 After the closing date of the RFP, a Respondent may only communicate with the **Regional Supply Chain Manager** email **Lizelle.smith@transnet.net** or facsimile number **086 679 3175** on any matter relating to its RFP Proposal.

Respondents found to be in collusion with one another will be automatically disqualified and blacklisted from doing business with Transnet in the future.

7 INSTRUCTIONS FOR COMPLETING THE RFP

7.1 Sign one set of original documents [sign, stamp and date the bottom of each page]. This set will serve as the legal and binding copy. A duplicate set of documents is required. This second set must be a copy of the original signed Proposal.

7.2 When submitting your proposal, ensure that the following documents are in separate file:

Commercial/ Price

Technical/ Quality

BBBEE

7.3 Both sets of documents are to be submitted to the address specified in paragraph 4 above.

7.4 A CD copy of the RFP Proposals Pricing Schedule must be submitted. Please provide files in **Excel format**, not PDF versions, noting that the signed original set will be legally binding.

7.5 *All returnable documents tabled in the Proposal Form [Section 4] must be returned with your Proposal.*

8 COMPLIANCE

The successful Respondent [hereinafter referred to as the **Service Provider**] shall be in full and complete compliance with any and all applicable laws and regulations.

Respondent's Signature

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Transnet ISCM Services: RFP October 2012

9 ADDITIONAL NOTES

- 9.1 Changes by the Respondent to its submission will not be considered after the closing date.
- 9.2 The person or persons signing the Proposal must be legally authorised by the Respondent to do so [*Refer Section 6 – Signing Power, Resolution of the Board of Directors*]. A list of those person(s) authorised to negotiate on behalf of the Respondent [if not the authorised signatories] must also be submitted along with the Proposal together with their contact details.
- 9.3 Transnet will not do business with companies involved in B-BBEE fronting practices.
- 9.4 Transnet may wish to visit the Respondent's place of business during this RFP process.
- 9.5 Transnet reserves the right to undertake post-tender negotiations [PTN] with selected Respondents or any number of short-listed Respondents, such PTN to include, at Transnet's option, any evaluation criteria listed in this RFP document.
- 9.6 Unless otherwise expressly stated, all Proposals furnished pursuant to this RFP shall be deemed to be offers. Any exceptions to this statement must be clearly and specifically indicated.

**FAILURE TO OBSERVE ANY OF THE AFOREMENTIONED REQUIREMENTS
MAY RESULT IN A PROPOSAL BEING REJECTED**

10 DISCLAIMERS

Respondents are hereby advised that Transnet is not committed to any course of action as a result of its issuance of this RFP and/or its receipt of Proposals. In particular, please note that Transnet reserves the right to:

- 10.1 modify the RFP's Services and request Respondents to re-bid on any such changes;
- 10.2 reject any Proposal which does not conform to instructions and specifications which are detailed herein;
- 10.3 disqualify Proposals submitted after the stated submission deadline [closing Date];
- 10.4 not necessarily accept the lowest priced Proposal;
- 10.5 reject all Proposals, if it so decides;
- 10.6 withdraw the RFP on good cause shown;
- 10.7 award a contract in connection with this Proposal at any time after the RFP's closing date;
- 10.8 award a contract for only a portion of the proposed Services which are reflected in the scope of this RFP;
- 10.9 split the award of the contract between more than one Service Provider; or
- 10.10 make no award of a contract.

In addition, Transnet reserves the right to exclude any Respondent from the bidding process who has been convicted of a serious breach of law during the preceding 5 [five] years, including but not limited to breaches

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of the Competition Act 89 of 1998. Respondents are required to indicate in Section 11 *[Breach of Law]* whether or not they have been found guilty of a serious breach of law during the past 5 [five] years.

Kindly note that Transnet will not reimburse any Respondent for any preparatory costs or other work performed in connection with its Proposal, whether or not the Respondent is awarded a contract.

1.1 LEGAL REVIEW

A Proposal submitted by a Respondent will be subjected to review and acceptance or rejection of its proposed contractual terms and conditions by Transnet's Legal Counsel, prior to consideration for an award of business.

**Transnet urges its clients, suppliers and the general public
to report any fraud or corruption to
TIP-OFFS ANONYMOUS : 0800 003 056**

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Transnet ISCM Services: RFP October 2012

**RFP FOR THE PROVISION OF
SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE TEZA-
HAIG MMC LINE SHUTDOWN**

Section 2 : BACKGROUND, OVERVIEW AND SCOPE OF REQUIREMENTS

1 BACKGROUND

Transnet Limited operates an integrated freight transport company, formed around a core of five operating divisions that complement each other. These are supported by a number of Company-wide specialist functions such as Transnet Freight Rail – RME which underpin the group as a whole.

Transnet Freight Rail – RME will from time to time in implementing the capital programme, require the services of different types of Equipment at a National or Regional Level.

The breakdown of required plant for Transnet Freight Rail is as tabled below:

Material	Item Description
232	HIRE; LOADER SCOOP TYPE: EXCAVATOR WITH BUCKET
681	HIRE, TRUCK, TANKER: WATER 15000 LITRE
216	HIRE, TRUCK; TIPPER 6M3
223	HIRE, ROLLER; VIBRATING 10T
TBA	HIRE, ROLLER; PAD FOOT 10T
222	HIRE, MACHINE; GRADER 140
229	HIRE, BULLDOZER, EARTH MOVING; 4X4 TLB
626	HIRE; BULLDOZER; EARTHMOVING; DA DOZER

Transnet Freight Rail – RME will from time to time, in implementing the capital programme, require the services of different types of Equipment at a National Level or Regional Level

2 EXECUTIVE OVERVIEW

Most Transnet Operating Divisions currently procure their **Earthmoving Equipment and Services** requirements through a number of service providers on a Framework Agreement. Our objective is to source all activity through a group of Preferred Service Provider(s), capable of servicing all Transnet Freight Rail in locations around the country.

Whereas Transnet is seeking a partner(s) to provide solutions for its **Earthmoving Equipment and Services** nationally and regionally, it also seeks to improve its current processes for providing these Services to its end user community throughout its locations.

The selected Service Provider(s) will share in the mission and business objectives of Transnet. These mutual goals will be met by meeting contractual requirements and new challenges in an environment of teamwork, joint participation, flexibility, innovation and open communications. In this spirit of partnership, Transnet

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and its Service Provider(s) will study the current ways they do business to enhance current practices and support processes and systems. Such a partnership will allow Transnet to reach higher levels of quality, service and profitability.

Specifically, Transnet seeks to benefit from this partnership in the following ways:

- 2.1 Transnet must receive reduced cost of acquisition and improved service benefits resulting from the Service Provider's economies of scale and streamlined service processes.
- 2.2 Transnet must achieve appropriate availability that meets user needs while reducing costs for both Transnet and the chosen Service Provider(s).
- 2.3 Transnet must receive proactive improvements from the Service Provider with respect to provision of Services and related processes.
- 2.4 Transnet's overall competitive advantage must be strengthened by the chosen Service Provider's leading edge technology and service delivery systems.
- 2.5 Transnet end users must be able to rely on the chosen Service Provider's personnel for service enquiries, recommendations and substitutions.
- 2.6 Transnet must reduce costs by streamlining its acquisition of Services, including managed service processes on a Group basis.

3 SCOPE OF REQUIREMENTS

- 3.1 **Supply and delivery of earthmoving equipment and services for the Teza-HAIG MMC line shutdown**
- 3.2 **Refer to Appendix (iii) & Annexure C.**

4 GREEN ECONOMY / CARBON FOOTPRINT

Whereas Transnet cannot prescribe a Respondent's commitment to environmental issues, Transnet would wish to have an understanding of your company's position in this regard, including key environmental characteristics such as waste disposal, recycling and energy conservation. *Please submit details of your entity's policies in this regard.*

5 GENERAL SERVICE PROVIDER OBLIGATIONS

- 5.1 The Supplier(s) shall be fully responsible to Transnet Freight Rail for the acts and omissions of persons directly or indirectly employed by them.
- 5.2 The Supplier(s) must provide the information requested and comply with the requirements stated in this RFP.

6 SERVICE LEVELS

- 6.1 An experienced national account representative(s) is required to work with Transnet's procurement department. [No sales representatives are needed for individual department or locations]. Additionally, there shall be a minimal number of people, fully informed and accountable for this agreement.

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- 6.2 Transnet will have quarterly reviews with the Service Provider's account representative on an on-going basis.
- 6.3 Transnet reserves the right to request that any member of the Service Provider's team involved on the Transnet account be replaced if deemed not to be adding value for Transnet.
- 6.4 The Service Provider guarantees that it will achieve a **95%** service level on the following measures:
- a) Random checks on compliance with scope of work or terms of reference
 - b) On-time deliverables
 - c) On-time availability of plant
 - d) On-time replacement of defective equipment
- 6.5 The Service Provider must provide a telephone number for customer service calls.
- 6.6 Failure of the Service Provider to comply with stated service level requirements will give Transnet the right to cancel the contract in whole, without penalty to Transnet, giving 30 [thirty] days' notice to the Service Provider of its intention to do so.

Acceptance of Service Levels:

YES	
-----	--

NO	
----	--

7 CONTINUOUS IMPROVEMENT INITIATIVES

- 7.1 Respondents shall indicate whether they would be committed, for the duration of any contract which may be awarded through this RFP process, to participate with Transnet Freight Rail in its continuous improvement initiatives to reduce the overall cost of transportation services and related logistics provided by Transnet Freight Rail's operating divisions within South Africa, to the ultimate benefit of all end-users.

Accepted:

YES	
-----	--

NO	
----	--

If "Yes", please specify details in paragraph 9.2 below.

- 7.2 Respondents must briefly describe their commitment to the continuous improvement initiatives and give examples of specific examples and strategies where cost reduction initiatives can be introduced. Specific areas and proposed potential savings percentages should be included. Additional information can be appended to the Respondent's Proposal if there is insufficient space available.

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8 RISK

Respondents must elaborate on the control measures put in place by their entity, which would mitigate the risk to Transnet pertaining to potential non-performance by a Service Provider, in relation to:

8.1 Quality of Services delivered:

8.2 Continuity of the provision of Services:

8.3 Compliance with the Occupational Health and Safety Act, 85 of 1993:

9 REFERENCES

Please indicate below the company names and contact details of existing customers whom Transnet may contact to seek third party evaluations of your current service levels:

NAME OF COMPANY	CONTACT PERSON	TELEPHONE

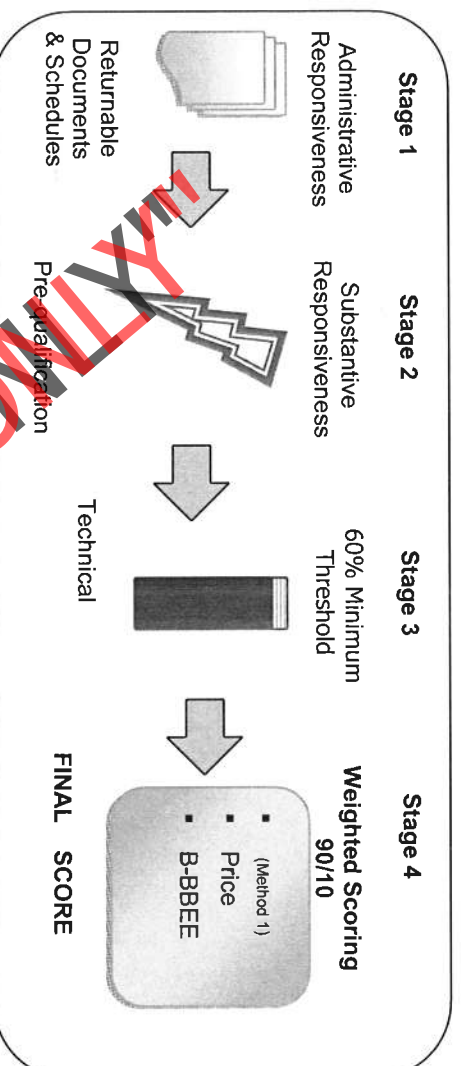
Respondent's Signature

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10 PRE-QUALIFICATION AND EVALUATION METHODOLOGY AND CRITERIA

Transnet will utilise the following methodology and criteria in selecting a preferred Service Provider, if so required:

**10.1 STAGE ONE: Test for Administrative Responsiveness**

The test for administrative responsiveness will include the following:

Pre-Qualification Criteria	RFP Reference
<ul style="list-style-type: none">Whether the Bid has been lodged on time	Section 1 paragraph 3
<ul style="list-style-type: none">Whether all returnable documents and/or schedules [where applicable] were completed and returned by the closing date and time	Section 4

The test for administrative responsiveness [Stage One] must be passed for a Respondent's Proposal to progress to Stage Two for further pre-qualification

10.2 STAGE TWO: Test for Substantive Responsiveness to RFP

The test for substantive responsiveness to this RFP will include the following:

Pre-Qualification Criteria	RFP Reference
<ul style="list-style-type: none">Whether any pre-qualification criteria set by Transnet, have been met	Section 1 paragraphs 2.2, 6, 10.3 Section 4 – validity period Appendix (I), General Bid Conditions clause 19 Sections 10 & 11
<ul style="list-style-type: none">Whether the Bid contains a priced offer	Section 3
<ul style="list-style-type: none">Whether the Bid materially complies with the scope and/or specification given	All Sections

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The test for substantive responsiveness [Stage Two] must be passed for a Respondent's Proposal to progress to Stage Three for further pre-qualification

10.3 STAGE THREE: Test Minimum Threshold of 60% for Technical / Functional Criteria

The test for the Technical / Functional threshold will include the following:

Pre-Qualification Criteria	RFP Reference
<ul style="list-style-type: none"> See Annexure C 	Section 2 [paragraph 10] Annexure C

The minimum threshold for Stage Four pre-qualification criteria must be met or exceeded for a Respondent's Proposal to progress to Stage Five for final evaluation

10.4 STAGE FOUR: Evaluation and Final Weighted Scoring

[Refer Section 2, paragraph 10]

a) Price Criteria: (Weighted 90 %)

Evaluation Criteria	RFP Reference
<ul style="list-style-type: none"> Commercial offer 	Section 3

Transnet will utilise the following formula in its evaluation of price

$$Ps = \frac{P_{bm}}{P_t} \times W1$$

Where: Ps = Score for Bid under consideration

Pt = Comparative price of Bid under consideration

Pbm = Benchmark price calculated using average price of bids received less 10%

W1 = The percentage score given to price

Bidders with a price lower than the benchmark will be given an automatic score equal to the full points allocated to price.

b) Broad-Based Black Economic Empowerment criteria (Weighted 10%)

- B-BBEE - current scorecard** [Refer to Section 1 paragraph 5]

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10.5 SUMMARY: Pre-Qualification Thresholds and Final Evaluated Weightings

PRE-QUALIFICATION CRITERIA	MINIMUM THRESHOLD [%]
Technical / Functionality	60%

EVALUATION CRITERIA	FINAL WEIGHTED SCORES
Price	90%
B-BBEE - Scorecard	10%
TOTAL SCORE:	100

Note: Transnet reserves the right to conduct post-tender negotiations with the preferred Respondent(s)

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Transnet ISCM Services: RFP October 2012

**RFP FOR THE PROVISION OF
SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE TEZA-
HAIG MMC LINE SHUTDOWN**

Section 3 : PRICING AND DELIVERY SCHEDULE

*Respondents are to complete **Annexure D- Pricing Schedule** for the pricing proposal.*

The rates quoted shall be inclusive of all taxes and duties, excluding value added tax, which shall be reimbursed separately against a tax invoice.

Rates for Equipment must be shown separately as per Annexure D.

Equipment must be available from the Contract Start Date to the Completion Date as stated in the *Purchaser's* Contract Data Part One under Core Clause Time and more specifically as per the SAP Purchase Order.

Working Hours are from 06:00 to 06:00 (24 hrs.) Monday to Friday, Saturday and Sunday from 26 June 2013 till 05 July 2013.

Working Hours from 07:00 to 16:00 Monday to Friday for the balance of the SAP Purchase Order and if required.

Start and End Time during Working Hours may differ, depending on the consultation between the Construction Manager and Contractor.

Working Hours must be 9 hours per day.

The hours in the Pricing schedule is estimated hours, payment will only be effected on actual hours worked with proof of the signed site log sheets.

The *Contractor* provides Separate Rates for

- i) Mobilisation and De-mobilisation Charges for the Equipment to & from Designated Sites, which shall include for Accommodation and Security.
- ii) Hourly hire of the Equipment for *Short Term Hire* inclusive of all lubricants, grease, spare parts, filters, consumables fuel, etc. based on the Working Hours. (Wet Hire)
- iii) Hourly hire of the Equipment for *Long Term Hire* inclusive of all lubricants, grease, spare parts, filters, consumables, fuel, etc. based on the Working Hours. (Wet Hire)
- iv) Standby Time Rate
- v) Idle Time Rate due to inclement weather
- vi) Overtime Hire Rate
- vii) Fuel & other Consumables cost and Rates for Operator, must be included in the hourly rate.

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**RFP FOR THE PROVISION OF
SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE TEZA-
HAIG MMC LINE SHUTDOWN**

Section 4 : PROPOSAL FORM

I/We _____

*[name of entity, company, close corporation or partnership]
of [full address]*

carrying on business trading/operating as _____

represented by _____

in my capacity as _____

being duly authorised thereto by a Resolution of the Board of Directors or Members or Certificate of Partners, as the case may be, dated _____ a certified copy of which is annexed hereto, hereby offer to provide the above-mentioned Services at the prices quoted in the schedule of prices in accordance with the terms set forth in the accompanying letter(s) of reference _____ and dated _____ *[if any]* and the documents listed in the accompanying schedule of RFP documents.

I/We agree to be bound by those conditions in Transnet's

- (i) Terms and Conditions of Contract;
- (ii) General Bid Conditions – Services; and
- (iii) any other standard or special conditions mentioned and/or embodied in this Request for Proposal.

I/We accept that unless Transnet should otherwise decide and so inform me/us in the letter of award, this Proposal [and, if any, its covering letter and any subsequent exchange of correspondence], together with Transnet's acceptance thereof shall constitute a binding contract between Transnet and me/us.

Should Transnet decide that a formal contract should be signed and so inform me/us in a letter of intent [the **Letter of Intent**], this Proposal [and, if any, its covering letter and any subsequent exchange of correspondence] together with Transnet's Letter of Intent, shall constitute a binding contract between Transnet and me/us until the formal contract is signed.

I/We further agree that if, after I/we have been notified of the acceptance of my/our Proposal, I/we fail to enter into a formal contract if called upon to do so, or fail to commence the provision of Services within 4 [four] weeks thereafter, Transnet may, without prejudice to any other legal remedy which it may have, recover from me/us any expense to which it may have been put in calling for Proposals afresh and/or having to accept any less favourable Proposal.

Respondent's Signature

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I/We accept that any contract resulting from this offer will be for a period of **two (2) Years** only; and agree to a penalty clause to be negotiated with Transnet, which will allow Transnet to invoke a penalty against us should the delivery of the Services be delayed due to non-performance by ourselves.

ADDRESS FOR NOTICES

The law of the Republic of South Africa shall govern any contract created by the acceptance of this RFP. The *domicilium citandi et executandi* shall be a place in the Republic of South Africa to be specified by the Respondent hereunder, at which all legal documents may be served on the Respondent who shall agree to submit to the jurisdiction of the courts of the Republic of South Africa. Foreign Respondents shall, therefore, state hereunder the name of their authorised representative in the Republic of South Africa who has the power of attorney to sign any contract which may have to be entered into in the event of their Proposal being accepted and to act on their behalf in all matters relating to such contract.

Respondent to indicate the details of its *domicilium citandi et executandi* hereunder:

Name of Entity: _____

Facsimile: _____

Address: _____

NOTIFICATION OF AWARD OF RFP

As soon as possible after approval to award the contract(s), the successful Respondent [the **Service Provider**] will be informed of the acceptance of its Proposal. Unsuccessful Respondents will be advised in writing of the name of the successful Service Provider and the reason as to why their Proposals have been unsuccessful, for example, in the category of price, delivery period, quality, B-BBEE status or for any other reason.

VALIDITY PERIOD

Transnet requires a validity period of 90 [ninety] days [from closing date] of this RFP.

NAME(S) AND ADDRESS / ADDRESSES OF DIRECTOR(S) OR MEMBER(S)

The Respondent must disclose hereunder the full name(s) and address(es) of the director(s) or members of the company or close corporation [C.C.] on whose behalf the RFP is submitted.

- (i) Registration number of company / C.C. _____
- (ii) Registered name of company / C.C. _____
- (iii) Full name(s) of director/member(s) Address/Addresses
ID Number(s)

CONFIDENTIALITY

All information related to this RFP, a subsequent contract or Purchase Order is to be treated with strict confidence. In this regard Respondents are required to complete and return a signed copy of the Non-Disclosure Agreement

Respondent's Signature _____

Date & Company Stamp

appended hereto as **Annexure B**. All information related to a subsequent contract, both during and after completion thereof, will be treated with strict confidence. Should the need however arise to divulge any information gleaned from provision of the Services, which is either directly or indirectly related to Transnet's business, written approval to divulge such information must be obtained from Transnet.

DISCLOSURE OF PRICES TENDERED

Respondents must indicate below whether Transnet may disclose their tendered prices and conditions to other Respondents:

YES		NO	
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PRICE REVIEW

The successful Respondent(s) [the Service Provider] will be obliged to submit to an annual price review. Transnet will be benchmarking this price offering(s) against the lowest price received as per a benchmarking exercise. If the Service Provider's price(s) is/are found to be higher than the benchmarked price(s), then the Service Provider shall match or better such price(s) within 30 [thirty] days, failing which the contract may be terminated at Transnet's discretion or the particular service(s) purchased outside the contract.

RETURNABLE DOCUMENTS, SCHEDULES AND ANNEXURES**Mandatory Returnable Documents and Schedules**

Respondents are required to submit the following returnable documents and schedules with their responses. All Sections, as indicated in the footer of each page, must be signed, stamped and dated by the Respondent. Please confirm submission of these mandatory Returnable Documents, Schedules and Annexures by so indicating [Yes or No] in the table below:

MANDATORY RETURNABLE DOCUMENTS & SCHEDULES		SUBMITTED [Yes or No]
SECTION 3 : Pricing & Delivery Schedule (Annexure D)		
SECTION 5 : Original valid Tax Clearance Certificate (Consortia / Joint Ventures / Sub-contractors must submit a separate Tax Clearance Certificate for each party)		
ANNEXURE C : Technical Criteria & All requested documents therein.		

Failure to provide all the above-referenced mandatory returnable documents at the closing date and time of this tender will result in a Respondent's disqualification. Bidders are therefore urged to ensure that all these documents are returned with their Proposals.

Essential Returnable Documents and Schedules

Respondents are required to submit the following essential returnable documents and schedules with their responses. All Sections, as indicated in the footer of each page, must be signed, stamped and dated by the Respondent. Please confirm submission of these essential Returnable Documents, Schedules and Annexures by so indicating [Yes or No] in the table below:

Respondent's Signature

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ESSENTIAL RETURNABLE DOCUMENTS & SCHEDULES		SUBMITTED [Yes or No]
SECTION 1 : Notice to Bidders		
- ANNEXURE A : B-BBEE Preference Points Claim Form		
SECTION 2 : Background, Overview and Scope of Requirements		
SECTION 4 : Proposal Form		
SECTION 5 : Vendor Application Form		
- Original cancelled cheque or bank verification of banking details		
- Certified copies of IDs of shareholder/directors/members [as applicable]		
- Certified copy of Certificate of Incorporation [CM29/CM9 name change]		
- Certified copy of share certificates [CK1/CK2 if CC]		
- Entity's letterhead		
- Certified copy of valid VAT Registration Certificate		
- Valid B-BBEE Verification Certificate [Large Enterprises and QSEs] Note: failure to provide a valid B-BBEE Verification Certificate at the closing date and time of the tender will result in an automatic score of zero being allocated for B-BBEE scorecard		
- Valid B-BBEE certificate from auditor, accounting officer or SANAS accredited Verification Agency [EMES] Note: failure to provide a valid B-BBEE Verification Certificate at the closing date and time of the tender will result in an automatic score of zero being allocated for B-BBEE scorecard		
- In the case of Joint Ventures, a copy of the Joint Venture Agreement or written confirmation of the intention to enter into a Joint Venture Agreement		
SECTION 6 : Signing Power - Resolution of Board of Directors		
SECTION 7 : Certificate of Acquaintance with RFP Documents		
SECTION 8 : Certificate of Acquaintance with General Bid Conditions – Services		
SECTION 9 : Certificate of Acquaintance with Terms and Conditions of Contract		
SECTION 10 : RFP Declaration Form		
SECTION 11 : Breach of Law Form		
SECTION 13 : Supplier Code of Conduct		
SECTION 14 : Certificate of attendance of RFP Briefing		
SECTION 15 : Certificate of Acquaintance with Scope of Services		
SECTION 16 : Non-Disclosure Agreement		

Failure to provide all the above-referenced returnable documents may result in a Respondent's disqualification at Transnet's sole discretion. Bidders are therefore urged to ensure that all these documents are returned with their Proposals.

Respondent's Signature

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CONTINUED VALIDITY OF RETURNABLE DOCUMENTS

The successful Respondent will be required to ensure the validity of all returnable documents, including but not limited to its Tax Clearance Certificate and valid B-BBEE Verification Certificate, for the duration of any contract emanating from this RFP. Should the Respondent be awarded the contract [**the Agreement**] and fail to present Transnet with such renewals as and when they become due, Transnet shall be entitled, in addition to any other rights and remedies that it may have in terms of the eventual Agreement, to terminate such Agreement forthwith without any liability and without prejudice to any claims which Transnet may have for damages against the Respondent.

PREVIEW COPY ONLY

Respondent's Signature

Date & Company Stamp
Transnet ISCM Services: RFP October 2012

By signing these RFP documents, the Respondent is deemed to acknowledge that he/she has made himself/herself thoroughly familiar with all the conditions governing this RFP, including those contained in any printed form stated to form part hereof, and Transnet SOC Ltd will recognise no claim for relief based on an allegation that the Respondent overlooked any such condition or failed properly to take it into account for the purpose of calculating tendered prices or otherwise.

SIGNED at _____ on this ____ day of _____ 20____

SIGNATURE OF WITNESSES

ADDRESS OF WITNESSES

1 _____

Name _____

2 _____

Name _____

SIGNATURE OF RESPONDENT'S AUTHORISED REPRESENTATIVE:

NAME: _____

DESIGNATION: _____

Respondent's Signature

Date & Company Stamp

Transnet ISCM Services: RFP October 2012

**RFP FOR THE PROVISION OF
SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE
TEZA-HAIG MMC LINE SHUTDOWN**

Section 5 : VENDOR APPLICATION FORM

Respondents are to furnish the following documentation and complete the Vendor Application Form below:

1. **Original** cancelled cheque **OR** letter from the Respondent's bank verifying banking details [**with bank stamp**]
2. **Certified copy** of Identity Document(s) of Shareholders/Directors/Members [*where applicable*]
3. **Certified copy** of Certificate of Incorporation, CM29 / CM9 [*name change*]
4. **Certified copy** of Share Certificates [CK1/CK2 if CC]
5. **Original** letterhead confirming physical and postal addresses
6. **Original** valid SARS Tax Clearance Certificate [RSA entities only] and **certified copy** of VAT Registration Certificate
7. A signed letter from your entity's auditor or accountant confirming most recent annual turnover figures
8. **Certified copy** of valid Company Registration Certificate [*if applicable*]

Note: *No contract shall be awarded to any South African Respondent whose tax matters have not been declared by SARS to be in order.*

Vendor Application Form

Entity's trading name					
Entity's registered name					
Entity's Registration Number or ID Number if a Sole Proprietor					
Form of entity [✓]	CC	Trust	Pty Ltd	Limited	Partnership
How many years has your entity been in business?					
VAT number [if registered]					
Entity's telephone number					
Entity's fax number					
Entity's email address					
Entity's website address					
Bank name			Branch & Branch code		

Respondent's Signature

Date & Company Stamp

Account holder												
Postal address												
Physical address												
Code												
Contact person												
Designation												
Telephone												
Email												
Annual turnover range [last financial year]	< R5 m		R5 - 35 m		> R35 m							
Does your entity provide	Products		Services		Both							
Area of delivery	National		Provincial		Local							
Is your entity a public or private entity	Public		Private									
Does your entity have a Tax Directive or IRP30 Certificate	Yes		No									
Main product or services [e.g. Stationery/Consulting]												

Complete B-BBEE Ownership Details:

% Black ownership		% Black women ownership		% Disabled Black ownership	
Does your entity have a B-BBEE certificate	Yes		No		
What is your B-BBEE status [Level 1 to 9 / Unknown]					
How many personnel does the entity employ	Permanent		Part time		

If you are an existing Vendor with Transnet please complete the following

Transnet contact person	
Contact number	
Transnet Operating Division	

Duly authorised to sign for and on behalf of Entity / Organisation:

Name		Designation	
Signature		Date	

Respondent's Signature

Date & Company Stamp
Transnet ISCM Services: RFP October 2012

**RFP FOR THE PROVISION OF
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HAIG MMC LINE SHUTDOWN**

Section 6 : SIGNING POWER – RESOLUTION OF BOARD OF DIRECTORS

NAME OF ENTITY: _____

It was resolved at a meeting of the Board of Directors held on _____ that

FULL NAME(S)	CAPACITY	SIGNATURE
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

in his/her capacity as indicated above is/are hereby authorised to enter into, sign, execute and complete any documents relating to this Proposal and any subsequent Agreement for the provision of Services.

FULL NAME _____

SIGNATURE CHAIRMAN

FULL NAME _____

SIGNATURE SECRETARY

Respondent's Signature

Date & Company Stamp
Transnet ISCM Services: RFP October 2012

**RFP FOR THE PROVISION OF
SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE TEZA-
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Section 7 : CERTIFICATE OF ACQUAINTANCE WITH RFP DOCUMENTS

NAME OF ENTITY:

1. I/we _____ do

hereby certify that I/we acquainted myself/ourselves with all the documentation comprising this RFP and all conditions contained therein, as laid down by Transnet SOC Ltd for the carrying out of the proposed supply/service/works for which I/we submitted my/our Proposal.

2. I/we furthermore agree that Transnet SOC Ltd shall recognise no claim from me/us for relief based on an allegation that I/we overlooked any RFP/contract condition or failed to take it into account for the purpose of calculating my/our offered prices or otherwise.

3. I/we understand that the accompanying Bid will be disqualified if this Certificate is found not to be true and complete in every respect.

4. For the purposes of this Certificate and the accompanying Bid, I/we understand that the word "competitor" shall include any individual or organisation, 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 Services as the Bidder and/or is in the same line of business as the Bidder

5. The Bidder has arrived at the accompanying Bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium will not be construed as collusive bidding.

6. In particular, without limiting the generality of paragraph 5 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

- a) prices;
- b) geographical area where Services 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;

Respondent's Signature _____

Date & Company Stamp

- e) the submission of a Bid which does not meet the specifications and conditions of the RFP; or
- f) bidding with the intention not winning the Bid.

7. 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 Services to which this RFP relates.

8. 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.

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

SIGNED at _____ on this _____ day of _____ 20__

SIGNATURE OF WITNESS

SIGNATURE OF RESPONDENT

**RFP FOR THE PROVISION OF
SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE TEZA-
HAIG MMC LINE SHUTDOWN**

Section 8 : CERTIFICATE OF ACQUAINTANCE WITH THE GENERAL BID CONDITIONS - SERVICES

[appended hereto as Appendix (i)]

NAME OF ENTITY: _____

I/We _____
do hereby certify that I/we acquainted myself/ourselves with all the documentation comprising the General Bid Conditions - Services as received on _____ *[insert date]* from Transnet SOC Ltd for the carrying out of the proposed Services for which I/we submitted my/our Proposal.

I/We furthermore agree that Transnet SOC Ltd shall recognise no claim from me/us for relief based on an allegation that I/we overlooked any terms and conditions of the General Bid Conditions or failed to take it into account for the purpose of calculating my/our offered prices or otherwise.

I/We confirm having been advised that a signed copy of this Schedule can be submitted in lieu of the entire General Bid Conditions as confirmation in terms of the Returnable Schedule.

SIGNED at _____ on this _____ day of _____ 20__

SIGNATURE OF WITNESS

SIGNATURE OF RESPONDENT

Respondent's Signature

Date & Company Stamp

Respondents should also note the obligations as set out in
clause 19 [Terms and Conditions of Contract]
of the General Bid Conditions [Appendix (i)] which reads as follows:

19.1 The Supplier shall adhere to the Terms and Conditions of Contract issued with the Bid Documents, together with any schedule of "Special Conditions" or otherwise which form part of the Bid Documents.

19.2 Should the Respondent find any conditions unacceptable, it should indicate which conditions are unacceptable and offer amendments /alternatives by written submission on its company letterhead. Any such submission shall be subject to review by Transnet's Legal Counsel who shall determine whether the proposed amendments/alternative(s) are acceptable or otherwise, as the case may be.

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**RFP FOR THE PROVISION OF
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HAIG MMC LINE SHUTDOWN**

**Section 9 : CERTIFICATE OF ACQUAINTANCE WITH THE TERMS AND CONDITIONS OF
CONTRACT FOR THE PROVISION OF SERVICES TO TRANSNET**

[appended hereto as Appendix (ii)]

NAME OF ENTITY:

I/We

do hereby certify that I/we acquainted myself/ourselves with all the documentation comprising the Terms and Conditions of Contract as received on _____ *[insert date]* from Transnet SOC Ltd for the carrying out of the proposed Services for which I/we submitted my/our Proposal.

I/We furthermore agree that Transnet SOC Ltd shall recognise no claim from me/us for relief based on an allegation that I/we overlooked any Terms and Conditions of Contract or failed to take it into account for the purpose of calculating my/our offered prices or otherwise.

I/We confirm having been advised that a signed copy of this Schedule can be submitted in lieu of the entire Terms and Conditions of Contract as confirmation in terms of the Returnable Schedule.

SIGNED at _____ on this _____ day of _____ 20__

SIGNATURE OF WITNESS

SIGNATURE OF RESPONDENT

Respondent's Signature

Date & Company Stamp

**RFP FOR THE PROVISION OF
SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE TEZA-
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Section 10 : RFP DECLARATION FORM

NAME OF ENTITY: _____

We _____ do hereby certify that:

1. Transnet has supplied and we have received appropriate responses to any/all questions [as applicable] which were submitted by ourselves for RFP Clarification purposes;
2. we have received all information we deemed necessary for the completion of this Request for Proposal [RFP];
3. at no stage have we received additional information relating to the subject matter of this RFP from Transnet sources, other than information formally received from the designated Transnet contact(s) as nominated in the RFP documents;
4. we are satisfied, insofar as our entity is concerned, that the processes and procedures adopted by Transnet in issuing this RFP and the requirements requested from Bidders in responding to this RFP have been conducted in a fair and transparent manner; and
5. furthermore, we declare that a family, business and/or social relationship exists / does not exist [delete as applicable] between an owner / member / director / partner / shareholder of our entity and an employee or board member of the Transnet Group
6. If such a relationship exists, Respondent is to complete the following section:

FULL NAME OF OWNER/MEMBER/DIRECTOR/
PARTNER/SHAREHOLDER:

ADDRESS:

Indicate nature of relationship with Transnet:

[Failure to furnish complete and accurate information in this regard may lead to the disqualification of a response and may preclude a Respondent from doing future business with Transnet]

Respondent's Signature

Date & Company Stamp

7. We declare, to the extent that we are aware or become aware of any relationship between ourselves and Transnet [other than any existing and appropriate business relationship with Transnet] which could unfairly advantage our entity in the forthcoming adjudication process, we shall notify Transnet immediately in writing of such circumstances.

8. We accept that any dispute pertaining to this Bid will be resolved through the Ombudsman process and will be subject to the Terms of Reference of the Ombudsman. The Ombudsman process must first be exhausted before judicial review of a decision is sought. [Refer "Important Notice to Respondents" overleaf].

9. We further accept that Transnet reserves the right to reverse an award of business or decision based on the recommendations of the Ombudsman without having to follow a formal court process to have such award or decision set aside.

SIGNED at _____ on this _____ day of _____ 20____

For and on behalf of _____	AS WITNESS:
duly authorised hereto	
Name:	Name:
Position:	Position:
Signature:	Signature:
Date:	
Place:	

Respondent's Signature _____

Date & Company Stamp _____

IMPORTANT NOTICE TO RESPONDENTS

- Transnet has appointed a Procurement Ombudsman to investigate any material complaint in respect of RFPs exceeding R5,000,000.00 [five million S.A. Rand] in value. Should a Respondent have any material concern regarding an RFP process which meets this value threshold, a complaint may be lodged with Transnet's Procurement Ombudsman for further investigation.
- It is incumbent on the Respondent to familiarise himself/herself with the Terms of Reference for the Transnet Procurement Ombudsman, details of which are available for review at Transnet's website www.transnet.net.
- An **official complaint** form may be downloaded from this website and submitted, together with any supporting documentation, within the prescribed period, to procurement.ombud@transnet.net
- For transactions below the R5,000,000.00 [five million S.A. Rand] threshold, a complaint may be lodged with the Chief Procurement Officer of the relevant Transnet Operating Division.
- All Respondents should note that a complaint must be made in good faith. If a complaint is made in bad faith, Transnet reserves the right to place such a Bidder on its List of Excluded Bidders.

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**RFP FOR THE PROVISION OF
SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE
TEZA-HAIG MMC LINE SHUTDOWN**

Section 11 : BREACH OF LAW FORM

NAME OF ENTITY: _____

I/We _____

do hereby certify that I/we *have/have not been* found guilty during the preceding 5 [five] years of a serious breach of law, including but not limited to a breach of the Competition Act, 89 of 1998, by a court of law, tribunal or other administrative body. The type of breach that the Respondent is required to disclose excludes relatively minor offences or misdemeanours, e.g. traffic offences.

Where found guilty of such a serious breach, please disclose:

NATURE OF BREACH:

DATE OF BREACH: _____

Furthermore, I/we acknowledge that Transnet SOC Ltd reserves the right to exclude any Respondent from the bidding process, should that person or entity have been found guilty of a serious breach of law, tribunal or regulatory obligation.

SIGNED at _____ on this _____ day of _____ 20__

SIGNATURE OF WITNESS

SIGNATURE OF RESPONDENT

Respondent's Signature

Date & Company Stamp

**RFP FOR THE PROVISION OF
SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE TEZA-
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Section 13 : SUPPLIER CODE OF CONDUCT

Transnet aims to achieve the best value for money when buying or selling goods and obtaining services. This however must be done in an open and fair manner that supports and drives a competitive economy. Underpinning our process are several acts and policies that any supplier dealing with Transnet must understand and support. These are:

- The Transnet Supply Chain Policy [**SCP**];
- Section 217 of the Constitution - the five pillars of Public PSCM [Procurement and Supply Chain Management]; fair, equitable, transparent, competitive and cost effective;
- The Public Finance Management Act [**PFMA**];
- The Broad-Based Black Economic Empowerment Act [**B-BBEE**]; and
- The Prevention and Combating of Corrupt Activities Act.

This Code of Conduct has been included in this RFP to formally apprise prospective Transnet Suppliers of Transnet's expectations regarding the behaviour and conduct of its Suppliers.

Prohibition of bribes, kickbacks, unlawful payments, and other corrupt practices

Transnet is in the process of transforming itself into a self-sustaining State Owned Company [**SOC**], actively competing in the logistics industry. Our aim is to become a world class, profitable, logistics organisation. As such, our transformation is focused on adopting a performance culture and to adopt behaviours that will enable this transformation.

a) Transnet will not participate in corrupt practices and therefore expects its Suppliers to act in a similar manner.

- Transnet and its employees will follow the laws of this country and keep accurate business records that reflect actual transactions with and payments to our Suppliers.
- Employees must not accept or request money or anything of value, directly or indirectly, to:
 - illegally influence their judgement or conduct or to ensure the desired outcome of a sourcing activity;
 - win or retain business or to influence any act or decision of any decision stakeholders involved in sourcing decisions; or
 - gain an improper advantage.
- There may be times when a Supplier is confronted with fraudulent or corrupt behaviour of Transnet employees. We expect our Suppliers to use our "Tip-offs Anonymous" Hot line to report these acts [0800 003 056].

b) *Transnet is firmly committed to the ideas of free and competitive enterprise.*

- Suppliers are expected to comply with all applicable laws and regulations regarding fair competition and antitrust.
- Transnet does not engage with non-value adding agents or representatives solely for the purpose of increasing B-BBEE spend [fronting].

c) *Transnet's relationship with Suppliers requires us to clearly define requirements, exchange information and share mutual benefits.*

- Generally, Suppliers have their own business standards and regulations. Although Transnet cannot control the actions of our Suppliers, we will not tolerate any illegal activities. These include, but are not limited to:
 - misrepresentation of their product [e.g. origin of manufacture, specifications, intellectual property rights];
 - collusion;
 - failure to disclose accurate information required during the sourcing activity [e.g. ownership, financial situation, B-BBEE status];
 - corrupt activities listed above; and
 - harassment, intimidation or other aggressive actions towards Transnet employees.
- Suppliers must be evaluated and approved before any materials, components, products or services are purchased from them. Rigorous due diligence is conducted and the Supplier is expected to participate in an honest and straight forward manner.
- Suppliers must record and report facts accurately, honestly and objectively. Financial records must be accurate in all material respects.

Conflicts of interest

A conflict of interest arises when personal interests or activities influence [or appear to influence] the ability to act in the best interests of Transnet. Examples include, but are not limited to:

- Transnet employees awarding business to entities in which their family members or associates have an interest
- Transnet employees having a financial interest in a bidding entity

Bidding entities are required to disclose any interest which exists between themselves and any employee and/or Transnet Board member.

**RFP FOR THE PROVISION OF
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Section 14 : CERTIFICATE OF ATTENDANCE OF RFP BRIEFING

It is hereby certified that –

1. _____
2. _____

Representative(s) of _____ *[name of entity]*
attended the RFP briefing in respect of the proposed Services to be rendered in terms of this RFP on
_____ 20__

TRANSNET'S REPRESENTATIVE

RESPONDENT'S REPRESENTATIVE

DATE _____

DATE _____
EMAIL _____

Respondent's Signature

Date & Company Stamp

**RFP FOR THE PROVISION OF
SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE TEZA-
HAIG MMC LINE SHUTDOWN**

Section 15 : CERTIFICATE OF ACQUAINTANCE WITH SCOPE OF SERVICES

[appended hereto as Appendix (iii)]

I/We _____

do hereby certify that I/we acquainted myself/ourselves with all the documentation comprising the Specifications for the carrying out of the proposed Services for which I/we submitted my/our Proposal.

I/We furthermore agree that Transnet SOC Ltd shall recognise no claim from me/us for relief based on an allegation that I/we overlooked any provisions of the Specifications or failed to take it into account for the purpose of calculating my/our offered prices or otherwise.

I/We confirm having been advised that a signed copy of this Schedule can be submitted in lieu of the Specifications as confirmation in terms of the Returnable Schedule.

SIGNED at _____ on this _____ day of _____ 20__

SIGNATURE OF WITNESS

SIGNATURE OF RESPONDENT

Respondent's Signature

Date & Company Stamp

**RFP FOR THE PROVISION OF
SUPPLY AND DELIVERY OF EARTHMOVING EQUIPMENT AND SERVICES FOR THE TEZA-
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Section 16 : NON-DISCLOSURE AGREEMENT [NDA]

Complete and sign the Non-Disclosure Agreement attached hereto as Annexure B

PREVIEW COPY ONLY

Respondent's Signature

Date & Company Stamp

ANNEXURE A

B-BBEE PREFERENCE POINTS CLAIM FORM (SDB 6.1)

This preference form contains general information and serves as a claim for preference points for Broad-Based Black Economic Empowerment [B-BBEE] Status Level of Contribution.

1. INTRODUCTION

- 1.1 A total of 10 preference points shall be awarded for B-BBEE Status Level of Contribution.
- 1.2 Failure on the part of a Bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System [SANAS] or a Registered Auditor approved by the Independent Regulatory Board of Auditors [IRBA] or an Accounting Officer as contemplated in the Close Corporation Act [CCA] together with the bid will be interpreted to mean that preference points for B-BBEE Status Level of Contribution are not claimed.
- 1.3 Transnet 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 Transnet.

2. GENERAL DEFINITIONS

- 2.1 "all applicable taxes" include 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 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 Transnet for the provision of goods, works or services;
- 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 utilised 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, skills 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 Transnet;
- 2.9 "EME" means any enterprise with an annual total revenue of R5 [five] 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 and 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 reference to a juristic person;
- 2.14 **"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;
- 2.15 **"subcontract"** means the primary contractor's assigning or leasing or making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 **"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 Empowerment Act and promulgated in the Government Gazette on 9 February 2007;
- 2.17 **"trust"** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 **"trustee"** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The Bidder obtaining the highest number of total points for the evaluation criteria as enumerated in Section 2 of the RFP will be awarded the contract, unless objective criteria justifies the award to another bidder.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts.
- 3.3 Points scored will be rounded off to 2 [two] decimal places.
- 3.4 In the event of equal points scored, the Bid will be awarded to the Bidder scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more Bids have scored equal points including equal preference points for B-BBEE, the successful Bid will be the one scoring the highest score for functionality.
- 3.6 Should two or more Bids be equal in all respect, the award shall be decided by the drawing of lots.

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

- 4.1 In terms of Regulation 5(2) and 6(2) of the Preferential Procurement Regulations, 2011, preference points shall 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 [Maximum 10]
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

Note: Refer to Section 1 of the RFP document for further information in terms of B-BBEE ratings.

- 4.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EME's with B-BBEE Status Level Certificates.
- 4.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 4.4 A trust, consortium or joint venture will qualify for points for its B-BBEE status level as a legal entity, provided that the entity submits its B-BBEE status level certificate.
- 4.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 4.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialised scorecard contained in the B-BBEE Codes of Good Practice.
- 4.7 A person will not be awarded points for B-BBEE status level if it is indicated in the Bid documents that such a Bidder intends subcontracting more than 25% [twenty-five per cent] of the value of the contract to any other enterprise that does not qualify for at least the same number of points that such a Bidder qualifies for, unless the intended subcontractor is an EME that has the capability and ability to execute the subcontract.
- 4.8 A person awarded a contract may not subcontract more than 25% [twenty-five per cent] of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

5. B-BBEE STATUS AND SUBCONTRACTING

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

B-BBEE Status Level of Contributor _____ = _____ [maximum of 10 points]

Note: Points claimed in respect of this paragraph 5.1 must be in accordance with the table reflected in paragraph 4.1 above and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the Close Corporation Act.

5.2 Subcontracting:

Will any portion of the contract be subcontracted? YES/NO [delete which is not applicable]

If YES, indicate:

- (i) What percentage of the contract will be subcontracted? %
- (ii) The name of the subcontractor
.....
- (iii) The B-BBEE status level of the subcontractor
.....
- (iv) Is the subcontractor an EME?
YES/NO

5.3 Declaration with regard to Company/Firm

- (i) Name of Company/Firm.....
.....
- (ii) VAT registration number.....
.....
- (iii) Company registration number.....
.....
- (iv) Type of Company / Firm
☐ Partnership/Joint Venture/Consortium
☐ One person business/sole propriety
☐ Close Corporations
☐ Company (Pty) Ltd
[TICK APPLICABLE BOX]

(v) Describe Principal Business Activities

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

(vi) Company Classification

- ☐ Manufacturer
 - ☐ Supplier
 - ☐ Professional Service Provider
 - ☐ Other Service Providers, e.g. Transporter, etc
- [TICK APPLICABLE BOX]

(vii) Total number of years the company/firm has been in business.....

“PREVIEW COPY ONLY”