



TRANSNET FREIGHT RAIL, a division of

TRANSNET SOC LTD

Registration Number 1990/000900/30

[hereinafter referred to as **Transnet**]

REQUEST FOR QUOTATION [RFQ] No PTH/52885

DESCRIPTION: PROVISION OF THE CUTTING, PRUNING AND TREATMENT OF LARGE OVERGROWN TREES WITH AN APPLICABLE HERBICIDE AND DYE MIXTURE

PERIOD: 2 MONTHS

LOCATION: BETWEEN EAST LONDON AND NOUPOORT STATIONS

ISSUE DATE: 23 MAY 2014

CLOSING DATE: 17 JUNE 2014

CLOSING TIME: 12:00



SCHEDULE OF DOCUMENTS

SECTION 1	:	NOTICE TO BIDDERS	PAGE 3 - 10
SECTION 2	:	QUOTATION FORM	PAGE 11 - 15
SECTION 3	:	STANDARD TERMS AND CONDITIONS FOR THE SUPPLY OF GOODS OR SERVICES TO TRANSNET	PAGE 16 - 20
SECTION 4	:	SCOPE OF REQUIREMENTS	PAGES 21 – 29
SECTION 5	:	CERTIFICATE OF ATTENDANCE	PAGE 30
SECTION 6	:	ACKNOWLEDGEMENT	PAGE 31
ANNEXURE A	:	B-BBEE PREFERENCE POINTS CLAIM	PAGE 32 – 37
<u>ADDITIONAL ANNEXURES</u>			
ANNEXURE B	:	SPECIFICATION FOR WORK ON, OVER, UNDER OR ADJACENT TO RAILWAY LINES AND NEAR HIGH VOLTAGE EQUIPMENT	
ANNEXURE C	:	SAFETY ARRANGEMENTS AND PROCEDURAL COMPLIANCE WITH THE OCCUPATIONAL HEALTH AND SAFETY ACT; ACT 85 OF 1993 AND REGULATIONS	
ANNEXURE D	:	SUPPLIER CODE OF CONDUCT	
ANNEXURE E	:	RFQ DECLARATION FORM	

Section 1
NOTICE TO BIDDERS

Quotations 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.

On or after 23 May 2014 RFQ document may be inspected at, and are obtainable from the Regional Supply Chain Service Office, FC Sturrock Building, 2nd Floor, Room 204, Fleming Street, Port Elizabeth.

Arrangements for the collection of the RFQ documents can be made with Me. Ronelle Blom on telephone number 041 – 507 2720/21 or email: ronelle.blom@transnet.net or phumla.maldaka@transnet.net

No RFQ/tender fee is applicable and will be issued "**FREE OF CHARGE**" to all respondents.

A compulsory information briefing session will be conducted on 03 June 2014. Attendance is compulsory and failure to attend will disqualify submissions from evaluation.

The compulsory information briefing session will start punctually at 09h00 and Respondents must please ensure that they arrive on time to prevent any delays.

Details of the compulsory information briefing session:

Date: 03 June 2014
Venue: TFR Infra Boardroom
1A Cambridge Street)
East London
Time: 09h00

For directions to the briefing session, Me. Ziyanda Poswa may be contacted on cell: 083 576 1079

The above-mentioned session are to be used as an opportunity for the attendees to familiarise themselves with the scope of the requirements and furthermore for bidders to pose and for TFR to respond in terms of "questions and answers". **It is hence required that prospective bidders are fully familiar with the entire tender pack prior to attending these sessions. All respondents are to provide their own transportation and accommodation to and from the abovementioned session and will be for their own expense. Transnet will not provide transport in any form.**

METHOD: Post and/or courier

CLOSING VENUE: **Postal Address:**
 Transnet SOC Limited
 Secretariat of the Acquisition Council (ASO)
 PO Box 13213
 Humewood
 Port Elizabeth
 6013

Physical Address:
 Transnet SOC Limited
 Secretariat of the Acquisition Council, (ASO)
Tender Box, 2nd Floor Foyer
 FC Sturrock Building
 Fleming Street
 Port Elizabeth
 6001

NB: Quotations must be enclosed in a sealed envelope which must have inscribed on the outside:

RFQ No	: PTH/52885
Description	: Cutting/Pruning of Trees EL-Noupoort
Closing date and time	: 17 June 2014 at 12h00
Closing address (refer to abovementioned options)	

1 Responses to RFQ

Responses to this RFQ [**Quotations**] must not include documents or reference relating to any other quotation or proposal. Any additional conditions must be embodied in an accompanying letter. The original signed RFQ will serve as the legal binding document and no copies will be accepted for evaluation purposes.

2 Broad-Based Black Economic Empowerment [B-BBEE]

Transnet fully endorses and supports the Government's Broad-Based Black Economic Empowerment Programme and it would therefore prefer to do business with local business enterprises who share these same values. Transnet will accordingly allow a "preference" to companies who provide a valid B-BBEE Verification Certificate. All procurement transactions will be evaluated accordingly.

2.1 B-BBEE Scorecard and Rating

As prescribed in terms of the Preferential Procurement Policy Framework Act (PPPFA), Act 5 of 2000 and its Regulations, Respondents are to note that the following preference point system is applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included).
- Bidders are to note that if the 80/20 preference point system is stipulated in this RFQ and all Bids received exceed R1 000 000.00, the RFP must be cancelled.

The value of this bid is estimated to be below R1000 000 (all applicable taxes included) and therefore the **80/20** system shall be applicable.

When Transnet invites prospective suppliers to submit Proposals for its various expenditure programmes, it requires Respondents to have their B-BBEE status verified in compliance with the Codes of Good Practice issued in terms of the Broad Based Black Economic Empowerment Act No. 53 of 2003.

The Department of Trade and Industry recently revised the Codes of Good Practice on 11 October 2013 [Government Gazette No. 36928]. The Revised Codes will replace the Black Economic Empowerment Codes of Good Practice issued on 9 February 2007. The Revised Codes provide for a one year transitional period starting 11 October 2013. During the transitional period, companies may elect to be measured in terms of the Revised Codes or the 2007 version of the Codes. After the first year of the implementation of the Revised Codes, B-BBEE compliance will be measured in terms of the Revised Codes without any discretion. Companies which are governed by Sector-specific Codes will be measured in terms of those Sector Codes.

As such, Transnet will accept B-BBEE certificates issued based on the Revised Codes. Transnet will also continue to accept B-BBEE certificates issued in terms of the 2007 version of the Codes provided it was issued before 10 October 2014. Thereafter, Transnet will only accept B-BBEE certificates issued based on the Revised Codes.

Respondents are required to complete Annexure A [the B-BBEE Preference Point Claim Form] and submit it together with proof of their B-BBEE Status as stipulated in the Claim Form in order to obtain preference points for their B-BBEE status.

Note: Failure to submit a valid and original B-BBEE certificate or a certified copy thereof at the Closing Date of this RFQ will result in a score of zero being allocated for B-BBEE.

[Refer clause 19 below for Returnable Documents required]

3 Communication

- Respondents are warned that a response will be liable for 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 written enquiries relating to the RFQ to the following Transnet employee:
Name: Granville van der Merwe Email: granville.vandermerwe@transnet.net
- Respondents may also, at any time after the closing date of the RFQ, communicate with Ronelle Blom on any matter relating to its RFQ response:
Telephone 041 - 5072721 Email ronelle.blom@transnet.net

4 Tax Clearance

The Respondent's original and valid Tax Clearance Certificate must accompany the Quotation. Note that no business shall be awarded to any Respondent whose tax matters have not been declared by SARS to be in order.

5 VAT Registration

The valid VAT registration number must be stated here: _____ *[if applicable]*.

6 Legal Compliance

The successful Respondent shall be in full and complete compliance with any and all applicable national and local laws and regulations.

7 Changes to Quotations

Changes by the Respondent to its submission will not be considered after the closing date and time.

8 Pricing

All prices must be quoted in South African Rand on a fixed price basis, excluding VAT.

9 Prices Subject to Confirmation

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

10 Negotiations

Transnet reserves the right to undertake post-tender negotiations with selected Respondents or any number of short-listed Respondents.

11 Binding Offer

Any Quotation furnished pursuant to this Request shall be deemed to be an offer. Any exceptions to this statement must be clearly and specifically indicated.

12 Disclaimers

Transnet is not committed to any course of action as a result of its issuance of this RFQ and/or its receipt of a Quotation in response to it. Please note that Transnet reserves the right to:

- modify the RFQ's goods / service(s) and request Respondents to re-bid on any changes;
- reject any Quotation which does not conform to instructions and specifications which are detailed herein;
- disqualify Quotations submitted after the stated submission deadline;
- not necessarily accept the lowest priced Quotation;
- reject all Quotations, if it so decides;
- place an order in connection with this Quotation at any time after the RFQ's closing date;
- award only a portion of the proposed goods / service/s which are reflected in the scope of this RFQ;
- split the award of the order/s between more than one Supplier/Service Provider; or
- make no award at all.

Transnet reserves the right to award business to the highest scoring bidder/s unless objective criteria justify the award to another bidder.

13 Transnet’s supplier integrity pact

Transnet’s Integrity Pact requires a commitment from suppliers and Transnet that they will not engage in any corrupt and fraudulent practices, anti-competitive practices; and act in bad faith towards each other. The Integrity Pact also serves to communicate Transnet’s Gift Policy as well as the remedies available to Transnet where a Respondent contravenes any provision of the Integrity Pact.

Respondents are required to familiarise themselves with the contents of the Integrity Pact which is available on the Transnet Internet site [www.transnet.net/Tenders/Pages/default.aspx] or on request. Furthermore, Respondents are required to certify that they have acquainted themselves with all the documentation comprising the Transnet Integrity Pact and that they fully comply with all the terms and conditions stipulated in the Transnet Supplier Integrity Pact as follows:

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

Should a Respondent need to declare previous transgressions or a serious breach of law in the preceding 5 years as required by Annexure A to the Integrity Pact, such declaration must accompany the Respondent’s bid submission.

"PREVIEW COPY ONLY"

14 Evaluation Criteria

Transnet will utilise the following criteria [not necessarily in this order] in choosing a Supplier/Service Provider, if so required:

Criterion/Criteria	Explanation
Phase 1: Administrative responsiveness	Completeness of response and returnable documents = 100%
Substantive responsiveness	Prequalification criteria, if any, must be met and whether the Bid materially complies with the scope and/or specification given = 100%
Phase2: Final weighted evaluation based on 80/20 preference point system as indicated in paragraph 2	<ul style="list-style-type: none"> Pricing and price basis [firm] - whilst not the sole factor for consideration, competitive pricing and overall level of unconditional discounts¹ will be critical B-BBEE status of company - Preference points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table indicated in Annexure A.

15 Validity Period

Transnet desires a validity period of 90 [ninety] days from the closing date of this RFQ.

This RFQ is valid until _____.

16 Banking Details

BANK: _____

BRANCH NAME / CODE: _____

ACCOUNT HOLDER: _____

ACCOUNT NUMBER: _____

17 Company Registration

Registration number of company / C.C. _____

Registered name of company / C.C. _____

18 Disclosure of Prices Quoted

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

YES NO

¹ Only unconditional discounts will be taken into account during evaluation. A discount which has been offered conditionally will, despite not being taken into account for evaluation purposes, be implemented when payment is effected.

19 Returnable Documents

Returnable Documents means all the documents, Sections and Annexures, as listed in the tables below.

- a) Respondents are required to submit with their Quotations the **Returnable Documents**, as detailed below.

Failure to provide all these Returnable Documents at the Closing Date and time of this RFQ may result in a Respondent's disqualification. Respondents are therefore urged to ensure that all these Documents are returned with their Quotations.

All Sections, as indicated in the footer of each page, must be signed, stamped and dated by the Respondent. Please confirm submission of these Returnable Documents by so indicating [Yes or No] in the table below:

Returnable Documents	Submitted [Yes or No]
SECTION 1 : Notice to Bidders	
<ul style="list-style-type: none"> - Valid and original B-BBEE Verification Certificate or certified copy thereof [Large Enterprises and QSEs] Note: failure to provide a valid B-BBEE Verification Certificate at the closing date and time of the RFQ will result in an automatic score of zero for preference 	
<ul style="list-style-type: none"> - Valid and original B-BBEE certificate/sworn affidavit or certified copy thereof 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 RFQ will result in an automatic score of zero being allocated for preference 	
<ul style="list-style-type: none"> - 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 	
<ul style="list-style-type: none"> - Original valid Tax Clearance Certificate [Consortia / Joint Ventures must submit a separate Tax Clearance Certificate for each party] 	
SECTION 2 : Quotation Form	
SECTION 3 : Standard Terms and Conditions of Contract for the Supply of Goods or Services to Transnet	
SECTION 4 : Scope of Requirements	
SECTION 5 : Certificate of Attendance – Briefing Session	
SECTION 6 : Acknowledgement	
ANNEXURE A : B-BBEE Preference Points Claim Form	
ANNEXURE B : E7/1 Specification for work on, over, under or adjacent to railway lines and near high voltage equipment	
ANNEXURE C : Safety Arrangements and Procedural Compliance with the Occupational Health and safety Act; Act 85 of 1993 and regulations	
ANNEXURE D : Supplier Code of Conduct	

**Section 2
QUOTATION FORM**

I/We _____
hereby offer to supply the goods/services at the prices quoted in the Price Schedule below, in accordance with the conditions related thereto.

I/We agree to be bound by those terms and conditions in:

- the Standard Terms and Conditions for the Supply of Goods or Services to Transnet; and
- any other standard or special conditions mentioned and/or embodied in this Request for Quotation.

I/We accept that unless Transnet should otherwise decide and so inform me/us, this Quotation [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.

I/We further agree that if, after I/we have been notified of the acceptance of my/our Quotation, I/we fail to deliver the said goods/service/s within the delivery lead-time quoted, Transnet may, without prejudice to any other legal remedy which it may have, cancel the order and recover from me/us any expenses incurred by Transnet in calling for Quotations afresh and/or having to accept any less favourable offer.

Price Schedule

I/We quote as follows for the service required (as & when), on a “delivered nominated destination” basis, excluding VAT:

Item No	Description of Service	Unit of Measure	Quantity	Unit Price (ZAR)	Total Price (ZAR)
1	Cut & Prune selected species-large overgrown trees and treat cut stumps with an applicable herbicide and dye mixture between East London and Noupoort Stations	Lot	1		
2	Estimated volume and Value of herbicides for this project plus Product names. <u>Product Names, Volume & Value to be inserted below:</u>	Lot	1		
Gross Total (excluding VAT)			R		

Respondent’s Signature

Date & Company Stamp

Time period to complete the required work: _____ **[days/weeks/months]**

Notes to Pricing:

- a) All Prices must be quoted in South African Rand, exclusive of VAT
- b) To facilitate like-for-like comparison bidders must submit pricing strictly in accordance with this price schedule and not utilise a different format. Deviation from this pricing schedule could result in a bid being disqualified.
- c) Please note that should you have offered a discounted price(s), Transnet will only consider such price discount(s) in the final evaluation stage if offered on an unconditional basis.
- d) Also note that should you fail to complete the tree felling and pruning switching requirement schedule below, your RFQ will be disqualified from evaluations

"PREVIEW COPY ONLY"

**TREE FELLING AND PRUNING SWITCHING REQUIREMENT SCHEDULE: TO BE COMPLETE BY RESPONDENT
(COMPULSORY)**

ITEM NO	SECTION	MAST POLE /km	DESCRIPTION	SWITCHING/HOURS REQUIRED
1.	Port Rex	0/07	fell	
2.	Port Rex	1/20	fell	
3.	Port Rex	1/30	Fell	
4.	Port Rex	3/7	Fell	
5.	Port Rex	3/24	Fell	
6.	Port Rex	3/32	Fell	
7.	Port Rex	4/15	Fell	
8.	Port Rex	4/27	Fell	
9.	Port Rex	5/1	fell	
10.	Southernwood	46/16	fell	
11.	Vincent	42/01	fell	
12.	Chislehurst	44/10-13	fell	
13.	Southernwood	46/08-14	fell	
14.	Penmure	45/07-12	Prune	
15.	Penmure	46/01	fell	
16.	Cambridge	S4-Yard	fell	
17.	Lonetree	13/17	fell	
18.	Lonetree	18/04-12	fell	
19.	Fort Jackson	19/04	Prune	
20.	Mount Ruth	25/16	fell	
21.	Mtsotso	31/02	fell	
22.	Mtsotso	33/12	fell	
23.	Dawn	34/16-20	fell	
24.	Horseshoe	36/06-36/11	fell	
25.	Highgate	40/19	fell	
26.	Cambridge	41/11	Fell	
27.	Chiselhurst	43/13	fell	
28.	Merino Vale	161/11 & 14	Prune	
29.	Merino Vale	159/03	fell	
30.	Amabele	136/08 & 17	prune	
31.	Gasela	133/09	Prune	
32.	Gasela	132/14	fell	
33.	Gasela	129/04	fell	
34.	Gasela	126/02	prune	
35.	Stutterheim	123/07	fell	
36.	Stutterheim	121/19	fell	
37.	Dohne	118/07	prune	
38.	Dohne	117/17	fell	
39.	Dohne	114/21		
40.	Dohne	113/25	prune	
41.	FortCunn	104/11 & 22	Prune	
42.	Toise	103/06	prune	
43.	Thomas River	95/07-13	fell	
44.	Surbiton	81/07-08	Fell all inside reserve	

Respondent's Signature

Date & Company Stamp

45.	Cathcart	65/01	Fell all inside reserve both side	
46.	Goshen	59/11	fell	
47.	Waqu	49/14	Fell all inside reserve	
48.	Waqu	47/04	Prune	
49.	Waqu	46/14	prune	
50.	Waqu	43/13	fell	
51.	Waqu	42/12-13	Fell all inside reserve	
52.	Tylden	40/01	prune	
53.	Camp	33/16	Fell	
54.	Camp	33/01	fell	
55.	Camp	28/03-05	fell	
56.	Camp	28/16-17	Prune	
57.	Imvani	27/13	Prune	
58.	Essex	20/05	Prune	
59.	Queenstown	01/07-08	Fell	
60.	Queenstown	01/12	fell	
61.	Queenstown	01/17	Fell	
62.	emberdale	103/03	prune	
63.	emberdale	103/12 & 13	prune	
64.	Emberdale	102/12	prune	
65.	Emberdale	101/11	prune	
66.	Flowers halt	96/12	prune	
67.	Flowers halt	96/03	Prune	
68.	Baily	89/06	Prune	
69.	Baily	88/03	Prune	
70.	Baily	86/13	Prune	
71.	Baily	85/06	Prune	
72.	Baily	82/14	Prune	
73.	Baily	82/05	Prune	
74.	Baily	81/09	Prune	
75.	Baily	80/06	prune	
76.	Queenstown	109/02	Fell	
77.	Berry Park	106/08	Fell	
78.	Amberdale	103/13-11	fell	
79.	Amberdale	102/15	Fell	
80.	Flowers Halt	99/02	Prune	
81.	Lesseyton	85/04	fell	
82.	Bailey	82/15	prune	
83.	Bailey	80/06	prune	
84.	Bombani	79/15	fell	
85.	Bombani	73/12	Fell	
86.	Bombani	71/02	Prune	
87.	Putterskraal	61/01	Prune	
88.	Putterskraal	60/15	Prune	
89.	Sterkstroom	52/09	Fell	
90.	Sterkstroom	52/06	Fell	

Respondent's Signature

Date & Company Stamp

91.	Sterkstroom	50/08-09	Prune	
92.	Lower incline	45/04-15	Fell	
93.	Lower incline	44/12	Fell	
94.	Lower incline	44/10-44	Fell	
95.	Lower incline	42/11-08	Fell	
96.	Carrickmore	31/02-01	Fell	
97.	Carrickmore	36/16-10	Fell	
98.	Carrickmore	34/05	Fell	
99.	Carrickmore	32/06	Fell	
100.	Carrickmore	32/10	Prune	
101.	Carrickmore	32/04-02	Prune	
102.	Syfergat	20/04	Fell	
103.	Molteno	19/17	Prune	
104.	Moleno	18/13	Fell	
105.	Molteno	12/08	Fell	
106.	Lr Adamson	136/14	Fell	
107.	LrAdamson	126/09	Fell	
108.	Lalisa	119/14	Fell	
109.	Lalisa	118/08	Fell	
110.	Burgersdorp	116/09	Prune	
111.	Burgersdorp	114/13-08	fell	
112.	Dreunberg	105/05-03	Fell	
113.	Rockleigh	79/14-10	Prune	
114.	Rockleigh	75/11	Prune	
115.	Rockleigh	75/09	Prune	
116.	Knapdaar	73/20	Prune	
117.	Knapdaar	70/14	Fell	
118.	Swaartrek	69/11	Prune	
119.	Swaartrek	64/10	Fell	
120.	Swaartrek	64/19	Fell	
121.	Bethulie	41/14	Prune	
122.	Bethulie	38/14	Prune	
123.	Providence	18/10	Prune	
124.	Providence	17/09	Prune	
125.	Valleydora	10/03	Fell	
126.	Sprinfontein triangle	Triangle @ Springfontein triangle	Fell All	

NOTES

- **This type of work requires special knowledge and special equipment**
- **Work is mainly outside of TFR fence**
- **All black wattle trees to be removed**
- **Tenderers to get permission from land owners/farmers**
- **No contractors may perform high risk work without written permission from the technical officer**
- **No switching will be provided during weekends and public holidays**

Respondent's Signature

Date & Company Stamp

Section 3

STANDARD TERMS AND CONDITIONS FOR THE SUPPLY OF GOODS OR SERVICES TO TRANSNET

A Supplier shall be obliged to adhere to the Standard Terms and Conditions for the Supply of Goods and Services to Transnet as expressed hereunder. Should the Respondent find any condition(s) unacceptable, it should indicate which condition(s) is/are unacceptable and offer an alternative(s). A Quotation 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.

1 SOLE AGREEMENT

Unless otherwise agreed in writing, these terms [**Terms** and each **Term**] and Transnet's purchase order(s) [**Order** or **Orders**] represent the only conditions upon which Transnet SOC Ltd [**Transnet**] procures goods or services specified in the Order [collectively, the **Products**] from the person to whom the Order is addressed [**the Supplier**]. Transnet does not accept any other conditions which the Supplier may specify, unless otherwise agreed to by Transnet in writing. In the event of any inconsistency between these Terms and any Order, these Terms shall take precedence.

2 CONFORMITY WITH ORDER

Products shall conform strictly with the Order. The Supplier shall not vary the quantities specified and/or the specification, if any, stipulated in the Order, without the prior written consent of Transnet. The Supplier warrants that the Products shall be fit for their purpose and of satisfactory quality.

3 DELIVERY AND TITLE

- 3.1 The delivery dates and addresses are those in the Order. Time shall be of the essence in respect of the Supplier's obligations under the Order.
- 3.2 The Supplier will not be excused for delay in delivery or performance except due to circumstances outside its control and then only subject to the Supplier having notified Transnet in writing on becoming aware of such circumstances. Transnet may terminate an Order, in whole or in part, without incurring any liability to the Supplier if such a delay becomes, in Transnet's absolute opinion, significant.
- 3.3 Risk of loss or damage to Products shall pass to Transnet on delivery, and title shall pass to Transnet when payment to the Supplier for the Products has been effected.
- 3.4 If on delivery, the Products do not conform to the Order, Transnet may reject the Products and the Supplier shall promptly rectify any defects or in Transnet's opinion, supply appropriate replacement Products at the Supplier's expense within the specified delivery times, without any liability due by Transnet. Products shall be subject to such testing and/or inspection as Transnet may consider necessary.

4 PRICE AND PAYMENT

- 4.1 Prices specified in an Order cannot be increased. Payment for the Products shall be made by Transnet against an original undisputed invoice(s) [a **Tax Invoice**], supporting documentation and month-end statement from the Supplier. Tax Invoices plus supporting documentation shall be posted to the address shown in the Order.

4.2 Payment of the Supplier's valid Tax Invoice(s) will be made by Transnet in the South African currency and on the terms stated in the Order, the standard payment terms being 30 [thirty] days from date of receipt by Transnet of a month-end statement, unless otherwise agreed to in writing. Transnet shall arrange for payment of such Tax Invoices and any pre-authorised additional expenses incurred, provided that the authorised expenses are supported by acceptable documentary proof of expenditure incurred [where this is available]. Any amounts due in terms of these Terms shall be paid to the Supplier, taking into account any deduction or set-off and bank charges.

5 PROPRIETARY RIGHTS LIABILITY

If any allegations should be made or any claim asserted against Transnet that ownership of, or any act or omission by Transnet in relation to Products or any written material provided to Transnet relating to any Products or pursuant to an Order being a violation or infringement of any third party's contractual, industrial, commercial or intellectual property rights including but not limited to any patent, registered design, design right, trade mark, copyright or service mark on any application thereof, the Supplier hereby indemnifies Transnet against and hold it harmless from any and all losses, liabilities, costs, claims, damages and expenses [including any legal fees] arising directly or indirectly from such allegation or claim provided that this indemnity shall not apply where the allegation or claim arises solely as a result of the Supplier following a design or process originated and furnished by Transnet. The Supplier shall either

- a) procure for Transnet the right to continue using the infringing Products; or
- b) modify or replace the Products so that they become non-infringing,

provided that in both cases the Products shall continue to meet Transnet's requirements and any specifications stipulated in the Order. Should neither option be possible, the Supplier may remove, with Transnet's prior written consent, such Products and will pay to Transnet a sum equivalent to the purchase price. If Transnet refuses to give such consent, the Supplier shall have no liability in respect of any continued use of the infringing Products after Supplier's prior written request to remove the same.

6 PROPRIETARY INFORMATION

All information which Transnet has divulged or may divulge to the Supplier and any information relating to Transnet's business which may have come into the Supplier's possession whilst carrying out an Order, and the existence of the Order, shall be treated by the Supplier as confidential information and shall not, without Transnet's prior written consent, be disclosed to any third party, or be used or copied for any purposes other than to perform the Order. This clause does not apply to information which is public knowledge or available from other sources other than by breach of this Term. Upon request by Transnet, the Supplier shall return all materials issued pursuant to the Order and, pending this, shall protect Transnet's rights in any such materials. Such confidential information shall at all material times be the property of Transnet.

7 DEVELOPMENT WORK IN THE PRODUCTION OF PRODUCTS

If the production or provision of any Products involves research and/or development which is wholly or partly funded by Transnet, then all intellectual property or other rights as a result thereof shall be the property of Transnet on creation.

8 PUBLICITY

The Supplier shall not name Transnet or use its trademarks, service marks [whether registered or not] or Products in connection with any publicity without Transnet's prior written consent.

9 AFTER SALES SERVICE

The Supplier shall provide replacement parts necessary to ensure the uninterrupted operation of the Products supplied for the duration of the warranty period, from delivery of any particular item of the Products and if requested by Transnet shall make these parts available to a third party maintainer of Transnet's choice at the same price as if the parts had been supplied to Transnet. The Supplier undertakes to provide a maintenance service for Products, should Transnet so request, on terms to be agreed. If the Order so indicates, the Supplier will provide a warranty service for the Products at a level to be agreed with Transnet.

10 TERMINATION OF ORDER

- 10.1 Transnet may cancel an Order in whole or in part at any time upon at least 7 [seven] days' written notice to the Supplier, or when there is a change in control of the Supplier or the Supplier commits any serious breach or any repeated or continued material breach of its obligations under these Terms and/or Order or shall have been guilty of conduct tending to bring itself into disrepute, on written notice to the Supplier when such work on the Order shall stop.
- 10.2 Transnet shall pay the Supplier a fair and reasonable price for justified work in progress, where such price reflects only those costs not otherwise recoverable by the Supplier, at the time of termination, and the Supplier shall give Transnet full assistance to check the extent of such work in progress. Payment of such price shall be in full and final satisfaction of any claims arising out of such termination and upon such payment the Supplier shall deliver to Transnet all work, including any materials, completed or in progress. The sum payable to the Supplier under this clause will not in any event exceed the total amount that would have been payable to the Supplier had the Order not been terminated.
- 10.3 In the event of termination the Supplier must submit all claims within 2 [two] months of termination after which time claims will only be met in what Transnet considers exceptional circumstances.
- 10.4 If the Products are not provided in accordance with an Order, the Order shall be deemed terminated and the Supplier shall compensate Transnet for any costs incurred in obtaining substitute Products or any damage caused due to the failure or delay in the delivery.

11 ACCESS

The Supplier shall be liable for the acts, omissions and defaults of its personnel or agents who, for the purposes of the Order, shall be treated as if they are the Supplier's employees. The Supplier shall ensure that any such personnel or agents, whilst on Transnet's premises, shall comply with Transnet's health and safety, security and system security rules and procedures as and where required.

12 WARRANTY

The Supplier warrants that it is competent to supply the Products in accordance with these Terms to the reasonable satisfaction of Transnet and that all Products delivered under the Order: (a) conform and

comply in all relevant legislation, standards, directives and orders related to *[inter alia]* the supply, manufacture and use of the Products in force at the time of delivery, and to any specifications referred to in the Order; (b) will not cause any deterioration in the functionality of any Transnet equipment; and (c) do not infringe any third party rights of any kind. The Supplier hereby indemnifies Transnet against all losses, liabilities, costs, claims, damages, expenses and awards of any kinds incurred or made against Transnet in connection with any breach of this warranty.

13 INSOLVENCY

If the Supplier shall have a receiver, manager, administrator, liquidator or like person appointed over all or any part of its assets or if the Supplier compounds with its creditors or passes a resolution for the winding up or administration of the Supplier, Transnet is at liberty to terminate the Order or Orders forthwith, or at its option, to seek performance by any such appointed person.

14 ASSIGNMENT

The Supplier shall not assign its obligations under an Order without Transnet's prior written consent, which consent shall not be unreasonably withheld or delayed.

15 NOTICES

Notices under these Terms shall be delivered by hand to the relevant addresses of the parties in the Order or may be served by facsimile or by email, in which event notice shall be deemed served on acknowledgement of receipt by the recipient.

16 LAW

Orders shall be governed by and interpreted in accordance with South African law and any disputes arising herein shall be subject to South African arbitration under the rules of the Arbitration Foundation of South Africa, which rules are deemed incorporated by reference in this clause. The reference to arbitration shall not prevent Transnet referring the matter to any South African courts, having jurisdiction, to which the Supplier hereby irrevocably submits but without prejudice to Transnet's right to take proceedings against the Supplier in other jurisdictions and/or obtaining interim relief on an urgent basis from a court of competent jurisdiction pending the decision in other courts or from instituting in any court of competent jurisdiction any proceedings for an interdict or any other injunctive relief. If the Supplier does not have a registered office in the South Africa it will at all times maintain an agent for service of process in South Africa and shall give Transnet the name and address of such agent as such may be amended, in writing, from time to time.

17 GENERAL

Completion or termination of an Order shall be without prejudice to any Term herein which by its nature would be deemed to continue after completion or termination, including but not limited to clauses 5, 6, 7, 8 and 12. Headings are included herein for convenience only. If any Term herein be held illegal or unenforceable, the validity or enforceability of the remaining Terms shall not be affected. No failure or delay by Transnet to enforce any rights under these Terms will operate as a waiver thereof by Transnet. All rights and remedies available to either party under these Terms shall be in addition to, not to the exclusion of, rights otherwise available at law.

18 COUNTERPARTS

These Terms and conditions may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument. Any party may enter into this agreement by signing any such counterpart.

"PREVIEW COPY ONLY"

Respondent's Signature

Date & Company Stamp

Section 4
OVERVIEW AND SCOPE OF REQUIREMENTS



**SPECIAL CONDITIONS OF CONTRACT AND SPECIFICATIONS FOR
THE CUTTING, PRUNING AND TREATMENT OF LARGE OVERGROWN TREES WITH AN
APPLICABLE HERBICIDE AND DYE MIXTURE BETWEEN EAST LONDON STATIONS AND
NOUPOORT STATIONS (INCLUDING PORT REX, EAST & WEST BANK)**

CONTENTS

- PART A : GENERAL
- PART B : PROJECT SPECIFICATION - PROVISION FOR CUTTING, PRUNING OF LARGE OVERGROWN TREES

SPECIAL CONDITIONS OF CONTRACT AND SPECIFICATIONS

PART A: GENERAL

CONTENTS

- A1. SCOPE OF WORK**
- A2. SITE LOCATION**
- A3. DURATION OF CONTRACT**
- A4. TIME TO COMPLETE THE WORK**
- A5. GENERAL**
- A6. COMPLIANCE WITH STATUTES**
- A7. TO BE PROVIDED BY CONTRACTOR**
- A8. SITE MEETINGS**
- A9. SITE BOOKS**
- A10. INFORMATION TO BE PROVIDED WITH TENDER**
- A11. PENALTIES FOR LATE COMPLETION**
- A12. GUARANTEES**

"PREVIEW COPY ONLY"

SPECIAL CONDITIONS OF CONTRACT AND SPECIFICATIONS

A1. SCOPE OF WORK

This contract covers the cutting, pruning and treatment of large overgrown trees with an applicable herbicide and dye mixture within the rail reserve on Transnet Freight Rail property in the geographical area controlled by the Depot Engineer, **EAST LONDON.**

A2. SITE LOCATION

A2.1 The site is situated between East London Stations (Km 47.5) and Noupoot Stations (Km 164.7) Including East Bank at km 49.51 & Port Rex at km 5.5

A2.2 An annexure is attached with the Mast poles, work lots and notes to be used for this contract

A3. DURATION OF CONTRACT

The work provides for the cutting, pruning and treatment of large overgrown trees with an applicable herbicide and dye mixture **over a period of two months** commencing on the date of notification of acceptance of tender with Transnet Freight Rail.

A4. TIME TO COMPLETE THE WORK

The contractor shall indicate herein **the duration in days he /she requires to complete the work and also the hours required for switching where applicable, taking into consideration that a maximum of 3 hour will be given on a daily basis** .It is preferred that the period be not longer than 2 (two) months per service

The contractor is required to complete the work in this period this includes weekends, public holidays and statutory holiday periods

A5. GENERAL

A5.1 Tenderers are required to tender for all the areas quoted in the Schedule of Quantities and Prices, if possible.

A5.2 The contractor shall provide for cleaning up and sorting all debris and rubble throughout the duration of the contract and upon completion clear away and remove all rubble and unused material and leave the site in a satisfactory condition to the project manager or his deputy .

A5.3 No scrap or any material may be removed from the site without written authority of the project Manager

A5.4 The normal working hours are between 07:30 and 16:00 Mondays to Fridays, if it is required to work outside of the stated working hours the contractor must obtain written permission at least 96 hours before work is to be done form the project manager.

A6. COMPLIANCE WITH STATUTES

A6.1 Act 85

The contractor shall comply with the Occupational Health and Safety Act, 1993(Act 85 of 1993

A6.2 The Contractor's procedures for the procurement, storage, handling, transportation, application and general use of chemicals shall comply with all applicable legislation, Codes of Practice and Local, Regional or Provincial Authorities, including but not restricted to:

- a) The Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act (Act 36 of 1947) as amended.
- b) The Hazardous Substance Act (Act 15 of 1973) as amended.
- c) The Water Act (Act 54 of 1956) and the Water Amendment Act (Act 96 of 1984)(where applicable).
- d) The Environmental Conservation Act (Act 73 of 1989).
- e) SABS Code of Practice No. 0206-1985 "Safety procedures for the disposal of surplus pesticide and associated toxic waste".
- f) Conservation of Agricultural resources Act (Act 43 of 1983) as amended.
- g) Common law of nuisance.
- h) Mountain Catchment Area Act (Act 63 of 1970).
- i) The National Veld and Forest Fire Act (Act 101 of 1989)
- l) The national environmental Act (107 of 1980)

A6.3 The Contractor's authorised representative on site shall be a registered Pest Control Operator, specialising in the field of weed control and registered in terms of the Farm Feeds Agricultural and Stock Remedies Act, Act 36 of 1947 as amended. A registered Pest Control Operator shall be in direct control of work taking place on site.

A7. TO BE PROVIDED BY THE CONTRACTOR

A7.1 In addition to all labour materials, plant, equipment and incidentals needed to complete the work, the Contractor shall provide all accommodation and toilet facilities for his/her employees.

The Contractor shall provide at his/her own cost any security measures he/she may deem necessary for safe and effective execution of the work within the contract area.

A7.2 The Contractor shall appoint at each work site a person whose sole task shall be to be on the lookout for approaching rail traffic. This employee shall operate an audible warning device to timeously warn all people on the work site of approaching rail traffic. The personnel shall at all times, while on Transnet Freight Rail property and during vegetation control operations, wear reflective safety jackets. These jackets must either be yellow or light blue and preferably bear the name of the contractor's company. Should the contractor wish to use another colour this must first be cleared with the Technical Officer or his/her deputy.

An effective safety procedure to be followed by all personnel on any work site in the case of approaching rail traffic shall be compiled by the Contractor and implemented before any work commences. The procedure shall be updated whenever the need arises and any changes shall be communicated to all employees on a work site before work proceeds.

A8. SITE MEETINGS

The Contractor shall attend site meetings when required. These meetings will be held under the chairmanship of the Technical Officer or his/her deputy.

A9. SITE BOOKS

All site books are to be provided by the contractor

A9.1 **A Site Instruction Book** shall be provided by the contractor, such a book shall have numbered sheets for receiving and recording instructions by the Technical Officer and shall be clearly marked "Site Instruction Book".

A9.2 **The site diary in triplicate shall be clearly marked "Day Book"**. At the end of each day a line shall be drawn below the last entry of the day and both the Contractor and Technical Officer or his/her deputy shall sign across the line. If no entry was made, a "NIL" return must be entered and signed. Any claim arising from delays, which cannot be substantiated by reference to the site diary will not be considered.

A9.3 This site diary shall serve as a daily record of all relevant information concerning prevailing weather conditions on site i.e. wind speed and rain. This shall also include the name and number of personnel on site, work that has been done and incidents that have occurred

A9.4 Only persons authorised in writing by the Technical Officer or Contractor may make entries in the site books.

A9.5 On completion of the contract the Site Book / Site Books shall be returned to the Technical Officer managing the contract on behalf of Transnet Freight Rail

A10. INFORMATION TO BE PROVIDED WITH TENDER

The Tenderer shall submit the following information at the time of tendering:

A10.1 Full description:

- Detailed work plan
- Detailed equipment and teams /personnel to be used to execute the work
- Precautions to be implemented to prevent damage to property,
- PPE to be used
- First Aid kit
- Type of herbicide to be used
- A detailed breakdown of the hours/days needed for switching where applicable.
- Valid P.C.O registration

A10.2 The Schedule of Quantities and Prices must be completed in full.

A10.3 An undertaking that all equipment will be ready for operation and that the work can commence timeously, to comply with requirements of the contract.

A10.4 The Contractor shall not depart from the minimum procedures or material usage tendered, without approval from the Technical Officer.

A11. PENALTIES FOR LATE COMPLETION

Failing completion of the work within the periods as stipulated above or with any period offered by the contractor And accepted by Transnet, the contractor shall pay Transnet as a penalty the sum of R100.00 (one hundred Rand) for every day or part thereof during which the works remain incomplete

A 12 GARANTEES

A12.1 The contractor shall provide the insurance for the following

- Public Liability ,
- No burning of any kind shall be allowed
- The contractor shall appoint a responsible person to ensure that no incident shall occur on site that could cause pollution
- The contractor shall further ensure that no protected plant will be damaged or removed without a written site instruction form the project manager or his appointed deputy

A12.2 Retention money will not be deducted from payments.

oo0oo

PROJECT SPECIFICATION

THE CUTTING, PRUNING AND TREATMENT OF LARGE OVERGROWN TREES WITH AN APPLICABLE HERBICIDE AND DYE MIXTURE BETWEEN EAST LONDON STATIONS AND NOUPOORT STATIONS (INCLUDING PORT REX, EAST & WEST BANK)

PART B

CONTENTS

B1. SCOPE

B2. PROGRAMME OF WORK

B3. PERFORMANCE MONITORING AND EVALUATION

B4. REMEDIAL WORK

B5. DAMAGE TO FAUNA AND FLORA AND TRANSNET ASSETS

B6. MEASUREMENT AND PAYMENT

B7. RECORD/MAP

B8. RISK ASSESSMENT

B9. ACCESS TO SITE

B10. GENERAL

"PREVIEW COPY ONLY"

B1. SCOPE

- B1.1 The scope of the work consists of tree felling (cutting) and pruning of large overgrown trees within the Transnet rail reserve.
- B1.2 Selected species of large overgrown trees will be cut and stems treated with an applicable herbicide and dye mixture –subject to approval.
- B1.3 On trees that require pruning, this will be done from the most vertical stem/branch that extends towards the track.
- B1.4 Felled material shall be stacked clear from the track formation; cut off drains culverts table drains service roads and fences.
- B1.5 No fences will be damaged in the process of work.

B1.6 All work will be done within train schedule /in between trains.

B1.7 Contractor will bear the costs regarding unproductive hours.

B1.8 The ways and means by which the above-mentioned results are obtained are the responsibility of the Contractor. Transnet Freight Rail, however, shall have the right to monitor the materials and activities of the Contractor to ascertain that all procedures and applications are in accordance with his/her tender, the relevant legislation and are conducive to the achievement of functional rail reserve. Such right of monitoring shall be entirely without prejudice to Transnet Freight Rail and shall in no way relieve the Contractor of his/her responsibility for satisfactory performance.

B1.9 Failure to comply with the minimum performance proposed by the Contractor in his/her tender may form the basis for non-payment for work done

B1.10 ***The Contractor must conduct a site inspection before attempting to tender using his/her own transport over the work area. He/she must also determine the best method to provide these services and this must be stated in the tenders documents.***

B1.11 TRANSNET WILL SUPPLY:

- Switching for the above project for the days requested by the contractor for each work lot, as mentioned in annexure A.
- **Minimum switching hours to be provided is 3 (three) hours per day.**
- No additional hours will be guaranteed per day.
- **Switching will be provided during weekdays only.**
- Although all reasonable steps will be taken to provide a fluent switching schedule, it will not be possible to alter the pre-determined schedule within 21 (twenty one) days.

N.B Annexure A to be completed and handed in with the RFQ to indicate the hours / number of days required by respondent for switching

B2. PROGRAMME OF WORK

- B2.1 The Contractor shall undertake the planning and programming of the entire Tree felling operation and shall submit to the Technical Officer for approval full particulars thereof within 2 weeks from the date of notification by Transnet Freight Rail of the acceptance of his/her tender.
- B2.2 The appropriate methods and procedures to be implemented by him/her to achieve the standards required in terms of the contract,
- B2.3 In addition to the initial programme provided for in terms of B2.1. The Contractor shall submit daily working programmes to the Technical Officer, 7 days in advance of the next working week, indicating the specific areas where the Contractor will be working each day of the week. Failure by the Contractor to submit a daily programme and/or deviating from it without notifying the Technical Officer, preventing him/her from monitoring the Contractor's performance, may result in payment for such work being withheld.

B3. PERFORMANCE MONITORING AND EVALUATION

B3.1 The Contractor shall at all times be responsible for supervision of the work and for follow-up inspections to monitor the successful results achieved over areas completed. He/she shall immediately take appropriate remedial action in areas where the specified standards are not achieved.

B3.2 The Technical Officer shall at any time during the programme periods carry out inspections of the Contractor's performance methods and procedures.

B3.3 The Technical Officer will during the tree felling programme carry out **one** official inspections of the work for the purpose of measuring progress and evaluating whether control, as defined, has been achieved. The inspections shall be performed visually and the Contractor shall be present or forfeit his/her right to dispute the measurements and evaluation of the Technical Officer.

B.3.4 The final inspection will be carried out after completion of the Contractor's programme and after he/she has notified the Technical Officer that he/she has inspected the work, this must be done in writing. This inspection may be brought forward.

B4. REMEDIAL WORK

B4.1 The Contractor shall carry out remedial work to all work lots where the standard of workmanship has not been achieved, prior to payments taking place.

B5. DAMAGE TO FAUNA AND FLORA AND TRANSNET ASSETS

B5.1 The Contractor shall ensure that his/her employees at all times exercise care and consideration for the fauna and flora within and adjacent to the work area.

B5.2 The Contractor shall not apply any chemicals of an explosive, inflammable, highly volatile or corrosive nature, which may damage crops, vegetation or property or be hazardous to humans or animals. The Contractor shall assume full responsibility for the efficiency and safety of whatever chemicals are used.

B5.3 No dumping or polluting of any kind will not be permitted.

B5.4 The Contractor shall take particular note of environmentally sensitive areas and shall plan and execute his/her work with the utmost care and responsibility.

B5.5 Damage to Transnet assets by the contractor, such as to boundary fences, shall be repaired by the contractor on a daily basis as and when damage took place.

B6. MEASUREMENT AND PAYMENT

- B6.1 No payment will be made where the standards achieved does not meet the standards specified.

B7 RECORD /MAP

- B7.1 See attachment ANNEXTURE A for the work lots with the relevant mast poles

B8 RISK ASSESSMENT

- B8.1 Employees of contractor to wear safety vest at all times on the site
- B8.2 Employees of contractor to wear safety foot protection on the site
- B8.3 Employees of contractor to wear eye and ear protection when working with weed cutters/brush cutters and chain saws
- B8.4 No fires are allowed on site

B9 ACCESS TO SITE

- B9.1 The areas are restricted and the contractor must ensure he complies with the regulations of Transnet Freight Rail in every way.
- B9.2 It is the contractors responsibility to get permission from farmers to access their property should there be a need

B10 GENERAL

- B10.1 The work lots are used as a sketch plan and not up to scale.
- B10.2 It is the tender's responsibility to check all quantities and measurements before tendering.
- B10.3 The contractor will only receive pay for actual work done; this will be confirmed and checked by the technical officer within three weeks after completion of that specific cut

oo0oo

Section 5
CERTIFICATE OF ATTENDANCE: INFORMATION BRIEFING SESSION

It is hereby certified that -

- 1.
- 2.

Representative(s) of
(name of company)

attended the site inspection / briefing session in respect of the proposed service to be rendered in terms of this RFQ on2014.

.....
TRANSNET'S REPRESENTATIVE

.....
RESPONDENT'S REPRESENTATIVE

DATE.....

DATE.....

"PREVIEW COPY ONLY"

**Section 6
ACKNOWLEDGEMENT**

By signing this RFQ document, the Respondent is deemed to acknowledge that he/she has made himself/herself thoroughly familiar with all the conditions governing this RFQ, 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 to properly take it into account for the purpose of calculating quoted prices or otherwise.

SIGNED at _____ on this _____ day of _____ 20__

.....
SIGNATURE OF RESPONDENT'S AUTHORISED REPRESENTATIVE
NAME: _____
DESIGNATION: _____

REGISTERED NAME OF COMPANY: _____
PHYSICAL ADDRESS: _____

Respondent's contact person: *[Please complete]*

Name	:	
Designation	:	
Telephone	:	
Cell Phone	:	
Facsimile	:	
Email	:	
Website	:	

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

ANNEXURE A: B-BBEE PREFERENCE POINTS CLAIM FORM

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 20 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 be 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 as per the 2007 version of the B-BBEE Codes of Good Practice and means any enterprise with an annual total revenue of R10 [ten] million or less as per the Revised Codes of Good Practice issued on 11 October 2013 in terms of Government Gazette No. 36928;

- 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 **"QSE"** means any enterprise with an annual total revenue between R5 [five] million and R35 [thirty five] million as per the 2007 version of the B-BBEE Codes of Good Practice and means any enterprise with an annual total revenue of between R10 [ten] million and R50 [fifty] million as per the Revised Codes of Good Practice issued on 11 October 2013 in terms of Government Gazette No. 36928
- 2.15 **"rand value"** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.16 **"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;
- 2.17 **"total revenue"** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Empowerment Act and promulgated in the Government Gazette on 9 February 2007;
- 2.18 **"trust"** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.19 **"trustee"** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

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 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 20]
1	20
2	18
3	16
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

- 4.2 Bidders who qualify as EMEs in terms of the 2007 version of the Codes of Good Practice 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 who qualify as EMEs in terms of the Revised Codes of Good Practice issued on 11 October 2013 in terms of Government Gazette No. 36928 are only required to obtain a sworn affidavit on an annual basis confirming that the entity has an Annual Total Revenue of R10 million or less and the entity's Level of Black ownership.
- 4.4 In terms of the 2007 version of the Codes of Good Practice, 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.
- 4.5 In terms of the Revised Codes of Good Practice issued on 11 October 2013 in terms of Government Gazette No. 36928, Bidders who qualify as QSEs are only required to obtain a sworn affidavit on an annual basis confirming that the entity has an Annual Total Revenue of R50 million or less and the entity's Level of Black ownership. Large enterprises 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.
- 4.6 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.
- 4.7 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.

- 4.8 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.
- 4.9 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.
- 4.10 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.
- 4.11 Bidders are to note that in terms of paragraph 2.6 of Statement 000 of the Revised Codes of Good Practice issued on 11 October 2013 in terms of Government Gazette No. 36928, any representation made by an entity about its B-BBEE compliance must be supported by suitable evidence or documentation. As such, Transnet reserves the right to request such evidence or documentation from Bidders in order to verify any B-BBEE recognition claimed.

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 20 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 a sworn affidavit in the case of an EME or QSE.

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 [TICK APPLICABLE BOX]
 - Partnership/Joint Venture/Consortium
 - One person business/sole propriety

- Close Corporations
- Company (Pty) Ltd

(v) Describe Principal Business Activities

.....

.....

.....

(vi) Company Classification [TICK APPLICABLE BOX]

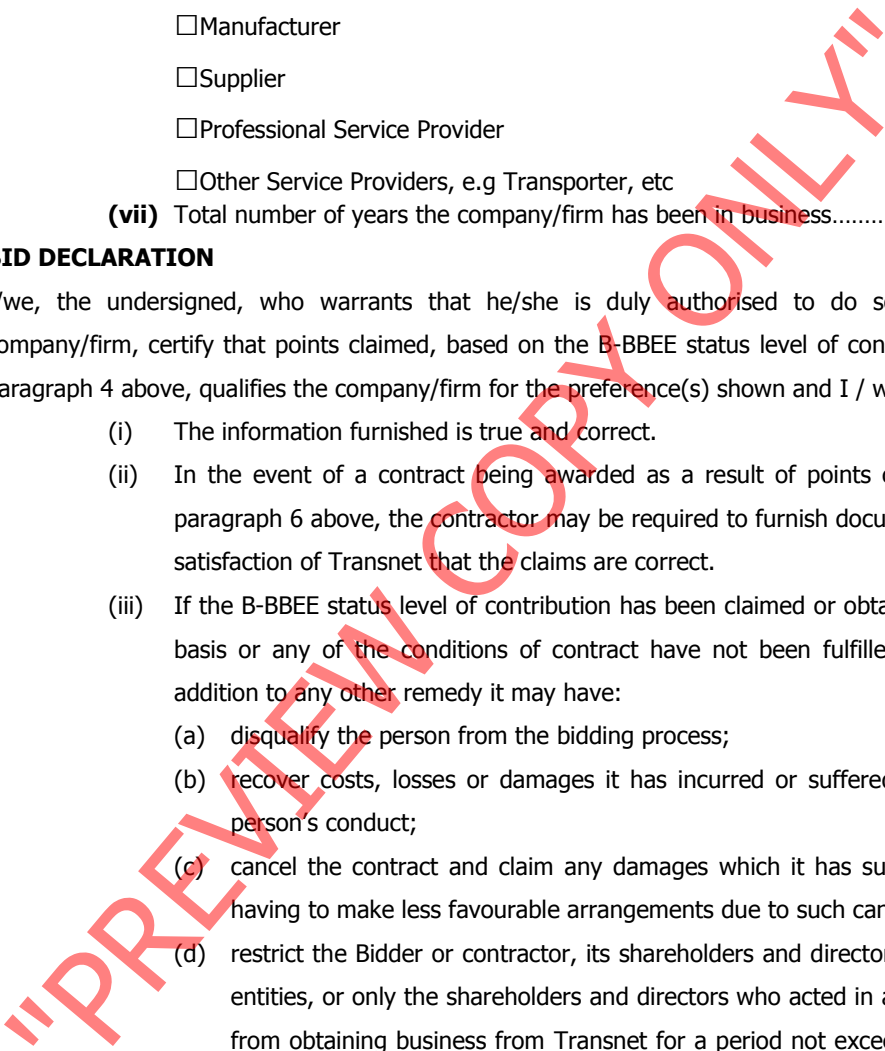
- Manufacturer
- Supplier
- Professional Service Provider
- Other Service Providers, e.g Transporter, etc

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

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:.....

"PREVIEW COPY ONLY"