



DENEL SOC LTD T/A DENEL LAND SYSTEMS INC MECHEM

REQUEST FOR QUOTATION

**THE PROVISION OF MANUFACTURING AND DELIVERY OF
ENCLOSURE-700872-A FOR PROJECT HOEFYSTER**

TENDER NUMBER:

DLS150604

REVISION:

00

DATE:

15 MARCH 2017

APPROVAL SHEET

TITLE: **THE PROVISION OF MANUFACTURING AND DELIVERY OF ENCLOSURE-700872-A FOR PROJECT HOEFYSTER**

REVISION: 00

DATE: 15 MARCH 2017

DEPARTMENT: ENGINEERING

CLASSIFICATION: UNCLASSIFIED

DISTRIBUTION: VIA TENDER WEBSITE OF NATIONAL TREASURY

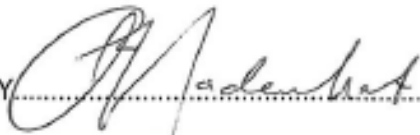
<http://www.etenders.gov.za/content/advertised-tenders>

Department - Denel (Pty) Ltd

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

Contact Us -Tenders

APPROVED BY:

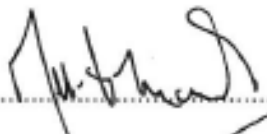


TECHNICAL AUTHORITY

DATE:

15/3/2017

APPROVED BY:



HEAD OF PROCUREMENT

DATE:

March 15, 2017

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INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF AN ENCLOSURE (ELECTRICAL BOX) THIS REQUIREMENTS WILL INCLUDE THE TOTAL INDUSTRIALISATION AND PRODUCTION PHASES FOR DENEL LAND SYSTEMS HOFYSTER PHASE 2 PLATFORM PRODUCTION PROGRAM

BID NUMBER	DLS150604	CLOSING DATE	06 APRIL 2017	CLOSING TIME	13:00CAT
COMPULSORY BRIEFING SESSION	DATE	NONE	TIME:	NONE	
CLOSING DATE FOR QUESTIONS AND ANSWERS	04 APRIL 2017				

Bidders will be required to sign a non-disclosure agreement that should be handed in at DLS, prior to receiving drawings/data packs, control requirement documents and the scope of work that will be available from the 20th March 2017 until 24th of March 2017.

Denel Land Systems
G6 Building (Reception)
368 Selbourne Avenue
Lyttelton
Centurion

- Bidders note that Denel land systems may call for Presentations of bidders' offers in between the evaluation process.
- The quantities furnished in the bid document are the total of the estimated requirements for the institutions concerned and no guarantee is given regarding the actual quantities that will be ordered. Quantities could differ according to the requirement received from Denel Land System's internal client.
- All communication regarding this bid before the closing date and time must be done in writing.

ENQUIRIES MAY BE EMAILED TO:

Tenders@dlsys.co.za

**DELIVERY OF THE TENDER DOCUMENT MUST BE DEPOSITED IN THE BID BOX
SITUATED AT:**

DENEL LAND SYSTEMS

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.

One (1) original, plus two (2) copies placed in sealed envelope/s **clearly marked**, with the Bid number, shall be submitted on the date of closure of the bid. No proposal submissions shall be accepted if submitted via email, facsimile, or other electronic means.

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

**ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PLUS TWO COPIES OF THE
TENDER DOCUMENT– (NOT TO BE RE-TYPED)**

This bid is subject to the Preferential Procurement Policy Framework Act and the Preferential Procurement Regulations 2011, the General Conditions of Contract (GCC) and, if applicable, any other special conditions of contract.

The value of this bid is estimated to exceed R1 000 000 (all applicable taxes included) and therefore the 90/10 system shall be applicable.

<p>THE FOLLOWING PARTICULARS MUST BE FURNISHED</p> <p>(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)</p>
--

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 B-BBEE 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 B-BBEE status level verification certificate must be submitted in order to qualify for preference points for B-BBEE).

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:

Department	
Contact Person	
Telephone Number	
Fax Number	
Email Address	

Any enquiries regarding technical information may be directed to:

Department	
Contact Person	
Telephone Number	
Fax Number	
Email Address	

BIDDERS REQUIREMENTS

1 EXPERIENCE AND COMPETENCY

- a. Previous experience of providing similar work or services.
- b. Must demonstrate the capacity to handle a project of this magnitude in terms of human resource, financials and equipment.
- c. Must demonstrate that they are familiar with all regulatory framework that relates to this project including but not limited to, occupational Health and Safety Act.

2 COMPLIANCE REQUIREMENTS

Bidders shall comply with the following requirements failure to comply may lead to disqualification.

- a. Valid Tax Clearance Certificate(must be valid on closing date of submission of proposal)
- b. Original or Certified copy of valid BBBEE Certificate (from SANAS accredited Verification Agency) or from the Auditors approved by the Independent Regulatory Body of Auditors (IRBA)
- c. Completed and signed with black ink Tender Forms of Denel Land Systems with the Annexures, plus initialling all pages.
- d. Certified copy of Company Registration Document that reflects Company Name, Registration number, date of registration and active Directors or Members.
- e. Certified copy of Shareholders' certificates.
- f. Certified copy of ID documents of the Directors or Members.
- g. Letter of Good Standing - Compensation for Occupational Injuries and Diseases (COID)
- h. Proof of banking details (letter issued by the Bank)
- i. Company Profile
- j. Proof of registration on CSD

3 LEGAL COMPLIANCE

- a. Bidders must ensure that they comply with all the requirements of the RFP and if Bidders fail to comply with such requirements it shall be at the sole discretion of Denel Land Systems either to allow the Bidder to comply or disqualify the Bidder.
- b. The premises/factory of the bidder or contractor should be open for inspection by a representative from Denel Land Systems and/or its approved institution.
- c. The Bidder is required to be listed on the Central Supplier Database (CSD) and must provide its CSD reference number

4 OWNERSHIP OF DESIGN

The drawings and design developed and to be provided by Denel land Systems shall at all times remain the property of DLS.

5 VALIDITY PERIOD

- a. The RFP shall be valid for 120 days calculated from closing date.
- b. Before any manufacturing and/or delivery of any product on this contract is conducted, the contractor must be in possession of an official order issued by an authorized official of Denel Land Systems.

**NON SUBMISSION OF THE MANDATORY DOCUMENTS WILL RESULT IN
AUTOMATIC DISQUALIFICATION**

THE EVALUATION

1 GENERAL

The evaluation of Bids will be based on the information contained in the bids received to the RFP, which may be further supplemented by presentations and clarification information provided.

All Bids shall be equally evaluated by a committee involved in the evaluation process in accordance with the stated Evaluation Criteria. Procurement integrity and fairness, transparency, competitiveness and full accountability will at all times be paramount.

2 EVALUATION AND SCORING METHODOLOGY

LEVEL	DESCRIPTION
Verify completeness	The Bid is checked for completeness and required documentation, certificates, verify warranties and requirement have been complied with. Incomplete Bids will be disqualified.
Verify compliance	The Bids are checked to verify that essential RFP requirements have been met. Non-compliant Bid will be disqualified
Detailed Evaluation of Functionality	Detailed Analysis of Bids to determine whether the Bidder is capable of delivering the project in terms of business and functionality requirements. The minimum threshold for functional evaluation is 80% any bidder who fails to meet the minimum requirement will be disqualified and not proceed with the evaluation of Price and BBEE.
BBEE	Evaluate BBEE Evaluation
Price Evaluation	Bidders will be evaluated on price offered.
Scoring	Scoring Bids using Evaluation Criteria
Recommendation	Report formulation and recommendation of Preferred and Reserved Bidders.
Best and Final Offer	Denel Land Systems may go into the best and Final Offer process in an instance where no bid meets the requirement of the RFP to close in terms of points awarded.

3 EVALUATION CRITERIA

The evaluation of Bids to determine whether the Bidder is capable of delivering the project in terms of its business credentials, financial standing, empowerment and technical capacity and experience, will be evaluated according to the following evaluation criteria as set out in SBD 6.1.

TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Services (SARS) to meet the bidder's tax obligations.

- a. In order to meet this requirement bidders are required to complete in full the TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- b. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- c. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of Tax Clearance Certificates will not be acceptable.
- d. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- e. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- f. Applications for the Tax Clearance Certificates may also be made via e Filing. In order to use this provision, taxpayers will need to register with SARS as e Filers through the website www.sars.gov.za.

PRICING SCHEDULE

(PURCHASES)

NOTE: ONLY PRICE CALCULATIONS BASED ON SEIFSA ESCALATION FORMULA WILL BE ACCEPTED.

Name of Bidder	
Bid Number	
Closing Time	
Closing Date	

OFFER TO BE VALID FOR **120 DAYS** FROM THE CLOSING DATE OF BID.

PRICE ESCALATIONS MUST BE IN LINE WITH THE SEIFSA ESCALATION FORMULA

Note:

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

With the exception of basic prices, where required, all prices shall be quoted in South African currency.

All drawings and control requirement documents will be handed out at the compulsory briefing session.

The bid prices shall be given in the units shown.

<i>ITEM NO</i>	<i>PART NO</i>	<i>DESCRIPTION</i>	<i>QUANTITY</i>	<i>UNIT PRICE excluding VAT</i>	<i>TOTAL excluding VAT</i>	<i>LEAD TIMES</i>
1	700872-A	ENCLOSURE	80			

IMPORTANT NOTICE:

PLEASE ENSURE THAT THE PRICES QUOTED FOR IS ACCORDING TO THE DRAWING AND LEAD TIMES MUST BE INDICATED. IF QUOTED INCORRECTLY THE BID WILL BE DISQUALIFIED

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, 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 favoritism, 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 authorized 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.
2. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

- 2.1 Full Name of bidder or his or her representative

--

- 2.2 Identity Number:

--

- 2.3 Position occupied in the Company (director, trustee, shareholder²):

--

Company Registration Number	
Tax Reference Number	
VAT Registration Number	

- 2.3.1 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.

¹"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.

²“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	
-----	--	----	--

2.7.1 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:

2.7.2 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	
-----	--	----	--

2.7.2.1 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.

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

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2.7.3 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	
-----	--	----	--

2.7.4 If so, furnish particulars:

2.8 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	
-----	--	----	--

2.9.1 If so, furnish particulars.

2.10 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	
-----	--	----	--

2.10.1 If so, furnish particulars.

2.11 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	
-----	--	----	--

2.11.1 If so, furnish particulars:

3 Full details of directors / trustees / members / shareholders

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

4. Declaration

I, the undersigned (name)

--

Certify that the information furnished in paragraphs 2 and 3 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>

REFERENCE 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 (B-BBEE) Status Level of Contribution.

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

1 GENERAL CONDITIONS

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

- Functionality – Step 1
 - Price
 - B-BBEE
- } Step 2

1.1.1 The Functionality element will be determined as follows:

Relevant Capability & Experience	10	Is this the Supplier's core business?
Interpretation of the brief	30	Does the quotation fully satisfy our requirement?
Capacity	20	Does the supplier have the capacity to execute the requirement?
Technical aspect	25	Does Supplier's technical aspects comply with the requirement?
Quality	15	Does the supplier produce quality in line with the requirements?
Functionality Score	100%	Total Functionality Score
Qualifying Functionality Threshold:	80	Minimum functionality score required by supplier

1.1.2 A minimum of 80 % must be achieved on the functionality evaluation before bids are subjected to Step 2 of the Evaluation Process namely Price and B-BBEE

1.2 The following preference point systems are applicable to all bids:

The 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and

The 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.3 The value of this bid is estimated to exceed/not exceed R1 000 000 (all applicable taxes included) and therefore the system shall be applicable.

1.4 The Bidder is required to be listed on the Central Supplier Database (CSD) and must provide its CSD reference number.

- 1.5. 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.
- 1.6. 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

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 Restricted Suppliers 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 (www.treasury.gov.za) 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 Tender Defaulters 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 (www.treasury.gov.za) 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 fraud or corruption 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 failure to perform 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 bids¹ 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).² 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:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² 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 consortium³ 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.

³ 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

ANNEXURE A - REQUESTS FOR PRICE INCREASES FOR THE MANUFACTURING AND DELIVERY OF PLATFORM HARNESSSES

DLS would like to specifically draw your attention to the following:

- a. If you are successful as a Supplier, it will be expected of you to agree that you are satisfied with the correctness and validity of your prices, by signing a SBD 7.1 contract document.
- b. Only prices that are calculated according to the SEIFSA formula are called for, it is clearly stipulated on several paragraphs in the bidding document.
- c. When a supplier is successful in a bid to supply / deliver a product to DENEL LAND SYSTEMS, a contract is signed and is the supplier responsible to deliver the product until the contract period ends. When a supplier, for one or another reason, cannot continue with the contract, they can request for the termination / cancellation of the contract. A Supplier can therefore not just stop delivering for it can result in unsatisfactory performance by a supplier.
- d. In cases where a supplier request for cancellation of a contract(s), the bidder must accept.
- e. Responsibility to reimburse the Denel Land Systems for any additional cost incurred, in the event.
- f. That re-tendering to satisfy the requirements, should bring about additional cost (General Conditions of Contract).

ANNEXURE B - GENERAL TERMS AND CONDITIONS OF DENEL LAND SYSTEMS PURCHASE ORDERS

QUALITY – SAFETY - SUSTAINABLE DEVELOPMENT

Before making any offer or quotation, Sellers will (i) obtain all information relating to Buyer's needs and foreseeable use of the Goods, in order to provide Buyer with all necessary advice and information on Goods proposed, (ii) inform themselves fully with regard to standards customs, rules and legal standards applicable to each delivery; For the proper performance of Orders, Sellers shall (i) define and apply quality assurance programs and (ii) conduct all necessary quality investigations and testing. Sellers shall keep Buyer fully informed of the results of such measures.

Through the application of the principles of sustainable development, the Buyer is strongly committed to the protection and improvement of safety, health, social dialogue and the environment. Safety in the workplace, in particular, is of paramount importance to Buyer. Sellers shall provide Buyer with Goods and/or any necessary equipment, which fully satisfy the safety, health, social dialogue and environmental rules applicable to each delivery (such as laws and regulations, Buyer's safety rules, etc.).

Sellers shall inform Buyer of any pertinent information in the areas of security, safety or the environment that relates to the Goods and/or their processing, handling or use. To this end, Sellers will seek information from Buyers with regard to all special features (configuration, activities, transportation, traffic and circulation...) of the specified place of delivery. Such information provided to Sellers shall in no way limit Sellers' liability. Should Sellers commit a violation relating to safety, health or environmental obligations, Buyer will be entitled to cancel any Order, with Sellers bearing all expense and liability arising there from.

Sellers shall therefore accept any liability with respect to any adverse effect arising from its action or omission with respect to quality, safety, security and the environment and do so both with respect to Buyer or any third party, the Sellers acknowledging its full liability in event of the exercise of Buyer's right to cancel the concerned Order.

DELIVERY - TRANSFER OF TITLE - PACKAGING – TRANSPORTATION

Unless otherwise agreed, all Goods shall be sold pursuant to the FCA Buyer's Lyttelton warehouse Incoterms 2010 (in accordance with the ICC's most recent edition), unloaded at the final location indicated by the Buyer (the "Delivery"). Title to all goods and materials (including all machinery, equipment and other materials) shall pass, or shall be deemed to pass, immediately to Buyer at the time of shipment from the Seller. If no more specific place of delivery is specified, Delivery can be made only at the place where Buyer usually takes delivery.

Before Delivery:

- Sellers shall inspect Goods for compliance with Order specifications, quality, weight, and physical dimensions, as well as for any damage to the Goods or their packaging.
- Unless otherwise agreed to in writing Goods shall be packed in full accordance with the accompanying Packing and Marking Specification so that they will not be damaged during transportation or handling. All items shall be properly marked according to (i) applicable rules, especially in the case of dangerous goods, if any, (ii) Buyer's instructions, and at a minimum marking shall be set out Buyer's Order number, Seller's identification, item number, place of delivery, item description, weight and quantity, and all markings required for proper delivery and assembly. Sling and handling points shall be provided with the Goods. If Buyer so requests, Sellers shall take back all packaging material after delivery. If Sellers require the use of Buyer's lifting equipment or employees at the place of delivery, Buyer will require at least 24 hours' notice and their use shall be at Seller's risk.
- Packaging materials and methods will be selected by Sellers to minimize cost of usage and to meet the following objectives: protection, safekeeping, recyclability, energy saving and destruction.

Transportation

- Sellers undertake to take all measures necessary to perform proper transportation of the Goods by all appropriate means and using all appropriate equipment and accessories, with the assistance of competent and solvent agents or subcontractors where necessary. Sellers shall organize transportation of the Goods to the place of Delivery in a manner designed to avoid damage to the Goods, and so as to avoid difficulties in unloading the Goods at the Buyer's place of delivery.
- Delivery times set out in the Order shall be of the essence. If the Order is not performed in the specified time, the Buyer is entitled to cancel the Order and to claim damages from the Seller or to accept delivery and withhold liquidated damages from the Seller (as set out below), without any requirement that Buyer give prior notification of default. Buyer reserves the right to refuse partial or early deliveries, and in such cases may return the Goods or, at its choice, store them, at Sellers' costs and risks.
- Sellers shall immediately notify the Buyer in writing of any delays and simultaneously provide all information concerning the reason and/or extent of the delay, as well as details relating to the efforts Sellers intend to make in order to avoid delay or expedite delivery. Unless otherwise agreed to in writing in the event of a delay in delivery, the Buyer shall be entitled, without prejudice to any other remedies, to liquidated damages in the amount of 1 % of the order value for each full week of delay, not to exceed a maximum of 10 %. Buyer shall communicate its decision to withhold liquidated damages no later than the date of payment of the first invoice following the delay. Such liquidated damages shall be without prejudice to Buyer's rights to claim for damages related to other aspects of Seller's performance.

Title to the Goods shall transfer unconditionally to the Buyer upon Delivery thereof. Unless otherwise expressly agreed, Sellers cannot retain title to the Goods until full payment. Risks will, however, remain with Sellers until formal acceptance of the Goods.

In as much as the delivery of goods may entail the Seller or his authorised agent entering the property of Buyer, the Seller shall ensure that such precautions as are requisite for the protection of life and property anywhere on Buyer property shall be taken, and the Seller shall be liable to Buyer for, and shall be deemed to have indemnified itself against injury or damage to any person or any property of Buyer caused by or incidental to any negligence or default of the Seller or his authorised agent. The Seller, by accepting this order, assumes all risk of whatsoever nature arising from or in connection with the Seller's or his agent's presence on Buyer premises and indemnifies Buyer against all claims which may arise from bodily injury or whatever nature sustained by the Seller or its agent, and also against claims which may arise from damage of whatsoever nature to its property or property under its care or control belonging to any person or body caused by or resulting from the Seller or its agents presence on Buyer premises, notwithstanding that such injury or damage may have been caused by the negligence of Buyer and/or its employee. The Seller hereby further grants permission to the security officers at Buyer to search the Seller or its agent's personnel as well as their vehicles and other articles in their possession on entering and existing from, or during their presence on the premises of Buyer.

ACCEPTANCE - INSPECTION

Without prejudice to the terms of article 4.2, Buyer reserves the right to verify the progress and proper performance of the Order and to conduct any quality investigations and testing it deems advisable. Sellers shall provide Buyer and its representative's free access to Sellers' workshops at all times. This shall in no way relieve Sellers from their duties under the Order, or limit them in any way.

All requirements mentioned in Buyer's quality systems are to be considered as conditions of the Order itself. The Buyer or its representative shall have the right to undertake quality audits and verifications of Sellers of any subcontractor's quality system.

In the event of refusal of all or part of any delivery, Goods rejected shall be stored and shipped back by the Buyer at Sellers' expenses and risk.

TECHNICAL DOCUMENTATION - OPERATING AND MAINTENANCE MANUALS

Sellers shall deliver to the Buyer, at such times as may be agreed but at the latest upon delivery of the Goods, all technical documentation relating to the Goods, such as operating and maintenance manuals, training manuals, drawings, technical data sheets, product safety sheets, mill inspection certificates, certificates of conformity and any other supporting documentation. If not otherwise specified in the Order, the delivery of software or of goods including software will include, for maintenance and/or adaptability reasons, all source and object codes relating to it. Such technical documentation, or any special tools in relation to Orders remain the property of Buyer and shall be considered as integral part of Goods in the meaning of these GPC.

WARRANTY - LIABILITY

Sellers warrant that the Goods shall be in accordance with all agreed specifications and requirements, that they shall be state of the art and fit for the particular purposes intended by the Buyer, that shall be free from defects in design, materials and workmanship, that they shall satisfactorily fulfil the performance requirements expected by the Buyer and that they shall meet all applicable statutory requirements and standards, especially those relating to the environment, safety and employment or labour laws and regulations. Any representations or warranties included in Sellers' catalogues, brochures, sales literature and quality systems shall be binding on Sellers. Sellers warrant the adequacy of the technical specifications of the Order to meet

the specific needs of the Buyer, and Sellers acknowledge having examined those specifications thoroughly.

Sellers warrant due performance of the Goods for a period of 2 years after they are put into service. Claims made under this warranty shall suspend the warranty period until Sellers have remedied the default, and the warranty period will be extended accordingly.

If any Goods at any time are found not to be as warranted, Buyer shall have the option, by written notice to Sellers, at its sole discretion: (a) to rescind the Order according to the provisions of Article 12 (Termination); (b) to accept such Goods with an equitable reduction in price; or (c) to reject such non-conforming Goods and require delivery of replacement Goods or the making of necessary repairs, at Sellers' expense. All Goods rejected for any reason will be returned to Sellers, at Sellers' risks and expense, or will be stored at Sellers' risk in Buyer's warehouses. After 15 days following notification of rejection, Sellers shall be liable to pay warehouse storage charges for the Goods.

If Sellers fail to deliver suitable replacements or make repairs promptly or urgently as the case may be, Buyer shall be entitled to replace or repair such Goods through an alternative supplier and recover all related costs from Sellers.

Any Goods repaired or replaced shall be subject to the provisions of this article, and the warranty period hereunder shall start a new following delivery or repair.

Sellers shall be liable for any direct, indirect, incidental, special and consequential losses and damages, including loss of profits, incurred by Buyer as a result of any delays in delivery, any defects in the Goods or any other deficiencies in Sellers' performance.

Buyer's rights and remedies as set out in the GPC shall be in addition to any other rights and remedies provided by law.

In any case, no inspection, approval or acceptance of Goods shall relieve Sellers from responsibility for defects or other failures to meet the requirements of the Order.

Sellers warrant supplying the Goods, and parts or components thereof for repair, maintenance or extensions, through the whole period of the Order, including the warranty period, and further warranting that their production or distribution will not be halted. If Sellers decide to stop production of all or part of the Goods after the end date of the Order, Sellers shall inform Buyer of this fact at least one year in advance, so that the Buyer still has an opportunity to place additional orders.

The Sellers agree that the warranties provided by the Sellers (and such other rights accruing to the Buyer) under this clause 7 and clause 8 of the Order may be assigned, at the Buyer's sole discretion and upon written notice to the Sellers, to any of the Buyer's affiliates .

INTELLECTUAL PROPERTY RIGHTS

Sellers warrant that neither the Goods nor the sale thereof covered by the Order will infringe upon or violate any trademarks, patents, copyright or other legal rights of third parties. Sellers shall indemnify and hold Buyer harmless against all actions or claims, liability, loss, costs, attorneys' fees, expenses and damages due to or arising from any infringement of intellectual property rights. Sellers shall, at their own expense if so requested by the Buyer, defend the Buyer against all such claims, proceedings and suits.

In the event the Goods become the subject of actions or claims of infringement of intellectual property rights, Sellers shall either in the shortest possible period obtain the right for the Buyer to use the Goods or modify or replace the Goods so that the infringement ends. Modification or replacement of the Goods shall never result in a decrease or reduction of the functionality or fitness of the Goods for the particular purpose used by Buyer. If Sellers fail to carry out their duties as set out herein, the Buyer, with eight business days advance notice, shall be entitled to take such actions as it deems necessary and to recover the total cost of the Goods from Sellers.

Patentable inventions and protect-able creations as well as their results, insofar as they arise from the Order, shall belong to the Buyer unless Sellers establish that they arise from Sellers' sole inventive capacity, and were developed independently of the Order.

NON-DISCLOSURE - PROPRIETARY RIGHTS

All written or verbal information supplied by the Buyer to Sellers regarding the Buyer's know how, specifications, procedures, needs and all technical information, documents and data shall be treated as confidential and shall not be disclosed to third parties without the Buyer's prior written consent during at least 10 years following date of disclosure to Sellers. Such information shall be exclusively used for the performance of the Order, or for the purpose of preparing offers or quotations.

The rights of ownership and copyrights in any designs, drawings, samples and other documents delivered to Sellers belong to Buyer and such items shall not be duplicated or disclosed to third parties at any time without Buyer's prior written consent.

US COMPLIANCE CONDITION

If any article, technology or Proprietary Information that will be delivered under this order is of USA origin, and is subject to the conditions of USA Export Permit, License or Royalties, the Buyer must be informed in writing before commencement of performance pursuant to the Order, and the Buyer reserves the right to cancel this order at no cost to the Buyer if any article, technology or Proprietary Information is of US origin. A copy of such Export Permit, License or Royalties payable, must be forwarded with the Delivery Note and Invoice to the Buyer. If the Seller fails to inform the Buyer accordingly, or to forward a copy of such Export Permit, License or Royalties, the Seller shall be liable for all claims in respect of the use of any article, technology or Proprietary Information and the Seller indemnifies the Buyer and holds it harmless against any claims arising or legal cost and losses resulting from the infringement or alleged infringement by or on behalf of the Buyer.

FORCE MAJEURE

The party affected by an event beyond its reasonable control and which could not reasonably have been foreseen or avoided, including (without implying limitation) terrorism, insurrection, epidemic, flood, earthquake or like natural disaster ("Force Majeure") shall immediately notify the other party in writing of said event and furnish the other party with all relevant information and proof relating thereto, and particularly to the period of time said event may delay the timely performance of this Order. Strikes affecting Sellers, public transportation or events of any type (including those defined as events of Force Majeure hereunder) affecting Sellers' subcontractors or suppliers shall not be considered as events of Force Majeure excusing non-performance of this Order.

In the event of an event of Force Majeure affecting Sellers, the Buyer shall be entitled at its discretion:

- to agree with Sellers on an extension of time for delivery; or
- To terminate the Order or any part thereof, at any time, without further obligation or liability, and request the reimbursement of any sums already paid.

The price for shipments previously delivered remains due only if they may be fully used by the Buyer notwithstanding the subsequent failure to deliver the rest of the Order. Any excess amount paid as an advance by the Buyer shall be refunded by Sellers.

Equipment breakdowns, shortage of materials, or any other cause beyond the reasonable control of the Buyer preventing the use of the ordered Goods or reducing the needs of the Buyer with respect to the Goods shall entitle the Buyer at its option to suspend or postpone delivery of the ordered Goods or to terminate in whole or in part the Order without further obligation or liability.

TERMINATION

Buyer shall always be entitled, even though Sellers are not in breach of any obligation, to suspend the Order for a period determined by Buyer, or to terminate the same in whole or in part, by giving three days' advance notice to Sellers. In the event of such a termination, Sellers may charge Buyer reasonable costs incurred up to the time of termination relating to the Order. In no event shall Sellers be entitled to indemnification for incidental or consequential damages or loss of profits.

In the event Sellers fail to comply with any term or condition of this Order, Buyer shall be entitled, by written notice to Sellers and without prejudice to any other remedy, to terminate the Order in whole or in part without any further liability or obligation and to recover from Sellers all moneys paid by the Buyer in respect thereof, any additional costs incurred in procuring replacement Goods from an alternative supplier, and indemnification for losses or damages due incurred by the Buyer as the result of any Sellers' late performance. The same shall apply in case Sellers fail to make progress in producing or assembling the Goods so as to endanger the timely performance of this Order in accordance with its terms. Without prejudice to Article 4, the termination shall be made by registered letter, return receipt requested, fifteen days after the date formal notice of default is given. (or by email if accepted by the recipient in writing)

Buyer is entitled to terminate the Order with immediate effect without any further obligation or liability if Buyer has good reasons to believe that Sellers will be unable to normally execute their full obligations.

INSURANCE

Sellers shall take out and maintain in force all insurance policies necessary to cover their liability under these GPC. Sellers agree to provide Buyer with evidence of insurance pursuant to any Buyer requirements regarding insurance coverage, and to comply with such requirements, including third party liability as well liability towards Buyer.

SUBCONTRACTING

If Sellers are authorized to sub-contract all or part of their obligations to third parties, such sub-contracting shall be at its sole expense and under its sole responsibility. Sellers shall inform all sub-contractors of the provisions of these GPC as well as those of the Order, and shall provide them with all information regarding the Buyer's requirements, especially in respect of applicable safety rules, Buyer reserving the right to refuse any of Sellers' sub-contractors that are not in compliance with these conditions.

ASSIGNMENT

Sellers shall not assign this Order, any rights under the Order or any receivables due from Buyer without the prior written consent of the Buyer. The Buyer shall be entitled to assign this Order, or any rights under it, upon giving written notice to the Sellers.

JURISDICTION – APPLICABLE LAW

This Order shall be governed by and construed exclusively in accordance with the laws the Republic of South Africa.

Any and all disputes arising in connection with the Order shall be settled by the competent Courts of Buyer's place of incorporation. However, Buyer reserves the exclusive right to bring any dispute involving Sellers before the Courts of Seller's jurisdiction of incorporation or before the Courts of the Goods' delivery place.

FRAUD & CORRUPTION

Sellers shall prevent any fraudulent activity by any of its representatives in connection with the receipt of monies from Buyer. Sellers warrant and undertake that they have not given, and will not give, any gift or commission, nor have agreed, and will not agree, to pay commission to any Buyer's employee, agent, servant or representative in connection with this Order or any other contract with Buyer. If Sellers, or anyone acting on the Sellers' behalf, are in breach of the foregoing provisions Buyer may (i) terminate the Order and recover from Sellers the amount of any loss suffered by Buyer resulting from such termination or (ii) recover in full from Sellers any loss sustained by Buyer in consequence of any breach of this clause 17, whether or not the Order has been terminated.

PURCHASE ORDER ACCEPTANCE

Company Name

Designation Authorized Representative

Signature

Date