



Transnet Freight Rail
an Operating Division of
TRANSNET LIMITED
(Registration No. 1990/000900/06)

REQUEST FOR PROPOSAL

RFP NUMBER WR/BFX/50843

**SUPPLY AND DELIVERY OF BALLAST STONE FREE STATE REGION
FOR A PERIOD OF 1 YEAR**

ISSUE DATE : 20th April 2010
CLOSING DATE : 18th May 2010
CLOSING TIME : 10h00

**Please note that late responses and those delivered or posted
to the incorrect address will be disqualified.**



RFP NUMBER WR/BFX/50843
SUPPLY AND DELIVERY OF BALLAST STONE
FOR A PERIOD OF 1 YEAR

SCHEDULE OF DOCUMENTS

Section

1. **Notice to Bidders**
2. **Background, Overview and Scope of Requirements**
3. **Proposal Form**
4. **Resolution of Board of Directors (Respondent's Representative)**
5. **Certificate of Acquaintance with RFP Documents**
6. **Pricing and Delivery Schedule**
7. **Special Conditions**
8. **General Tender Conditions (CSS5 – Goods)**
9. **Standard Terms and Conditions of Contract (US7 - Goods)**
10. **Specifications and Drawings**
11. **Non Disclosure Agreement**
12. **Transnet Suppliers Code of Conduct**



SECTION 1

RFP NUMBER WR/BFX/50843

SUPPLY AND DELIVERY OF BALLAST STONE FOR A PERIOD OF 1 YEAR

NOTICE TO BIDDERS

1. Proposals are requested from interested persons, companies, close corporations or enterprises (hereinafter referred to as the "**Respondent(s)**") to supply the above-mentioned requirement to Transnet.

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

OR

Proposals are requested from interested persons, companies, close corporations or enterprises (hereinafter referred to as the "**Respondent(s)**") to supply the above-mentioned requirement(s) to Transnet.

On or after 18th April 2010 the RFQ documents may be inspected at, and are obtainable from the Office of the Senior Buyer, Room 101, Transnet Building, Bloemfontein, 1st Floor, Transnet Road, Bloemfontein

2. A formal briefing session will not be held but should Respondents have specific queries they should email these to the Transnet employee(s) indicated below:

Name : Jakkie Kotze
Division : Transnet Freight Rail (Supply Chain Services)
Email : Jakkie.Kotze@Transnet.net

In the interest of fairness and transparency the said information will then be made available to the other Respondents who have collected RFP documents. For this purpose all Respondents need to indicate their intention to respond by informing the above-mentioned Transnet employee (per email only) of their contact numbers as soon as possible but before 18 May 2010.

OR

3. Proposals must reach the Transnet Freight Rail, Supply Chain Services Kimberley 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	: WR/BFX/50843
Description	: Supply and Delivery of Ballast Stone
Closing date and time	: 18th May 2010 before 10h00
Closing address (refer options paragraph 4 below)	

4. DELIVERY INSTRUCTIONS FOR THIS RFP

- 4.1 **If posted**, the envelope must be addressed to the Transnet Freight Rail , Supply Chain Services , Tender Box , PO Box 842 , Kimberley 8300 , and must be dispatched in time for sorting by the Post Office to reach Transnet Freight Rail tender box before the closing time of the RFQ. In the event of the late receipt of a RFQ, the Respondent's franking machine impression will not be accepted as proof that the response was posted in time .
- 4.2 **If delivered by hand**, the envelope is to be deposited in the Transnet Freight Rail tender box which is located at the main entrance, Property Management Building , Austin Street , Beaconsfield , Kimberley and should be addressed as follows:

**TRANSNET FREIGHT RAIL
SUPPLY CHAIN SERVICES OFFICE
TENDER BOX
PROPERTY MANAGEMENT BUILDING
AUSTIN STREET
BEACONSFIELD
KIMBERLEY**

The measurements of the "tender slot" are 300mm wide x 400mm high, and Respondents must please ensure that response documents or files are not 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.

It should also be noted that the above tender box is accessible to the public ONLY DURING WEEKDAYS MONDAY TO FRIDAY , 7H30 TO 16H00 , excluding public holidays

- 4.3 **If dispatched by courier**, the envelope must be addressed as follows and delivered to the Office of The Senior Buyer , Regional SCS Office , Kimberley , and a signature obtained from that Office

**TRANSNET FREIGHT RAIL
SUPPLY CHAIN SERVICES OFFICE
TENDER BOX
PROPERTY MANAGEMENT BUILDING
AUSTIN STREET
BEACONSFIELD
KIMBERLEY**

- 5. Please note that this RFP closes punctually at 10:00 on Tuesday 18th May 2010.
- 6. If responses are not posted or delivered as stipulated herein, such responses will not be considered and will be treated as "UNRESPONSIVE."
- 7. NO EMAIL OR FACSIMILE RESPONSES WILL BE CONSIDERED.



8. The responses to this RFQ will be opened as soon as practicable after the expiry of the time advertised for receiving them.
9. 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 location of the Respondents will, however, be divulged to other Respondents upon request.
10. Envelopes must not contain documents relating to any RFQ other than that shown on the envelope. All envelopes must reflect the return address of the Respondent on the reverse side.
11. No slips are to be attached to the response documents. Any additional conditions must be embodied in an accompanying letter. Subject only to clause 22 (*Alterations made by the Respondent to Tendered Prices*) of the General Tender Conditions, alterations, additions or deletions must not be made by the Respondent to the actual RFP documents.
12. **BROAD-BASED BLACK ECONOMIC EMPOWERMENT (“BBBEE”)**

TRANSNET fully endorses and supports the South African Government’s Broad-Based Black Economic Empowerment Programme and it is strongly of the opinion that all business enterprises have an equal obligation to redress the imbalances of the past. TRANSNET would therefore prefer to do business with business enterprises who share these same values and who are prepared to contribute to meaningful BBBEE initiatives (including and not limited to enterprise development, subcontracting and Joint Ventures) as part of their tender response.

Transnet would accordingly allow a “preference” in accordance with the 10% preference system, as per the Preferential Procurement Policy Framework Act 5 of 2000 (as amended) to companies who provide a BBBEE accreditation Certificate. All procurement and disposal transactions in excess of R30000 will be evaluated accordingly. All transactions below R30000 will as far as possible be earmarked for EME’s.

TRANSNET consequently urges Respondents (Large enterprises and QSE’s – see below) to have themselves duly accredited by any one of the Accreditation Agencies [approved](#) by SANAS (South African National Accreditation System, under the auspices of the DTI).

In terms of Government Gazette No. 32094, Notice No. 354 dated 23 March 2009, as from 1 August 2009, only BBBEE accreditation Certificates issued by SANAS approved verification agencies will be valid.

However accreditation certificates issued before 23 March 2009 and which are still within their one (1) year validity period will still be acceptable, until their expiry date provided that the accreditation was done in accordance **with the latest codes (i.e. those promulgated on 9 February 2007)**.

BBBEE Accreditation Certificates issued after the published date i.e. 23 March 2009, by a Verification Agency not approved by SANAS, will **NOT** be acceptable as from 23 March 2009.



14.1 Enterprises will be rated by such Accreditation Agencies based on the following:

(a) **Large Enterprises (i.e. annual turnover >R35 million):**

- Rating level based on all 7 (seven) elements of the BBBEE scorecard
- Enterprises to provide BBBEE certificate and detailed scorecard (to be renewed annually)

(b) **Qualifying Small Enterprises – QSE (i.e. annual turnover >R5 million but <R35 million):**

- Rating based on any 4 (four) of the elements of the BBBEE scorecard
- Enterprises to provide BBBEE certificate and detailed scorecard (to be renewed annually)

(c) **Exempted Micro Enterprises – EME (i.e. annual turnover <R5m are exempted from being rated or verified):**

- Automatic BBBEE Level 4 rating, irrespective of race ownership, i.e. 100% BBBEE recognition
- Black ownership >50% or Black Women ownership >30% automatically qualify as Level 3 BBBEE rating, i.e. 110% BBBEE recognition
- EME's should provide documentary proof of annual turnover (i.e. audited financials) plus proof of Black ownership if Black ownership >50% or Black Women ownership >30% (to be renewed annually) from their Auditors / Accounting Officers

14.2 In addition to the above, Respondents who wish to enter into a Joint Venture (JV) or subcontract portions of the contract to BBBEE companies must state in their Tenders / Proposals the percentage of the total contract value which would be allocated to such BBBEE companies, should they be successful in being awarded any business. A rating certificate in respect of such BBBEE JV-partners and/or sub-contractors, as well as a breakdown of the distribution of the aforementioned percentage allocation must also be furnished with the tender response to enable Transnet to evaluate / adjudicate on all tenders received on a fair basis.

14.3 ***Each Respondent is required to furnish proof of its BBBEE status (Certificate and Detailed Scorecard) as stipulated above to TRANSNET.***

<p>Turnover: Indicate your company's most recent annual turnover:</p> <p>R.....</p>

- If annual turnover <R5m, please attach auditors / accounting officers letter confirming annual turnover and percentage black ownership as well as Black Women ownership
- If annual turnover >R5m please attach BBBEE certificate and detailed scorecard from an accredited rating agency.



14.4 The DTI has created an online **B-BBEE Registry** (<http://www.dti.gov.za>) in order to provide a central and standardized source of the B-BBEE status of all entities, and to facilitate the flow of this information amongst entities by providing a Unique Profile Number (UPN) per each listing. Existing and prospective suppliers are therefore urged to list their B-BBEE status on the DTI Registry. Hence, entities verified by DTI, will receive the following benefits:

- Their BBEE status will be verified and confirmed by the DTI, before listing on the Registry
- Listing on the Registry will provide suppliers the option to market themselves on the DTI B-BBEE Opportunities Network. This is a search engine that is designed to help businesses find B-BBEE compliant entities who match specific requirements in terms of the nature of services/goods provided, region, B-BBEE status or other search criteria.

Transnet supports this DTI initiative and will use the DTI Registry to verify prospective and existing suppliers' BBEE credentials.

14.5 Kindly provide Transnet with your DTI B-BBEE UNIQUE PROFILE NUMBER with all tender submissions.

<p>DTI BBEE UNIQUE PROFILE NUMBER: </p>

14.6 Failure to submit your BBEE information in terms of 14.3 and/or 14.5 (above) will result in a score of zero being allocated for BBEE evaluation.

13. SOCIO-ECONOMIC OBLIGATIONS FOR FOREIGN RESPONDENTS

Foreign Respondents' socio-economic obligations under this procurement programme will fall under the associated Government initiative, namely, the Competitive Supplier Development Programme ("CSDP") as developed by the Department of Public Enterprises, details of which are appended hereto at Annexure A.

14. COMMUNICATION

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

A respondent may, however, BEFORE THE CLOSING DATE AND TIME, direct any enquiries relating to the RFQ to the Transnet employee as indicated in clause 2 above, and may also at any time after the closing date of the RFQ, communicate with the Secretary of the Transnet Freight Rail Acquisition Council, at telephone number 011 544 9486 / 3522 or fax no. 011 774 9760 on any matter relating to its RFQ response.

15. RFQ SCHEDULE

Respondents will be contacted as soon as practicable with a status update. At this time short-listed Respondents may be asked to meet with Transnet representatives at a location to be agreed.



16. INSTRUCTIONS FOR COMPLETING THE RFQ

- (i) Sign one set of documents (sign 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 can be a copy of the original signed Proposal.
- (ii) Both sets of documents to be submitted to the address specified above.
- (iii) The following returnable documents must accompany all Proposals:
 - Respondent's latest audited financial statements;
 - Respondent's valid Tax Clearance Certificate.
 - and/or CD copy of your RFP Proposal.

17. COMPLIANCE

The successful Respondent (hereinafter referred to as the "Supplier") shall be in full and complete compliance with any and all applicable State and Local Laws and Regulations.

18. ADDITIONAL NOTES:

- All returnable documents as indicated in the RFQ (Section 3) must be returned with the response
- Changes by the Respondent to its submission will not be considered after the closing date
- The person or persons signing the Proposal must be legally authorised by the Respondent to do so (Refer Section 4). A list of those person(s) authorised to negotiate on your behalf (if not the authorised signatories) must also be submitted along with the Proposal together with their contact details.
- All prices must be quoted in South African Rands
- Transnet reserves the right to undertake post-tender negotiations with selected Respondents or any number of short-listed Respondents and may wish to visit the Respondent's place of manufacture (works) during this process.

NB: Unless otherwise expressly stated, all RFQ,s furnished pursuant to this Request shall be deemed to be offers. Any exceptions to this statement must be clearly and specifically indicated. Transnet reserves the right to reject any or all offers.

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

19. DISCLAIMERS

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

- modify the RFP's Goods and request Respondents to re-bid on any changes
- reject any Proposal which does not conform to instructions and specifications which are detailed herein
- disqualify Proposals submitted after the stated submission deadline



- not necessarily accept the lowest priced Proposal
- reject all Proposals, if it so decides
- award a contract in connection with this Proposal at any time after the RFP's closing date
- award only a portion of the proposed Goods which are reflected in the scope of this RFP
- split the award of the contract between more than one Supplier
- make no award of a contract

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

20. LEGAL REVIEW

Any Proposal submitted by a Respondent is subject to review and negotiation of the proposed contract by Transnet's Legal Counsel.

PRIEVIEW COPY ONLY



Respondents to complete this section:

NAME OF RESPONDENT

PHYSICAL ADDRESS

.....

Respondent's contact person:

Name.....

Designation.....

Telephone.....

Cell Phone.....

Facsimile.....

Email.....

Website.....

PRIEVIEW COPY ONLY

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



SECTION 2

RFP NUMBER WR/BFX/50843

**SUPPLY OF BALLAST STONE
FOR A PERIOD OF 1 YEAR**

BACKGROUND, OVERVIEW AND SCOPE OF REQUIREMENTS

1. BACKGROUND

Seeking proposal and ultimately appoint service provider(s) for Ballast Stone

2. EXECUTIVE OVERVIEW

Transnet Freight Rail currently procure their Ballast Stone requirements through a number of service providers. Our objective is to source all activity through a Supplier(s) capable of servicing Transnet Freight Rail in Free State Region

Transnet is seeking a partner(s) to provide solutions for its Ballast Stone requirements Infra Depot Bloemfontein. It also seeks to improve its current processes for providing these Goods 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 contract requirements and new challenges in an environment of teamwork, joint participation, flexibility, innovation and open communications. In this spirit of partnership, Transnet and its Supplier(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:

- Transnet must receive reduced cost of acquisition and improved service benefits resulting from the Supplier's economies of scale and streamlined service processes.
- Transnet must achieve appropriate availability that meets user needs while reducing costs for both Transnet and the chosen Supplier(s).
- Transnet must receive proactive improvements from the Supplier with respect to supply of Goods and related processes.
- Transnet's overall competitive advantage must be strengthened by the chosen Supplier's leading edge technology and service delivery systems.



- Transnet end users must be able to rely on the chosen Supplier’s personnel for service enquiries, recommendations and substitutions.
- Transnet must reduce costs by streamlining its acquisition of Goods, including managed service processes on a Group basis.

3. SCOPE OF REQUIREMENTS

Supply Ballast Stone on as when required basis for one years

4. GENERAL INFORMATION

It is required that Transnet Freight Rail will be included in the scope of this Proposal.

The service provider(s) shall be fully responsible to Transnet Freight Rail for the acts and omissions of persons directly or indirectly employed by them.

The service provider(s) must provide the identified information requested and comply with the requirements stated in the RFQ.

5. AS AND WHEN CONTRACTS

Purchase orders will be placed on the successful Respondents from time to time as and when supplies are required.

Transnet reserves the right to place purchase orders until the last day of the contract for deliveries to be effected within the delivery period/lead time specified beyond the expiry date of the contract under the same terms and conditions as agreed upon.

The Respondents must indicate hereunder the combined manufacturing and delivery lead time for delivery of the Goods /products/material to end destination in the Republic of South Africa, calculated as from the 7th (seventh) day after the date of the relevant purchase order:

RFP ITEM NUMBER	MANUFACTURING & DELIVERY LEAD TIME
1.	(weeks/months)
2.	(weeks/months)
3.	(weeks/months)

- (i) Delivery requirements may be stipulated in purchase orders and scheduled deliveries may be called for. However, delivery periods and maximum monthly rates of delivery offered by the Respondents will be used as guidelines in establishing lead times and monthly delivery requirements with the Supplier.



- (ii) Where scheduled deliveries are required, the delivery period(s) specified must be strictly complied with, unless otherwise requested by TRANSNET. Material supplied earlier than specified may not be paid for or may be returned with the Supplier being held liable for all expenses incurred, eg. railage charges, handling charges, etc., both ways.

If the delivery period(s) offered by the Respondents is/are subject to a maximum monthly production capacity, full particulars must be indicated hereunder:

RFP ITEM NUMBER	MAXIMUM DAILY PRODUCTION CAPACITY
1.	(Trucks per Day)
2.	(Trucks per Day)
3.	(Trucks per Day)

(If there is insufficient space above to accommodate all the items concerned, a separate statement containing the details must be submitted).

The Respondents must state hereunder the annual holiday closedown period and whether this period has been included in the delivery lead time offered

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The Respondent is to furnish the following information:

What action does the Respondent propose 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 period:

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6. PRE-PRODUCTION SAMPLES/PROTOTYPES

Only in cases when a pre-production sample(s) / prototype(s) is/are called for, the Respondent should state here the date required to deliver the necessary pre-production samples(s)/prototype(s) calculated as from the date of notification of acceptance of the Proposal by Transnet:

NB : Purchase Orders will be placed on the Supplier(s) only after the date of approval of the pre-production sample(s).

State the number of days/weeks/months after which delivery would commence subject to Transnet's approval of the pre-production sample(s)/prototype(s), calculated as from the date of such approval:

7. MANUFACTURERS

The Respondents must state hereunder the actual manufacturer(s) of the Goods tendered for:

(i) LOCAL MANUFACTURER(S):

RFQ ITEM NO.	NAME	ADDRESS (IN FULL)
1).....
2).....
3).....

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8. SUPPLIERS

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

(i) LOCAL MANUFACTURER(S):

RFQ ITEM NO.	NAME	ADDRESS (IN FULL)
1).....
2).....
3).....

9. EXCHANGE AND REMITTANCE

The attention of the Respondents is specially directed to clause 7 (*Exchange and Remittance*) of the General Tender Conditions Form CSS5. The Respondent is also to note that the particulars of the exchange rate on which the Respondent has based its tendered price(s), is/are to be stipulated hereunder only if Transnet is requested by the Respondent to effect payment overseas direct to the Respondent's principal/supplier.

(a) ZAR1.00 (South African currency) being equal to (foreign currency).
% in relation to tendered price(s) (.....) to be remitted overseas by Transnet.

(b) (Name of country to which payment is to be made)

(c) Beneficiary details :
 Name (Account holder)
 Bank (Name and branch code).....
 Swift code
 Country

(d) (Applicable date of Exchange Rate used)



10. NATIONAL RAILWAY SAFETY REGULATOR ACT

In compliance with the **National Railway Safety Regulator Act, 16 of 2002**, the successful Respondent (the "Supplier") shall ensure that the Goods to be supplied to Transnet, under the terms and conditions of a contract between the parties, comply fully with the specifications as set forth in Section 9 (*Specifications and Drawings*) of this RFP, and shall thereby adhere to railway safety requirements and/or regulations. Permission for the engagement of a subcontractor by the Supplier, as applicable, both initially and during the course of a contract, 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 Supplier and/or its subcontractor shall grant Transnet access, during the term of the contract, to review any safety-related activities, including the coordination of such activities across all parts of the organisation.

Accepted:

YES		NO	
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11. SERVICE LEVELS

- Experienced national account representative/s to work with Transnet's sourcing/procurement department (no sales representatives are needed for individual department/locations). Additionally, there shall be a minimal number of people, fully informed and accountable for this agreement.
- Transnet will have quarterly reviews with the Supplier's account representative on an ongoing basis.
- Transnet reserves the right to request that any member of the Supplier's team involved on the Transnet account be replaced if deemed not to be adding value for Transnet.
- Supplier guarantees that it will achieve a 95% service level on the following measures. If the Supplier does not achieve this level as an average over each quarter, Transnet will receive a 1.5% rebate on quarterly sales payable in the next quarter:
 - Pick perfect rate/quantity/specifications
 - On-time delivery
- RetSupplier must provide a toll-free number or alternative number for customer service calls.
- Supplier will pay all costs for returns (shipping, restocking, etc.) as long as materials are in resalable condition. Time limitation on returns will be 14 (fourteen) working days from date of delivery unless the product needs to be shipped back to original manufacturer either for repair or replacement, and then another future reasonable date shall be determined.
- Failure of the Supplier to comply with stated service level requirements will give Transnet the right to cancel the contract in whole, without penalty, giving 30 (thirty) days' notice to the Supplier.

Accepted:

YES		NO	
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12. CONTINUOUS IMPROVEMENT INITIATIVES AND VALUE ADD

Respondents shall indicate whether they are committed to participate in the continuous improvement initiatives of Transnet to reduce the overall cost of transportation within South Africa during the duration of the contract.

Accepted:

YES		NO	
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If "yes", please specify.

Respondents must briefly describe their commitment to the continuous improvement initiatives and give examples of specific areas 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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13. RISK

Respondents must elaborate on the control measures put in place by their company, which mitigate the risk to Transnet, pertaining to potential non-performance by a Supplier in relation to -

(i) quality and specification of Goods delivered:

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

(ii) continuity of supply (refer clause 10.1(c) of Form US7):

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(iii) compliance with the Occupational Health and Safety Act, 85 of 1993 (refer clause 7.1(f) of Form US7)

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(iv) compliance with the National Railway Safety Regulator Act, 16 of 2002 (refer clause 12 above)

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14. 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 number

15. EVALUATION CRITERIA

Transnet will utilise the following criteria (not necessarily in this order) in choosing a Supplier, if so required:

- Pricing - Whilst not the sole factor for consideration, competitive pricing and overall level of discounts will be critical in indicating how much you value Transnet’s business
- Service level guarantees
- Ordering process and reporting to capture, properly discount, and report all Transnet spend.
- Compliance - Completeness of your responses and content of the Proposal will be considered
- Financial strength
- References
- Fixed pricing for one year
- BBBEE status of company and/or Social Obligations (CSDP)
- Additional value-added services
- Technical (Compliance to Transnet Freight Rail requirements)
- Preference might be given to suppliers nearest to the delivery point
- Capacity
- Logistics (Infrastructure)
- Ballast tested and in accordance with Transnet specifications (Certificate of Compliance)



SECTION 3

RFQ WR/BFX/50843

**SUPPLY OF BALLAST STONE
FOR A PERIOD OF 1 YEAR**

PROPOSAL FORM

I/We _____

(name of company, close corporation or partnership)

of (full address) _____

carrying on business under style or title of (trading 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 supply the above-mentioned Goods at the prices quoted in the schedule of prices in accordance with the terms set forth in the accompanying letter(s) 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) Standard Terms and Conditions of Contract, Form No. US7 - Goods;
- (ii) General Tender Conditions, Form CSS5 – Goods; and
- (iii) any other standard or special conditions mentioned and/or embodied in the Request for Proposal form; and;-

I/We accept that unless Transnet should otherwise decide and so inform me/us in the facsimile or letter of acceptance, 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.

Respondent's Signature

Date and Company Stamp



Should Transnet decide that a formal contract should be signed and so inform me/us in the facsimile or letter of acceptance, this Proposal (and, if any, its covering letter and any subsequent exchange of correspondence) together with Transnet's letter of acceptance/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 supply of Goods within 4 (four) weeks, 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.

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

The law of the Republic of South Africa shall govern the contract created by the acceptance of this RFP. The *domicillium 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 accredited agent in the Republic of South Africa who is empowered 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 the contract.

Respondent to indicate *domicillium citandi et executandi* hereunder:

Four horizontal lines for providing the domicillium citandi et executandi information.

NOTIFICATION OF AWARD OF RFP

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

VALIDITY PERIOD

Transnet desires a validity period of 3 (three) months (from closing date) against this RFP. It should be noted that Respondents may offer an earlier validity period, but that their Proposals may be disregarded for that reason. Should Respondents be unable to comply with this validity period, an alternative validity period must be stated hereunder:

This RFP is valid until _____ (State alternative validity period/date).



TAX (VAT) REGISTRATION NUMBER

The Respondent must state hereunder the tax registration number which is applicable to Value-Added Tax:

TAX CLEARANCE CERTIFICATE

Respondents are required to forward a valid copy of their company's Tax Clearance Certificate with their Proposal.

Indicate tax clearance certificate expiry date: _____

BANKING DETAILS

BANK: _____

BRANCH NAME / CODE: _____

ACCOUNT HOLDER: _____

ACCOUNT NUMBER: _____

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

The Respondent must disclose hereunder the full name(s) and address(s) 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

(iii) Full name(s) of director/member(s)	Address/Addresses	ID Number/s
.....
.....
.....
.....
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CERTIFICATE OF COMPLIANCE

Respondents must submit a certified copy of Certificate of Compliance (Quality Test)

REGISTRATION CERTIFICATE

Respondents must submit a certified copy of their company's Registration Certificate with their Proposal.

NAME AND ADDRESS OF ACCREDITED AGENT

Provide hereunder, if applicable, details of the accredited agent in the Republic of South Africa appointed as local representative by foreign Respondents and whose address shall be regarded as the Respondent's domicilium citandi et executandi in terms of the Standard Terms and Conditions of Contract, US7 – Goods.

Name
Address

CONFIDENTIALITY

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

DISCLOSURE OF PRICES TENDERED

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

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

DECLARATION

Respondents to declare hereunder whether any family and/or direct relationship exists between any of the owners / members / directors / partners / shareholders (unlisted companies) of the responding company and any employee or board member of the Transnet Group:

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

If YES, please indicate below:



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

ADDRESS

Indicate nature of relationship (if any):

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

PRICE REVIEW

LOCAL ACQUISITION COUNCIL
TRANSNET FREIGHT RAIL SUPPLY CHAIN SERVICES
TRANSNET PARK
MODDERDAM ROAD
BELLVILLE
CAPE TOWN

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Transnet will be benchmarking this price offering(s) against the lowest price received as per the benchmarking exercise. If the Respondent's price(s) is/are found to be higher than the benchmarked price(s), then the Respondent shall match or better such price(s) within 30 days - failing which the Contract may be terminated at Transnet's discretion or the particular item(s) or service(s) purchased outside the contract.

Price Adjustment

If any price adjustment , and should Transnet and the Supplier fail to reach an agreement on price either party shall be entitled to terminate this agreement after giving 30 (thirty) days written notice to the other .

Respondent's Signature

Date and Company Stamp



RFP NUMBER WR/BFX50842
SUPPLY OF BALLAST STONE NORTHERN CAPE
FOR A PERIOD OF 1 YEAR

Price Basis

1. The Respondent(s) must state hereunder whether the prices quoted is/are firm for the currency of any resulting Contract

 YES NO

2. If no for what period are you prepared to hold the prices firm

3. Respondents are to note that RFQ,S in which firm prices are quoted for the duration of any resulting contract or Purchase order will receive precedence over prices which are subject to adjustments

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RETURNABLE DOCUMENTS

Respondents are required to submit the following returnable documents with their responses (see tick):

Notice to Bidders – Section 1	√
Background overview – Section 2	√
Proposal Form – Section 3	√
Resolution of Board of Directors (Respondent's Representative) – Section 4	√
Certificate of Acquaintance with RFP Documents – Section 5	√
Pricing & Delivery Schedule – Section 6	√
General Tender Conditions, Form CSS5 – Section 7	√
Conditions of Contract, Form US7 – Section 8	√
Audited Financials for previous year	√
Valid Tax Clearance Certificate	√
VAT Registration Certificate	√
BBBEE Accreditation Certificate	√
Specifications and Drawings – Section 10	√
Non-Disclosure Agreement – Section 11	√
Certificate of Compliance	√
Code of Conduct – Section 12	√

NOTE: Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and Annexure A, as indicated in the footer of each page, must be signed and dated by the Respondent.



By signing the 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 Limited 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 _____ 2010.

SIGNATURE OF WITNESSES:

ADDRESS OF WITNESSES:

1 Witness name: _____

Signature: _____

2 Witness name: _____

Signature: _____

1 Address: _____

2 Address: _____

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SIGNATURE OF RESPONDENT'S AUTHORISED REPRESENTATIVE:

ADDRESS

NAME : _____

DESIGNATION: _____

Address: _____

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SECTION 4

RFP NUMBER WR/BFX/50843

**SUPPLY OF BALLAST STONE
FOR A PERIOD OF 1 YEAR**

SIGNING POWER : RESOLUTION OF BOARD OF DIRECTORS

NAME OF COMPANY: _____

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 Tenders, Proposals and/or Contracts for the supply of Goods.

FULL NAME _____

SIGNATURE CHAIRMAN

FULL NAME _____

SIGNATURE SECRETARY



SECTION 5

RFP NUMBER WR/BFX/50843

**SUPPLY OF BALLAST STONE
FOR A PERIOD OF 1 YEAR**

CERTIFICATE OF ACQUAINTANCE WITH RFP DOCUMENTS

NAME OF COMPANY: _____

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 Limited for the carrying out of the proposed supply/service/works for which I/we submitted my/our response.

I/We furthermore agree that Transnet Limited 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.

SIGNED at _____ on this _____ day of _____ 2010

WITNESS : _____

SIGNATURE OF RESPONDENT



SECTION 6

RFP NUMBER WR/BFX/50843

**SUPPLY OF BALLAST STONE
FOR A PERIOD OF 1 YEAR**

PRICING & DELIVERY SCHEDULE

Estimated Quantity	Material Number	Description	PRICE PER CUBIC METRE		UOI
			EX Works Loaded into Rail Trucks	EX Works By Road	
16,000 M3	53/910137	Washing of Ballast	R _____ M3	R _____ M3	M3
16,000 M3	53/932862	Ballast Stone for Ordinary Lines (N1,N2,N3&Yards) loaded into Rail Wagons 63 mm nominal Aperture Specification No : S406 (1998)	R _____ M3	R _____ M3	M3
			EX Siding:	Transport Cost	
			City: _____	R _____ per km	KM
				EX City: _____	

Respondent's Signature

Date and Company Stamp



Ballast requirements Free State Region		
Item Number	Quantity	Required at
		ABERFELDY - DRIEDEEL
		AFRIKASKOP
		BIDDULPH - SENEKAL
		BLOEMFONTEIN (I) - BLOEMFONTEIN (I)
		DOVER (I) - WESTLEIGH (E)
		DREUNBERG (I) - ALIWAL NORTH (I)
		HAMILTON (E) - SPRINGFONTEIN (E)
		KAREE - GLEN
		KRIEKDRAAI - MEETS
		MARSALA - TWEELING
53/932862	16000 m3	MARSEILLES (E) - MASERU (I)
		MIDDENIN - MOOIGELEë
		OWANTY - FICKSBURG
		REITZ
		SANNASPOS (E) - MARSEILLES (E)
		SPRINGFONTEIN (E) - DREUNBERG (E)
		STORMBERG (E) - STERKSTROOM (E)
		THEUNISSEN (I) - BLOEMFONTEIN (E)
		TOPPUNT - WARDEN
		WESTLEIGH (I) - KROONSTAD (E)

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		WHITES (E) - THEUNISSEN (E)
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SECTION 7

RFQ NUMBER WR/BFX/50843

**SUPPLY OF BALLAST STONE
FOR A PERIOD OF 1 YEAR**

SPECIAL CONDITIONS

Estimated Quantities

The quantities as reflected on the RFQ are estimated quantities only and is given to prospective respondents as a guideline of what Transnet anticipated to use during a one year period .Transnet will not be bound in any way to purchase these quantities.

The prices quoted are to be exclusive of VAT but must include packaging and delivery charges direct to various delivery points in Bloemfontein

Ordering Quantities

Transnet may request small quantities of low value of a particular item at any one time . Should you enforced minimum ordering quantities for any of these items , Transnet reserves the right to procure these items from a supplier who is prepared to sell the required quantities . Should the supplier charge more than the cost of your minimum ordering quantity , only then will Transnet procure the minimum ordering quantity

Certification

Suppliers who have not had their ballast certified / approved by TFR (Technology) must arrange with TFR (Technology) to collect samples and have the ballast certified. No uncertified / unapproved ballast will be considered



Supplier will be obligated to submit quarterly certification of ballast compliance

SECTION 8

RFP NUMBER WR/BFX/50843

**SUPPLY OF BALLAST DTONE
FOR A PERIOD OF 1 YEAR**

GENERAL TENDER CONDITIONS - GOODS

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Refer Form CSS5 attached hereto



SECTION 9

RFP NUMBER WR/BFX/50843

**SUPPLY BALLAST STONE
FOR A PERIOD OF 1 YEAR**

STANDARD TERMS AND CONDITIONS OF CONTRACT
FOR THE SUPPLY OF GOODS TO TRANSNET

Refer Form US7 attached hereto.

**Respondents should note the obligations as set out in
Clause 24 of the General Tender Conditions (Section 7) which reads as follows:**

"The Supplier shall adhere to the Standard Terms and Conditions of Contract as set out in Form US7 – Goods, a copy of which is attached hereto.

Should the Respondent find any conditions unacceptable, it should indicate which conditions are unacceptable and offer an alternative. Please note that any alternative offered shall be compared with acceptance of the Form US7 conditions or alternatives offered by other Respondents, except penalties for late deliveries, the exclusion of which may disqualify the RFP, save where indicated otherwise by Transnet."

Respondent's Signature

35

Date and Company Stamp



SECTION 10

RFP NUMBER WR/BFX/50843

SUPPLY OF BALLAST STONE
FOR A PERIOD OF 1 YEAR

SPECIFICATIONS AND DRAWINGS

S406 (1998)

SPECIFICATIONS FOR THE SUPPLY OF STONE

1. GENERAL

2. CONCRETE STONE

3. BALLAST STONE

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APPENDIX A : TEST FOR SOUNDNESS OF AGGREGATE (SODIUM SULPHATE METHOD)

APPENDIX B : DURABILITY TEST FOR BALLAST STONE

APPENDIX C : MILL ABRASION TEST FOR BALLAST STONE

1. GENERAL

1.1 Stone for road pavement layers, concrete and ballast shall comply with SABS 1083 (latest revision). In addition, concrete and ballast stone shall comply with the requirements specified hereinafter. Acceptance of the stone shall also depend on a full petrographic analysis to identify any microfissuring, weaknesses and/or the presence of undesirable minerals that could lead to early degradation.

2. CONCRETE STONE

2.1 In the soundness test described in Appendix A, the loss in mass shall not exceed 5% after 10 cycles of the tests.



Prepare a saturated solution of anhydrous Na_2SO_4 or crystalline $\text{Na}_2\text{SO}_4 \cdot 10\text{H}_2\text{O}$ in distilled or demineralised water between 33C and 35C. Use sufficient of the salt to give excess crystals after thorough stirring. Cool to between 22C and 24C and keep at this temperature for at least 16 h. Stir thoroughly before use.

A2. Preparation of test specimen

From a representative sample of stone take a random specimen of at least 500 gram passing a 19 mm and retained on a 13.2 mm sieve. Wash the specimen to remove all adhering material. Dry at 105C in a well ventilated oven and determine the mass after cooling. Continue drying until the decrease in mass after each of 2 successive drying periods of 4 h does not exceed 0.1% of the total mass. Let this mass be M1.

A3. Procedure

A3.1 Place the specimen in a porcelain dish and cover fully with test solution between 20C and 25C for 7 h. Decant the solution taking care that no stone is lost.

A3.2 Dry the specimen for 15 h at 105C. Allow the specimen to cool for 2 h. This completes one cycle of the soundness test.

A3.3 Repeat the cycle described in A3.1 and A3.2 as often as specified. After every fifth cycle, wash the specimen on a 1.70 mm sieve with hot water until no crystalline sodium sulphate is visible and continue the test with material retained on a 1.70 mm sieve.

A3.4 After completion of the final cycle, wash the specimen in hot water until the washings are free of sodium sulphate. Dry the specimen to constant mass and screen on a 1.70 mm sieve. Let the mass retained on this sieve be M2.

A4. Loss

Calculate the percentage loss in mass from the formula



$$\frac{(M1 - M2)}{M1} \times 100\%$$

APPENDIX B

DURABILITY TEST FOR BALLAST STONE

B1. Preparation of test specimens

From a representative sample of ballast stone take at random 100 stones passing a 53.0 mm and retained on a 26.5 mm sieve. Wash the stones to remove all adhering material. Dry the stones at 105C in a well ventilated oven and determine the mass after cooling. Continue drying until the decrease in mass after each of 2 successive drying periods of 4 h does not exceed 0.1% of the total mass.

B2. Procedure

Place the 100 stones in a suitable container and cover with ethylene glycol between 18 and 25C for 20 days. Determine the number of stones that have broken, or can be broken by hand.

APPENDIX C

Mill abrasion test



1. Test method

1.1 Prepare a test sample of the ballast under test, consisting of 1.5 kg each of the following two particle sizes:

<37.5 mm >26.5 mm and <26.5 mm >19 mm.

The particles shall be washed and oven-dried to a constant weight before it is weighed and tested.

(W_o = the total weight of sample)

1.2 Place the sample in the porcelain mill pot and add 3 litres of distilled water. Ensure that the cork washer is correctly in position before tightening the lid securely.

1.3 The mill pot is placed in a horizontal position on the two rollers of the test apparatus with the lid on the side of the electric motor in order that the counter's sensor is activated with each revolution of the mill pot.

1.4 The mill pot shall be rotated at 33 r.p.m. for a total of 10000 revolutions.

1.5 The sample shall then be wash-sieved through a 9.5 mm sieve placed on top of a 0.075 mm sieve and then oven-dried to a constant weight.



1.6 Record the dry mass of the material on the sieves:

W1 = mass of material on 9.5 mm sieve.

W2 = mass of material on 0.075 mm sieve

2. Evaluation method

Calculate the following abrasion value:

$$MA = \frac{W_0 - W_1 - W_2}{W_0} * 100 = \text{Mill Abrasion value}$$

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SECTION 11

RFP NUMBER WR/BFX/50843

SUPPLY OF BALLAST STONE

FOR A PERIOD OF 1 YEARS

NON-DISCLOSURE AGREEMENT (“NDA”)

Complete and sign NDA attached hereto

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