



**DENEL SOC LTD T/A DENEL LAND SYSTEMS INC MECHEM**

## **REQUEST FOR QUOTATION**

**FOR**

**MANUFACTURING AND DELIVERY TO DLS OF VARIOUS 30MM CAM  
GUN GEARS AND FEEDER COMPONENTS TO APPLICABLE  
DRAWINGS, SPECIFICATIONS AND CRL REQUIREMENTS**

TENDER NUMBER: DLS150617  
REVISION: 07  
DATE: 14 JUNE 2017

## APPROVAL SHEET

TITLE: MANUFACTURE AND SUPPLY TO DLS OF VARIOUS 30 MM CAM GUN GEARS AND FEEDER COMPONENTS TO APPLICABLE DRAWINGS, SPECIFICATIONS AND CRL REQUIREMENTS.

TENDER NUMBER: DLS150617

REVISION: 00

DATE: 22 JUNE 2017

DEPARTMENT: SUPPLY CHAIN

CLASSIFICATION: UNCLASSIFIED

DISTRIBUTION: VIA TENDER WEBSITE OF NATIONAL TREASURY

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<http://www.denellandsystems.co.za>

UNDER: About Us - Tenders

<http://www.denel.co.za/tenders#>

UNDER: Our Business - Tenders

APPROVED BY:



TECHNICAL AUTHORITY

DATE: 21-06-2017

APPROVED BY:



SENIOR MANAGER: SUPPLY CHAIN

DATE: 2017/6/21

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## **APPLICATION FOR A TAX CLEARANCE CERTIFICATE**

<http://www.etenders.gov.za/content/tender-documents>

## INVITATION TO BID

<b>BID NUMBER</b>	DLS150617	<b>CLOSING DATE</b>	25 July 2017	<b>CLOSING TIME</b>	10:00 AM
<b>COMPULSORY BRIEFING SESSION</b>	<b>DATE</b>	4 July 2017	<b>TIME</b>	10:00 AM	
<b>SESSION WILL BE HELD AT</b>	DLS Auditorium				

Please note that Bidders who have not attended the compulsory briefing session, will not be allowed to tender.

<b>CLOSING DATE TO HAND IN SIGNED NDA'S AND RECEIVE DATA PACKS OR CD'S</b>	30 June 2017
<b>CD'S OR DATA PACKS CAN BE COLLECTED AT THE SECURITY COUNTER AT DLS RECEPTION</b>	
<b>CLOSING DATE FOR WRITTEN QUESTIONS</b>	30 June 2017
<b>BASE DATE OF QUOTATION</b>	1 July 2017

### SCOPE OF WORK: QUOTATIONS TO BE SUMMITTED **AS PER ANNEXURE A**

*Please submit quotations for the manufacture of the components listed AS PER ANNEXURE A, in accordance with the applicable Drawings, Specifications & QA Requirements as well as delivery thereof to DLS Warehouse.*

*Due to the complex and in some instances, safety-critical nature of the components required, it is essential that prospective tenderers are aware of the necessity to prove their capabilities and suitability to manufacture the components to the DLS accepted specifications and standards. A new supplier will have to manufacture 5 gears each or components and to be measured 100 % and approved by QA before commencing with the rest of production. For this reason DLS will perform a Production Readiness Review at all companies, having submitted quotations for the manufacturing of the Gears and Feeder components as per Annexure A, before adjudication of tenders.*

*Please note that realistic delivery dates are essential for tender adjudication purposes.*

### SCHEDULE MAY BE CHANGED AT ORDER PLACEMENT.

After the contract is awarded the successful bidder will be required to fill in and sign a written Contract Form (SBD 7)

### DELIVERY OF TENDERS (1 X ORIGINAL AND 2 X COPIES) - **CLEARLY MARKED**

Tender Box  
G6 Building (Security Office)  
368 Selbourne Avenue  
Lyttelton  
Centurion

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is generally open 24 hours a day, 7 days a week.

**DELIVERY ADDRESS OF DELIVERABLES:**

Groenkloof Store  
 368 Selborne Avenue  
 Lyttelton  
 Centurion

**ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)**

This bid is subject to the Preferential Procurement Policy Framework Act and the Preferential Procurement Regulations 2011, Denel SOC Standard Terms and Conditions for Procurement (available on request) and, if applicable, any other special conditions of contract.

**THE FOLLOWING PARTICULARS MUST BE FURNISHED**

**(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)**

CSD Nr of Bidder	
Name of Bidder	

Postal Address	
Street Address	

Telephone Number	Code		Number	
Cellphone Number				
Fax Number	Code		Number	
Email Address				
VAT Registration Nr				

Has an original and valid tax clearance certificate been submitted? (SBD 2)

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

Has a BBB-EE status level verification certificate been submitted? (SBD 6.1)

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

If Yes, who was the certificate issued by [Tick Applicable Box]

An Accounting Officer as Contemplated in The Close Corporation Act (CCA)

A verification agency accredited by the South African Accreditation System (SANAS)

A Registered Auditor


(A BBB-EE status level verification certificate must be submitted in order to qualify for preference points for BBB-EE).

Are you the accredited representative in South Africa for the goods / services / works offered

[If YES enclose proof]

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

Signature of Bidder	
Date	
Capacity under which this bid is signed	
Total Bid Price	
Total Number of Items Offered	

Any enquiries regarding the **bidding procedure** may be directed to:

Email Address	Tenders@dlsys.co.za
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Any enquiries regarding **technical information** may be directed to:

Email Address	Tenders@dlsys.co.za
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## **TAX CLEARANCE CERTIFICATE REQUIREMENTS**

<http://www.etenders.gov.za/content/tender-documents>



## PRICING SCHEDULE – FIXED PRICES

### (PURCHASES)

**NOTE:** Only fixed prices will be accepted. Firm prices (including prices subject to rates of exchange variations) will not be considered.

In cases where different delivery points influence the pricing, a separate pricing schedule must be submitted for each delivery point.

Name of Bidder	
Bid Number	
Closing Time	
Closing Date	

Offer to be valid for **60** days from the closing date of the bid.

ITEM NO	QTY	DESCRIPTION	BID PRICE IN RSA CURRENCY  ** (ALL APPLICABLE TAXES INCLUDED)

Required By	
At	
Brand and Model	
Country of Original	

Does the offer comply with the specification(s)? \*

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

If not to specification, indicate deviation(s)

--

Period required for delivery	
------------------------------	--

\* Delivery: Fixed/Firm

Delivery Basis	
----------------	--

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

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

\* Delete if not applicable

## PRICING SCHEDULE – FIRM PRICES

### (PURCHASES)

NOTE: Price adjustments will be allowed at the periods and times specified in the bidding documents.

In cases where different delivery points influence the pricing, a separate pricing schedule must be submitted for each delivery point.

Name of Bidder	
Bid Number	
Closing Time	
Closing Date	

Offer to be valid for **60** days from the closing date of the bid.

ITEM NO	QTY	DESCRIPTION	BID PRICE IN RSA CURRENCY  ** (ALL APPLICABLE TAXES INCLUDED)

Required By	
At	
Brand and Model	
Country of Original	

Does the offer comply with the specification(s)? \*

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

If not to specification, indicate deviation(s)

--

Period required for delivery	
------------------------------	--

Delivery:               \*Fixed/Firm

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

\*Delete if not applicable

## PRICE ADJUSTMENTS

### A FIRM PRICES SUBJECT TO ESCALATION

1. In cases of period contracts, firm prices will be adjusted (loaded) with the assessed contract price adjustments implicit in fixed prices when calculating the comparative prices
2. In this category price escalations will be considered in terms of the following formulae, or a formulae as agreed between the buyer and the seller:

$$P_a = (1 - V) P_t \left( D_1 \frac{R_{1t}}{R_{1o}} + D_2 \frac{R_{2t}}{R_{2o}} + D_3 \frac{R_{3t}}{R_{3o}} + D_4 \frac{R_{4t}}{R_{4o}} \right) + V P_t$$

Where:

$P_a$  = The new escalated price to be calculated.

$(1-V)P_t$  = 85% of the original bid price. Note that  $P_t$  must always be the original bid price and not an escalated price.

$D_1, D_2..$  = Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors  $D_1, D_2...$ etc. must add up to 100%.

$R_{1t}, R_{2t}$  = Index figure obtained from new index (depends on the number of factors used).

$R_{10}, R_{20}$  = Index figure at time of bidding.

$V P_t$  = 15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

3. The following index/indices must be used to calculate your bid price:

Index		Dated		Index		Dated		Index		Dated	
Index		Dated		Index		Dated		Index		Dated	
Index		Dated		Index		Dated		Index		Dated	
Index		Dated		Index		Dated		Index		Dated	

4. Furnish a breakdown of your price in terms of above-mentioned formula. The total of the various factors must add up to 100%.

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE

## **B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS**

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

## PRICING SCHEDULE

### (PROFESSIONAL SERVICES)

Name of Bidder	
Bid Number	
Closing Time	
Closing Date	

Offer to be valid for **60** days from the closing date of the bid.

ITEM NO	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)

- The accompanying information must be used for the formulation of proposals.
- Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

R
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- Persons who will be involved in the project and rates applicable (certified invoices must be rendered in terms hereof)

PERSON AND POSITION	HOURLY RATE	DAILY RATE

PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED	COST PER PHASE	MAN-DAYS TO BE SPENT

4. Travel expenses (specify, for example rate/km and total km, class of air travel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT

TOTAL R:

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

5. Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT

TOTAL R:

6. Period required for commencement with project after acceptance of bid

7. Estimated man-days for completion of project

8. Are the rates quoted firm for the full period of contract?

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

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

\*[Delete if not applicable]



Any enquiries regarding the **bidding procedure** may be directed to:

Email Address	Tenders@dlsys.co.za
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Any enquiries regarding **technical information** may be directed to:

Email Address	Tenders@dlsys.co.za
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## DECLARATION OF CONFLICT OF INTEREST

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

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

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

1.1 Full Name of bidder or his or her representative:

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1.2 Identity Number:

--

1.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>):

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Company Registration Number	
Tax Reference Number	
VAT Registration Number	

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

<sup>1</sup>"State" means –

- a. any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- b. any municipality or municipal entity;

- c. provincial legislature;
- d. national Assembly or the national Council of provinces; or
- e. Parliament.

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise. Are you or any person connected with the bidder presently employed by the state?

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

1.3.2 If so, furnish the following particulars:

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

--

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

--

Position occupied in the state institution:

--

Any other particulars:


1.3.3 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?

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

1.3.3.1 If yes, did you attached proof of such authority to the bid document?

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

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

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


- 1.3.4 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?

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

- 1.3.5 If so, furnish particulars:


- 1.4 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?

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

- 1.4.1 If so, furnish particulars.


- 1.5 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

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

- 1.5.1 If so, furnish particulars.


- 1.6 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?

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

- 1.6.1 If so, furnish particulars:


1.6.2 Full details of directors / trustees / members / shareholders

FULL NAME	IDENTITY NUMBER	PERSONAL TAX REFERENCE NUMBER	STATE EMPLOYEE NUMBER / PERSAL NUMBER

**2 Declaration**

I, the undersigned (name)

--

certify that the information furnished in paragraph 1 above is correct.

I accept that the state may reject the bid or act against me in terms of paragraph 23 of the General Conditions of Contract should this declaration prove to be false.

SIGNATURE	DATE

POSITION	NAME OF BIDDER

## **THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME**

<http://www.etenders.gov.za/content/tender-documents>

Your Industrial Participation Declaration must be handed in together with the quotation, whether it is applicable or not.

## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (BBB-EE) Status Level of Contribution

NB: Before completing this form, bidders must study the General Conditions, Definitions and Directives applicable in respect of BBB-EE, as prescribed in the Preferential Procurement Regulations, 2011.

### 1. GENERAL CONDITIONS

2. In accordance with the National Treasury Instruction Note on the Amended Guidelines in Respect of Bids that include Functionality as a Criterion for Evaluation (issued 3 September 2010), this bid will be evaluated in two stages:

2.1 This Tender will be evaluated in a two-step process, viz.

- Functionality - Step 1
- Price } - Step 2
- BBB-EE

2.1.1 The Functionality element will be determined as follows:

Relevant Capability & Experience	30	Is this the Supplier's core business?
Interpretation of the brief	10	Does the quotation fully satisfy our requirement?
Capacity	30	Does the supplier have the capacity to execute the requirement?
Lead-time	10	Does Supplier's lead-time comply with the requirement?
Quality	20	Does the supplier produce quality in line with the requirements?
<b>Functionality Score</b>	<b>100%</b>	<b>Total Functionality Score</b>
<b>Qualifying Functionality Threshold:</b>	<b>80</b>	Minimum functionality score required by supplier

Bids that fail to score a minimum of 80 points out of a possible 100 points for functionality will not be eligible for further consideration.

The second stage will evaluate the price and preference points of those bids that meet the minimum threshold for functionality.

Sufficient information must be provided to allow the Evaluation Panel to score bids against all these criteria.

- 2.2 The following preference point systems are applicable to all bids:
- the 80/20 system for requirements with a Rand value of R1 000 000 to R50 000 000 (all applicable taxes included).
- 2.3 The value of this bid is estimated to exceed R1 000 000 (all applicable taxes included) and therefore the 80/20 system shall be applicable.
- 2.4 Preference points for this bid shall be awarded for:
- (a) Price; and
  - (b) BBB-EE Status Level of Contribution.

- 2.4.1 The maximum points for this bid are allocated as follows:

Points

- 2.4.1.1 Price

- 2.4.1.2 BBB-EE Status Level Of Contribution

Total points for Price and BBB-EE must not exceed

100

- 2.5 Failure on the part of a bidder to fill in and/or to sign this form and submit a BBB-EE 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 BBB-EE status level of contribution are not claimed.
- 2.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

### 3. DEFINITIONS

- 3.1 "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 3.2 "B-BBEE" means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 3.3 "BBB-EE status level of contributor" means the BBB-EE 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;
- 3.4 "bid" means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 3.5 "Broad-Based Black Economic Empowerment Act" means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);



- 3.6 "comparative price" means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 3.7 "consortium or joint venture" means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 3.8 "contract" means the agreement that results from the acceptance of a bid by an organ of state;
- 3.9 "EME" means any enterprise with an annual total revenue of R5 million or less .
- 3.10 "Firm price" means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 3.11 "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;
- 3.12 "non-firm prices" means all prices other than "firm" prices;
- 3.13 "person" includes a juristic person;
- 3.14 "rand value" means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 3.15 "sub-contract" means the primary contractor's assigning, leasing, 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;
- 3.16 "total revenue" bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 3.17 "trust" means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 3.18 "trustee" means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

#### **4. ADJUDICATION USING A POINT SYSTEM**

- 4.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 4.2 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;.
- 4.3 Points scored must be rounded off to the nearest 2 decimal places.

- 4.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 4.5 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 must be the one scoring the highest score for functionality.
- 4.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

## 5. POINTS AWARDED FOR PRICE

### 5.1 The 80/20 Or 90/10 Preference Point Systems

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20 or 90/10

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \text{ or } P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

$P_s$  = Points scored for comparative price of bid under consideration

$P_t$  = Comparative price of bid under consideration

$P_{\min}$  = Comparative price of lowest acceptable bid

## 6. POINTS AWARDED FOR BBB-EE STATUS LEVEL OF CONTRIBUTION

- 6.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the BBB-EE status level of contribution in accordance with the table below:

BBB-EE STATUS LEVEL OF CONTRIBUTOR	NUMBER OF POINTS (90/10 SYSTEM)	NUMBER OF POINTS (80/20 SYSTEM)
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- 6.2 Bidders who qualify as EMEs in terms of the BBB-EE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with BBB-EE Status Level Certificates.
- 6.3 Bidders other than EMEs must submit their original and valid BBB-EE status level verification certificate or a certified copy thereof, substantiating their BBB-EE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 6.4 A trust, consortium or joint venture, will qualify for points for their BBB-EE status level as a legal entity, provided that the entity submits their BBB-EE status level certificate.
- 6.5 A trust, consortium or joint venture will qualify for points for their BBB-EE status level as an unincorporated entity, provided that the entity submits their consolidated BBB-EE scorecard as if they were a group structure and that such a consolidated BBB-EE scorecard is prepared for every separate bid.
- 6.6 Tertiary institutions and public entities will be required to submit their BBB-EE status level certificates in terms of the specialized scorecard contained in the BBB-EE Codes of Good Practice.
- 6.7 A person will not be awarded points for BBB-EE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 6.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher BBB-EE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

## **7. BID DECLARATION**

- 7.1 Bidders who claim points in respect of BBB-EE Status Level of Contribution must complete the following:

7.1.1 BBB-EE status level of contribution claimed in terms of paragraphs 2.4.1.2 And 6.1

7.1.2 BBB-EE Status Level of Contribution:        =        (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a BBB-EE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

## **8 SUB-CONTRACTING**

- 8.1 Will any portion of the contract be sub-contracted?

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

(delete which is not applicable)

8.1.1 If yes, indicate:

(i) what percentage of the contract will be subcontracted?

%
---

(ii) the name of the sub-contractor?

--

(iii) the BBB-EE status level of the sub-contractor?

--

(iv) whether the sub-contractor is an EME?

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

(delete which is not applicable)

## 9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm:

--

9.2 VAT registration number:

--

9.3 Company registration number:

--

9.4 Type Of Company/ Firm [Tick applicable box]

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited


9.5 Describe Principal Business Activities

--

9.6 Company Classification [Tick applicable box]

Manufacturer

--

Supplier

Professional service provider

Other service providers, e.g. transporter, etc.


9.7 Total number of years the company/firm has been in business?

--

9.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/firm for the preference(s) shown and I / we acknowledge that:

- a. The information furnished is true and correct;
- b. The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- c. In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- d. If the BBB-EE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - i disqualify the person from the bidding process;
  - ii recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - iii 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;
  - iv. restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and forward the matter for criminal prosecution.

Witnesses:

1.
2.

Date:

--

Signature(s) of Bidder(s)

--

Date:

--

Address:


## CONTRACT FORM - SALE OF GOODS/WORKS - PART 1

### (TO BE FILLED IN BY THE BIDDER)

This form must be filled in duplicate by both the successful bidder (part 1) and the seller (part 2). Both forms must be signed in the original so that the successful bidder and the seller would be in possession of originally signed contracts for their respective records.

1. I

hereby undertake to purchase all or any of the goods and/or works described in the attached bidding documents from (name of institution)

in accordance with the requirements stipulated in (bid number) DLS1506014 at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the seller during the validity period indicated and calculated from the closing time of bid.

2. The following documents shall be deemed to form and be read and construed as part of this agreement:

a. Bidding documents, *viz*

- Invitation to bid;
- Tax clearance certificate;
- Pricing schedule(s);
- Declaration of interest;
- Declaration of bidder's past SCM practices;
- Special Conditions of Contract;

b. General Conditions of Contract; and

c. Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) cover all my obligations and I accept that any mistakes regarding price(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.

5. I undertake to make payment for the goods/works as specified in the bidding documents.

6. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
7. I confirm that I am duly authorised to sign this contract.

Signed at 



 On

Name	
Capacity	
Signature	
Name of Firm	
Date	

Witnesses:

1	
2	
Date	

Official Stamp

--



**CONTRACT FORM - SALE OF GOODS/WORKS - PART 2****(TO BE FILLED IN BY THE SELLER)**

1. I

--

in my capacity as

--

accept your bid under reference number DLS150614 dated 14 JUNE 2017 for the purchase of goods/works indicated hereunder and/or further specified in the annexure(s).

2. I undertake to make the goods/works available in accordance with the terms and conditions of the contract.

ITEM NO.	DESCRIPTION	PRICE (ALL APPLICABLE TAXES INCLUDED)

3. I confirm that I am duly authorised to sign this contract.

Signed at

--

On

--

Name	
Capacity	
Signature	
Name of Firm	
Date	

Witnesses:

1	
2	
Date	

Official Stamp



## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

ITEM	QUESTION	YES	NO
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of <b><i>Restricted Suppliers</i></b> as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</p>		
4.1.1	If so, furnish particulars:		

ITEM	QUESTION	YES	NO
4.2	<p>Is the bidder or any of its directors listed on the Register for <b>Tender Defaulters</b> in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</p>		
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for <b>fraud or corruption</b> during the past five years?		
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of <b>failure to perform</b> on or comply with the contract?		
4.4.1	If so, furnish particulars:		

**CERTIFICATION**

I, the undersigned (full name)

--

certify that the information furnished on this declaration form is true and correct.

I accept that, in addition to cancellation of a contract, action may be taken against me should this declaration prove to be false.

--	--

SIGNATURE

DATE

--	--

POSITION

NAME OF BIDDER

## CERTIFICATE OF INDEPENDENT BID DETERMINATION

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

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

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

I,

the undersigned, in submitting the accompanying bid:

(Bid Number and Description) in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of (Name of Bidder)

--

that:

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - a. has been requested to submit a bid in response to this bid invitation;
  - b. could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - c. provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - a. price
  - b. geographical area where product or service will be rendered (market allocation)
  - c. methods, factors or formulas used to calculate prices;
  - d. the intention or decision to submit or not to submit, a bid;
  - e. the submission of a bid which does not meet the specifications and conditions of the bid; or
  - f. bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

--	--

SIGNATURE

DATE

--	--

POSITION

NAME OF BIDDER



# INDUSTRIAL PARTICIPATION

## VERY IMPORTANT NOTE:

Bidder's and/or potential sub-contractors to Denel SOC Ltd t/a Denel Land Systems incorporating Mechem (DLS) need to complete this document as part of its offer/proposal to DLS.

The signing of an Industrial Participation (IP) sub-agreement with Denel is a precondition for the effectiveness of any sub-contracts/orders placed by DLS onto the sub-contractor.

Defence industrial Participation (DIP) and National Industrial Participation (NIP) will be applicable in all procurement purchases by DLS on a sub-contractor in accordance with the DIP and NIP thresholds and guidelines (as may be amended from time to time) determined by the Department of Defence and the Department of Trade and Industry respectively.

I/We the undersigned, therefore and hereby confirm as follows:

Company name: .....

Address: .....

.....

Contact person: .....

Tel number: .....

Email: .....

## 1. Commitment with regards to Defence Industrial Participation:

1.1. It is clearly understood that the Defence Industrial Participation (DIP) Obligation will be at least 50% of the total foreign content value

1.2. It is therefore clearly understood by me/us that the total DIP Obligation will be discharged through a combination of local work share, co-development, co-production, R&D, technology transfer, skills and training, establishment of MRO capabilities, foreign direct investment, jigs, tooling, test equipment, and the export of defence-related products.

- 1.3. All DIP activities contemplated will be recorded and subsequently discharged in accordance with the prescribed DIP business plan format. (Spreadsheet Excel – referred to as C1 and C2).
- 1.4. All reporting, claims and correspondence in relation to the DIP obligation and its subsequent discharge will be channelled through DLS. Note that all decisions with regard to the awarding of DIP credits lie solely with Armscor's DIP Division.

## **2. Commitment with regards to Non-Defence Industrial Participation:**

- 2.1. It is clearly understood that the Non-Defence Industrial Participation (NIP) Obligation will be at least 30% of the total foreign content value of
- 2.2. It is thus clearly understood by me/us that the NIP Obligation will be recorded and subsequently discharged in accordance with the NIP guidelines of the Department of Trade and Industry (DTI).
- 2.3. All reporting, claims and correspondence in relation to the NIP obligation and its subsequent discharge will be channelled through DLS. Note that all decisions with regard to the awarding of NIP credits lie solely with the DTI's IP Control Committee.

## **3. General directives related to this DIP and NIP undertaking and subsequent commitment:**

- 3.1 Banked credits may be offered as a partly discharge of the obligation in accordance with the rules of Armscor and the DTI.
- 3.2 It is further required that foreign sub-contractors place contracts with local Broad Based Black Economic Empowerments (BBBEE) category entities. Contracts to the value of at least 25% of the DIP commitment and 20% of the NIP commitments must be placed upon the latter.
- 3.3 A prescribed bank guarantee acceptable to Denel, will be issued in accordance with the Industrial Participation (IP) sub-agreement to be signed with DLS or its

holding company. The value of the bank guarantee will be at least 5% of the 80% commitment on DIP and NIP.

- 3.4 A DIP proposal must not include any civilian/non-defence related projects or services, except DUAL-USE products/ services as provided by a local company, subject to prior approval by ARMSCOR. "Dual-use" shall mean those products, technologies supplied and/or services rendered by a company and where such products, technologies and/or services could be used for either defence or non-defence related purposes. The NIP commitment must not duplicate any DIP-related activities.
- 3.5 No multipliers whatsoever will be considered by ARMSCOR in determining any form of DIP credit or in assessing the value of DIP activities as committed in my/our business plan, especially in the case of proposed technology transfers.
- 3.6 Limited levels of multipliers are used by the DTI in determining NIP credits.
- 3.7 It is the bidder/sub-contractors sole responsibility to ensure that he/they are fully familiar with all the terms and conditions of both Armscor and the DTI as related to both DIP and NIP.
- 3.8 It is required that the signatory to this document shall take note not to reveal or disseminate any information as contained in this and subsequent documentation (as related to DIP and NIP), to any party, person or body outside DLS, the South African Ministry of Defence, the Defence Secretariat, the SANDF, ARMSCOR or the DTI, without the written and express consent of DLS and/or the organizations mentioned herein. In the event that such information is disseminated prior to the official awarding of the tender, such an event could lead to the disqualification of the response/proposal.
- 4. I/We hereby state that the selection of local suppliers and the choice of business activities are my/our company's own decision and was not made under duress or undue influence of any person or entity in Denel, ARMSCOR, DTI, the DOD and/or the SANDF.

This confirmation is completed and signed by duly authorized person(s), as per attached proxy/power of attorney, to act for and on behalf of the sub-contractor at ..... (place) on this .....day of ..... (month) ..... (year) without favour or under influence or duress.

WITNESSES

SUB-CONTRACTOR

- |    |                    |                                      |
|----|--------------------|--------------------------------------|
| 1. | .....<br>Signature | .....<br>Signature/Name and Capacity |
| 2. | .....<br>Signature | .....<br>Signature/Name and Capacity |

# **CONDITIONS TO BE OBSERVED WHEN BIDDING**

## **1 COMPLIANCE WITH COMPLETION OF BID**

- 1.1 The bid forms should not be retyped or redrafted but photocopies may be prepared and used.
- 1.2 Bid forms must be signed in the original form; in ink and forms with photocopied signatures or other such reproduction of signature will be rejected.
- 1.3 Should bid forms not be filled in by means of mechanical devices, for example typewriters, ink, preferably black, must be used to fill in bid.
- 1.4 Bidders shall check the numbers of the pages and satisfy themselves that none are missing or duplicated. No liability shall be accepted in regard to claims arising from the fact that pages are missing or duplicated. Incomplete bids will result in disqualification.

## **2 COMPLIANCE WITH TECHNICAL SPECIFICATIONS**

Unless a departure is clearly stated by the Bidder at the time of bidding, the works shall be taken as complying in detail with the Technical Specifications, and the Bidder shall be held liable on all the terms and conditions of the contract as if this bid contained no departures. Technical specifications contained in any brochures or any other descriptions submitted shall apply for acceptance test purposes.

## **3 WARRANTY**

If there are any defects arising from failure of goods to meet the specifications within the period specified in the contract, the Bidder shall replace the defective items at his expense or shall refund Denel Land Systems such costs as Denel Land Systems may incur in replacing such defective item. The Bidder shall also bear the cost of transporting replaced/repared items to the place of destination.

## **4 INSPECTION**

The Bidder shall permit and assist Denel Land Systems representatives in carrying out any inspections that are called for in the bid or specifications.

## **5 RISK**

The Bidder will be responsible for losses that Denel Land Systems incurs due to Bidder's negligence or intention and Bidder must provide Liability Insurance. This will be a condition of contract.

## **6 PAYMENT**

Payment, in currency other than South African Rand, will be made by means of a telegraphic or wired bank transfer. The Bidder must provide:

- Name and address of their bank.
- Company account number to be credited.

- Sort/swift code of bank.

Denel Land Systems standard payment terms are 60 days from date of Invoice.

## **7 ASSIGNMENT OF CONTRACT**

The Bidder shall not have the right to cede any right or delegate any obligation in terms of this contract to any third party unless with the prior written approval of Denel Land Systems.

## **8 COMMISSION**

Denel Land Systems shall not in any way be responsible or liable for payment of the commission due on this contract as far as the total contract amount would be exceeded by any addition of such commission. The payment of commission shall be the exclusive liability of the Bidder, which indemnifies Denel Land Systems hereby against agent's claims for commission of any nature.

## **9 PUBLICATIONS**

The Bidder shall not permit or allow any information regarding the contract works to be published in any scientific, engineering or other newspaper, periodical or publication without first obtaining the consent of Denel Land Systems thereto.

## **10 LAW APPLICABLE**

Irrespective of where this contract happens to be finally concluded, it shall be consistently deemed to have been entered into in the Republic of South Africa whose law and courts' jurisdiction shall prevail throughout.

## **11 PROPOSALS/BIDS ARE CONSIDERED TO BE BINDING ON THE BIDDERS**

Representations made in the bid, including claims made in respect of commitments to dates of delivery, shall be considered binding on the Bidder on acceptance of the bid by Denel Land Systems and same will be form part of the contract to be concluded, unless specifically noted by the Bidder in the bid that same maybe subject to change.

## **12 FAILURE TO COMPLY WITH THESE CONDITIONS**

These conditions form part of the bid and failure to comply therewith may invalidate a bid.

## **13 RFP/RFB SCHEDULE**

Bidders will be contacted as soon as practicable with a status update. At this time, short-listed Bidders may be asked to meet with Denel Land Systems representatives. Bidders should provide a list of persons and their contact details who are mandated to negotiate on behalf of their company.

## **14 ADDITIONAL NOTES**

- 14.1 All returnable documents as indicated in the bid form must be returned with the response.
- 14.2 Bidders are to note that bids in which firm prices are quoted for the duration of any

resulting contract may receive precedence over prices which are subject to adjustment.

- 14.3 Changes by the Bidder to his/her submission will not be considered after the closing date.
- 14.4 The person or persons signing the bids must be legally authorized by the Bidder to do so. A list of the person(s) authorized to negotiate on your behalf must be submitted along with the bid.
- 14.5 Denel Land Systems reserves the right to undertake post-bid negotiations with the preferred Bidder or any number of short-listed Bidders.

FAILURE TO OBSERVE ANY OF THE ABOVE-MENTIONED REQUIREMENTS MAY RESULT IN THE BID BEING OVERLOOKED.

## **15 DISCLAIMERS**

- 15.1 Bidders are hereby advised that Denel Land Systems is not committed to any course of action as a result of its issuance of this BID and/or its receipt of a bid in response to it. In particular, please note that Denel Land Systems may:
- change all services on bid and to have Supplier re-bid on any changes
  - reject any bid which does not conform to instructions and specifications issued herein
  - disqualify bids after the stated submission deadline
  - not necessarily accept the lowest priced bid
  - reject all bids, if it so decides
  - award a contract in connection with this bid at any time
  - award only a portion as a contract
  - split the award of the contract to more than one Supplier
  - make no award of a contract.
- 15.2 Kindly note that Denel Land Systems will not reimburse any Bidder for any preparation costs or other work performed in connection with this bid, whether or not the Bidder is awarded a contract.