



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

Making progress possible. Together.

MEMORANDUM OF AGREEMENT

FOR THE

**THE PROVISION OF THIRD PARTY PAYMENT SERVICES FOR THE PAYMENT
OF THE CITY OF CAPE TOWN'S MUNICIPAL ACCOUNTS - MAIN
CONTRACTOR**

MADE AND ENTERED INTO BETWEEN

CITY OF CAPE TOWN METROPOLITAN MUNICIPALITY

And

EASYPAY (PTY) LTD

(Registration no.

Contract No

PREAMBLE

WHEREAS Tender _____ was awarded to _____ (Main Service Provider)
_____ (Standby Service Provider), in line with the SCM - Bid
Adjudication Committee resolution SCMB 45/_____ dated Noveml _____ for THE
PROVISION OF THIRD PARTY PAYMENT SERVICES FOR THE PAYMENT OF THE CITY OF CAPE
TOWN'S MUNICIPAL ACCOUNTS, for the period fr _____

AND WHEREAS it is recorded that this Contract will be governed by the provisions of General
Conditions of Contract for the Supply of Goods and Services, Revised July 2010 ("GCC"),
read with the Special Conditions of Contract ("SCC") annexed hereto marked "PART 2:
SPECIAL CONDITIONS OF CONTRACT".

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. PARTIES

The Parties to this Contract are:

1.1. THE CITY OF CAPE TOWN, a metropolitan municipality, established in terms of
the Local Government: Municipal Structures Act, 117 of 1998 read with the
Province of the Western Cape: Provincial Gazette 5588 dated 22 September
2000, as amended ("the Employer"), herein represented by The City Manager
and/or his nominee, duly authorised hereto;

1.2. _____ a private company duly registered in terms of the laws of
the Republic of South Africa with registration no: _____ with its
principal place of business situated at _____
_____ (the "Contractor")
herein represented by its duly authorised representative, _____
her capacity as _____

Hereinafter, each a "Party" and together the "Parties".

2. INTERPRETATION

2.1. In the event of any conflict between the provisions of this Contract, the GCC and any Parts attached hereto, or any other document incorporated by reference to this Contract, save to the extent expressly stated to the contrary, such conflict will be resolved by giving precedence to such different parts of this Contract in the following order of precedence:

- 2.1.1. first, the terms and conditions of the SCC;
- 2.1.2. second, the terms and conditions of the GCC;
- 2.1.3. third, Parts and Annexures to this Contract; and
- 2.1.4. fourth, any other documents incorporated by reference.

2.2. The provisions of this Contract supersede and replace the provisions of any previous agreement entered into between the Parties relating to the same subject matter.

3. APPOINTMENT AND DURATION

3.1. The Employer hereby appoints the Contractor to perform the Scope of Work for the Employer from the Commencement Date.

3.2. Unless terminated earlier in accordance with the provisions as set out in the GCC or any other provision in terms of this Contract, this Contract shall commence on **1 July 2022 until 30 June 2028**.

4. MUTUAL GOOD FAITH / CO-OPERATION

4.1. The Parties represent and undertake to do all such things, perform all such acts and take all steps to procure the doing of all such things and the performance of all such acts, as may be necessary or incidental to give effect to the execution of this Contract.

- 4.2. The Parties shall at all times during the continuance of this Contract observe the principles of good faith towards one another in the performance of their obligations in terms of this Contract.

5. OBLIGATIONS OF THE EMPLOYER

- 5.1. The Employer undertakes to perform its obligations in accordance with the Contract, including but not limited to the Scope of Work (**PART 4: SPECIFICATIONS**), subject to the satisfactory fulfilment of the obligations by the Contractor as set out in this Contract.

- 5.2. The Employer shall monitor and evaluate the Contractor's performance in respect of the Scope of Work.

6. OBLIGATIONS OF THE CONTRACTOR

- 6.1. The Contractor hereby agrees and undertakes to perform the Services to the Employer as set out in Scope of Work (**PART 4: SPECIFICATIONS**).
- 6.2. The Contractor will perform the Works as expeditiously as possible and furthermore agrees and undertakes to perform the services in accordance with the operational requirements of the Employer.
- 6.3. The Contractor will ensure that the Works will be of a satisfactory quality and fit for purpose.
- 6.4. The Contractor shall ensure that its employees, agents, representatives, sub-contractors and suppliers comply with this Contract and all applicable Laws in the execution of the Works.
- 6.5. The Contractor will not conduct any activity of whatsoever nature which may be detrimental to the Employer's reputation and goodwill.

7. PRICING DATA

- 7.1. The Contract Price for the Works shall be as set out in the Pricing Data annexed marked "**PART 5: PRICING SCHEDULE**".
- 7.2. The Contractor shall not be entitled to any other consideration for the rendering of the Works other than as provided for in this Contract.

DETAILS OF CONTRACTOR

VOLUME 2: RETURNABLE DOCUMENTS (3) DETAILS OF TENDERER

1.1 Type of Entity (Please tick one box)

☐ Individual / Sole Proprietor

☐ Close Corporation

☒ Company

☐ Partnership or Joint Venture or Consortium

☐ Trust

☐ Other:

1.2 Required Details (Please provide applicable details in full).

Name of Company / Close Corporation or Partnership / Joint Venture / Consortium or Individual / Sole Proprietor	
Trading as (if different from above)	
Company / Close Corporation registration number (if applicable)	
Postal address	
Physical address (Chosen domicilium citandi et executandi)	Postal Code
Contact details of the person duly authorised to represent the tenderer	Name: IV Telephone: () Cellular: T E-mail address: <u> </u>
Income tax number	
VAT registration number	
SARS Tax Compliance Status PIN	
City of Cape Town Supplier Database Registration Number (See Conditions of Tender)	
National Treasury Central Supplier Database registration number (See Conditions of Tender)	

FORM OF OFFER AND ACCEPTANCE

(4) FORM OF OFFER AND ACCEPTANCE

TENDER NO:368S/2020/2021

THE PROVISION OF THIRD PARTY PAYMENT SERVICES FOR THE PAYMENT OF THE CITY OF CAPE TOWN'S MUNICIPAL ACCOUNTS

CONTRACT PERIOD: FROM 1 JULY 2022 UNTIL 30 JUNE 2028.

OFFER: (TO BE FILLED IN BY TENDERER):

Required Details (Please provide applicable details in full):

Name of Tendering Entity* ("the tenderer")	
Trading as (if different from above)	A

AND WHO IS represented herein by: (full names of signatory)

duly authorised to act on behalf of the tenderer in his capacity as: (title/ designation)

hereby AGREES THAT by signing the *Form of Offer and Acceptance*, the tenderer:

1. confirms that it has examined the documents listed in the Index (including Schedules and Annexures) and has accepted all the Conditions of Tender;
2. confirms that it has received and incorporated any and all notices issued to tenderers issued by the CCT;
3. confirms that it has satisfied itself as to the correctness and validity of the tender offer; that the price(s) and rate(s) offered cover all the goods and/or services specified in the tender documents; that the price(s) and rate(s) cover all its obligations and accepts that any mistakes regarding price(s), rate(s) and calculations will be at its own risk;
4. offers to supply all or any of the goods and/or render all or any of the services described in the tender document to the CCT in accordance with the:
4.1 terms and conditions stipulated in this tender document;
4.2 specifications stipulated in this tender document; and
4.3 at the prices as set out in the Price Schedule.
5. accepts full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on it in terms of the Contract.

Signature(s)

Print name(s):

On behalf of the tenderer (duly authorised)

Date

PART 1 : AGREEMENTS

TENDER NO: 368S/2020/2021 – THE PROVISION OF THIRD PARTY PAYMENT SERVICES FOR THE PAYMENT OF THE CITY OF CAPE TOWN'S MUNICIPAL ACCOUNT ACCEPTANCE

(TO BE FILLED IN BY THE CITY)

By signing this part of this form of offer and acceptance, the employer identified below accepts the tenderer's offer. In consideration thereof, the employer shall pay the supplier the amount due in accordance with the conditions of contract. Acceptance of the tenderer's offer shall form an agreement between the employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract are contained in:

- Clause 1 to 7, and the sub-clauses, cited in pages 1 to 5 above;
- Part 1: Agreements
- Part 2: Special Conditions to Contract
- Part 3: General Conditions of Contract
- Part 4: Specifications
- Part 5: Pricing Schedule
- Part 6: Occupational Health and Safety Agreement.

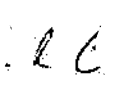
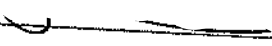
and documents or parts thereof, which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the tender data and any addenda thereto as listed in the returnable schedules as well as any changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance, are contained in the schedule of deviations attached to and forming part of this form of offer and acceptance. No amendments to or deviations from said documents are valid unless contained in this schedule.

The tenderer shall within two weeks after receiving a completed copy of this agreement, including the schedule of deviations (if any), contact the employer to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documents to be provided in terms of the conditions of contract identified in the special contract conditions. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on 1 July 2022. The tenderer (now supplier) shall within five working days of the agreement coming into effect notify the employer in writing of any reason why he cannot accept the contents of this agreement as a complete and accurate memorandum thereof, failing which the agreement presented to the contractor shall constitute the binding contract between the parties.

**TENDER NO: 368S/2020/202. (THE PROVISION OF THIRD PARTY PAYMENT SERVICES
FOR THE PAYMENT OF THE CITY OF CAPE TOWN'S MUNICIPAL ACCOUNT**

The Parties	Employer	Contractor
Business Name	CITY OF CAPE TOWN	EASYPAY (PTY) LTD
Business Registration		
Tax number (VAT)		
Physical Address		
Accepted contract sum including tax	Rates Based	Rates Based
Accepted contract duration		
Signed – who by signature hereto warrants authority		
Name of signatory		
Signed: Date		
Signed: Location		
Signed: Witness		
Name of Witness		

FORM OF OFFER AND ACCEPTANCE (Continued)

**TENDER NO: 368S/2020/2021 – THE PROVISION OF THIRD PARTY PAYMENT SERVICES
FOR THE PAYMENT OF THE CITY OF CAPE TOWN'S MUNICIPAL ACCOUNT**

(TO BE FILLED IN BY THE CITY)

Schedule of Deviations

Notes:

1. The extent of deviations from the tender documents issued by the CCT before the tender closing date is limited to those permitted in terms of the conditions of tender.
2. A tenderer's covering letter shall not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid, become the subject of agreements reached during the process of offer and acceptance, the outcome of such agreement shall be recorded here.
3. Any other matter arising from the process of offer and acceptance either as a confirmation, clarification or change to the tender documents and which it is agreed by the Parties becomes an obligation of the contract shall also be recorded here.
4. Any change or addition to the tender documents arising from the above agreements and recorded here, shall also be incorporated into the final draft of the Contract.

- 1 Subject **NOTICE TO TENDERER 1: DATED 19 JULY 2021- TENDER NO: 368S/2020/21- THE PROVISION OF THIRD PARTY PAYMENT SERVICES FOR THE PAYMENT OF THE CITY OF CAPE TOWN MUNICIPAL ACCOUNTS**

Details. This notice to tenderers forms an integral part of the Contract and is an addendum, which must be recorded in Schedule 14: Record of Addenda to Tender Documents and bound within the 'Returnable Schedules'.

Please see response to questions of clarity.

1. Average monthly payment value via third party: R323 521 814.87
2. Average percentage of payments via the different modes of payments:
 - 2.1 Cash – 23%
 - 2.2 Credit card – 49%
 - 2.3 Debit card – 18%
 - 2.4 Other – 10%
3. Average monthly transactions: 224,342

Question: Does the City have a maximum payment limit via the third party channels?
Answer: NO. However, payments in excess of R7000.00, the City do recover the bank cost it incurs on the amount above R7000.00 from its customer.

By the duly authorised representatives signing this agreement, the CCT and the tenderer agree to and accept the foregoing schedule of deviations as the only deviations from and amendments to this tender document and addenda thereto as listed in the returnable schedules, as well as any confirmation, clarification or changes to the terms of the offer agreed by the tenderer and the CCT during this process of offer and acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Agreement shall have any meaning or effect in the contract between the parties arising from this agreement.

PART 2: SPECIAL CONDITIONS OF CONTRACT

The following Special Conditions of Contract, referring to the National Treasury – Conditions of Contract (revised July 2010), are applicable to this Contract:

1. Definitions

Delete Clause 1.15 and substitute with the following

- 1.15 The word 'Goods' is to be replaced everywhere it occurs in the GCC with the phrase 'Goods and / or Services' which means all of the equipment, machinery, materials, services, products, consumables, etc. that the supplier is required to deliver to the purchaser under the contract. This definition shall also be applicable, as the context requires, anywhere where the words "supplies" and "services" occurs in the GCC.

Delete Clause 1.19 and substitute with the following

- 1.19 The word 'Order' is to be replaced everywhere it occurs in the GCC with the words 'Purchase Order' which means the official purchase order authorised and released on the purchaser's SAP System

Delete Clause 1.21 and substitute with the following:

- 1.21 'Purchaser' means the **City of Cape Town**. The address of the Purchaser is **12 Hertzog Boulevard, Cape Town, 8001**.

Add the following after Clause 1.25:

- 1.26 'Supplier' means any provider of goods and / or services with whom the contract is concluded
- 1.27 "Intellectual Property" means any and all intellectual property rights of any nature anywhere in the world whether registered, registerable or otherwise, including patents, trademarks, registered designs and domain names, applications for any of the foregoing, trade or business names, copyright and rights in the nature of copyright, design rights, rights in databases, know-how, trade secrets and any other intellectual property rights which subsist in computer software, computer programs, websites, documents, information, techniques, business methods, drawings, logos, instruction manuals, lists and procedures and particulars of customers, marketing methods and procedures and advertising literature, including the "look and feel" of any websites

3. General Obligations

Delete Clause 3.2 in its entirety and replace with the following clauses.

- 3.2 The parties will be liable to each other arising out of or in connection with any breach of the obligations detailed or implied in this contract, subject to clause 28.
- 3.3 All parties in a joint venture or consortium shall be jointly and severally liable to the purchaser in terms of this contract and shall carry individually the minimum levels of insurance stated in the contract, if any.
- 3.4 The parties shall comply with all laws, regulations and bylaws of local or other authorities having jurisdiction regarding the delivery of the goods and give all notices and pay all charges required by such authorities.
- 3.4.1 The parties agree that this contract shall also be subject to the CCT's Supply Chain Management Policy ('SCM Policy') that was applicable on the date the bid was advertised, **save that if the Employer adopts a new SCM Policy which contemplates that any clause therein would apply to the contract emanating from this tender, such clause shall also be applicable to that contract. Please refer to this document contained on the CCT's website.**

3.4.2 Abuse of the supply chain management system is not permitted and may result in cancellation of the contract, restriction of the supplier, and/or the exercise by the City of any other remedies available to it as described in the SCM Policy.

3.5 The supplier shall:

3.5.1 Arrange for the documents listed below to be provided to the Purchaser prior to the issuing of the order:

- a) Proof of Insurance (Refer to Clause 11) or Insurance Broker's Warrantee
- b) Letter of good standing from the Compensation Commissioner, or a licensed compensation insurer (Refer to Clause 11)
- c) Initial delivery programme
- d) Other requirements as detailed in the tender documents

3.5.2 Only when notified of the acceptance of the bid by the issuing of the order, the supplier shall commence with and carry out the delivery of the goods in accordance with the contract, to the satisfaction, of the purchaser

3.5.3 Provide all of the necessary materials, labour, plant and equipment required for the delivery of the goods including any temporary services that may be required

3.5.4 Insure his workmen and employees against death or injury arising out of the delivery of the goods

3.5.5 Be continuously represented during the delivery of the goods by a competent representative duly authorised to execute instructions;

3.5.6 In the event of a loss resulting in a claim against the insurance policies stated in clause 11, pay the first amount (excess) as required by the insurance policy

3.5.7 Comply with all written instructions from the purchaser subject to clause 18

3.5.8 Complete and deliver the goods within the period stated in clause 10, or any extensions thereof in terms of clause 21

3.5.9 Make good at his own expense all incomplete and defective goods during the warranty period

3.5.10 Pay to the purchaser any penalty for delay as due on demand by the purchaser. The supplier hereby consents to such amounts being deducted from any payment to the supplier;

3.5.11 Comply with the provisions of the OHAS Act & all relevant regulations.

3.5.12 Comply with all laws relating to wages and conditions generally governing the employment of labour in the Cape Town area and any applicable Bargaining Council agreements.

3.5.13 Deliver the goods in accordance with the contract and with all reasonable care, diligence and skill in accordance with generally accepted professional techniques and standards.

3.6 The purchaser shall:

3.6.1 Issue orders for the goods required under this Contract. No liability for payment will ensue for any work done if an official purchase order has not been issued to the supplier.

3.6.2 Make payment to the **supplier** for the goods as set out herein.

3.6.3 Take possession of the goods upon delivery by the supplier.

3.6.4 Regularly inspect the goods to establish that it is being delivered in compliance with the contract.

3.6.5 Give any instructions and/or explanations and/or variations to the supplier including any relevant advice

to assist the supplier to understand the contract documents.

- 3.6.6 Grant or refuse any extension of time requested by the supplier to the period stated in clause 10.
- 3.6.7 Inspect the goods to determine if, in the opinion of the purchaser, it has been delivered in compliance with the contract, alternatively in such a state that it can be properly used for the purpose for which it was intended.
- 3.6.8 Brief the supplier and issue all documents, information, etc. in accordance with the contract.

5. Use of contract documents and information; inspection, copyright, confidentiality, etc.

Add the following after clause 5.4:

- 5.5 Copyright of all documents prepared by the supplier in accordance with the relevant provisions of the copyright Act (Act 98 of 1978) relating to contract shall be vested in the purchaser. Where copyright is vested in the supplier, the purchaser shall be entitled to use the documents or copy them only for the purposes for which they are intended in regard to the contract and need not obtain the supplier's permission to copy for such use. Where copyright is vested in the purchaser, the supplier shall not be liable in any way for the use of any of the information other than as originally intended for the contract and the purchaser hereby indemnifies the supplier against any claim which may be made against him by any party arising from the use of such documentation for other purposes.

The ownership of data and factual information collected by the supplier and paid for by the purchaser shall, after payment, vest with the purchaser

- 5.6 **Publicity and publication**
The supplier shall not release public or media statements or publish material related to the services or contract within two (2) years of completion of the services without the written approval of the purchaser, which approval shall not be unreasonably withheld.
- 5.7 **Confidentiality**
Both parties shall keep all information obtained by them in the context of the contract confidential and shall not divulge it without the written approval of the other party.
- 5.8 **Intellectual Property**
 - 5.8.1 The supplier acknowledges that it shall not acquire any right, title or interest in or to the Intellectual Property of the Employer.
 - 5.8.2 The supplier hereby assigns to the Employer, all Intellectual Property created, developed or otherwise brought into existence by it for the purposes of the contract, unless the Parties expressly agree otherwise in writing.
 - 5.8.3 The supplier shall, and warrants that it shall:
 - 5.8.3.1 not be entitled to use the Employer's Intellectual Property for any purpose other than as contemplated in this contract;
 - 5.8.3.2 not modify, add to, change or alter the Employer's Intellectual Property, or any information or data related thereto, nor may the supplier produce any product as a result of, including and/or arising from any such information, data and Intellectual Property, and in the event that it does produce any such product, the product shall be, and be deemed in law to be, owned by the Employer;
 - 5.8.3.3 not apply for or obtain registration of any domain name, trademark or design which is similar to any Intellectual Property of the Employer;

5.8.3.4 comply with all reasonable directions or instructions given to it by the Employer in relation to the form and manner of use of the Employer Intellectual Property, including without limitation, any brand guidelines which the Employer may provide to the supplier from time to time;

5.8.3.5 procure that its employees, directors, members and contractors comply strictly with the provisions of clauses 5.8.3.1 to 5.8.3.3 above;

unless the Employer expressly agrees thereto in writing after obtaining due internal authority.

5.8.4 The supplier represents and warrants to the Employer that, in providing goods, services or both, as the case may be, for the duration of the contract, it will not infringe or make unauthorised use of the Intellectual Property rights of any third party and hereby indemnifies the Employer from any claims, liability, loss, damages, costs, and expenses arising from the infringement or unauthorised use by the supplier of any third party's Intellectual Property rights.

5.8.5 In the event that the contract is cancelled, terminated, ended or is declared void, any and all of the Employer's Intellectual Property, and any and all information and data related thereto, shall be immediately handed over to the Employer by the supplier and no copies thereof shall be retained by the supplier unless the Employer expressly and in writing, after obtaining due internal authority, agrees otherwise.

7. Performance Security

Delete clause 7.1 and replace with the following:

7.1 Within 14 (fourteen) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified herein.

7.2 The Guarantee Sum shall be equal to R28,000,000.00 (Twenty Eight million rand).

Delete clause 7.3 and replace with the following:

7.3 The performance security shall be furnished strictly in accordance with the terms and conditions set out in **Form of Guarantee / Performance Security** and can only be issued by any one of the Financial Institutions listed in **Annexure A** (attached to this form).

Delete clause 7.4 and replace with the following:

7.4 The performance security will be discharged by the purchaser and returned to the supplier strictly in accordance with the terms and conditions set out in the **Form of Guarantee / Performance Security**.

8. Inspections, tests and analyses

Delete Clause 8.2 and substitute with the following:

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the purchaser or an organisation acting on behalf of the purchaser.

10. Delivery and documents

Delete clauses 10.1 and 10.2 and replace with the following:

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The time for delivery of the goods shall be the date as stated on the order. Orders for the supply and delivery of goods may be raised up until the expiry of a framework agreement bid, provided that the goods can be delivered within 30 days of expiry of the framework contract. All orders, other than for the supply and delivery of goods, must be completed prior to the expiry of the contract period.

- 10.2. The purchaser shall determine, in its sole discretion, whether the goods have been delivered in compliance with the contract, alternatively in such a state that it can be properly used for the purpose for which it was intended. When the purchaser determines that the goods have been satisfactorily delivered, the purchaser must issue an appropriate certification, or written approval, to that effect. Invoicing may only occur, and must be dated, on or after the date of acceptance of the goods.

11. Insurance

Add the following after clause 11.1:

- 11.2 Without limiting the obligations of the supplier in terms of this contract, the supplier shall effect and maintain the following additional insurances:

- a) Public liability insurances, in the name of the supplier, covering the supplier and the purchaser against liability for the death of or injury to any person, or loss of or damage to any property, arising out of or in the course of this Contract, in an amount not less than **R20 million** for any single claim;
- b) Motor Vehicle Liability Insurance, in respect of all vehicles owned and / or leased by the supplier, comprising (as a minimum) "Balance of Third Party" Risks including Passenger Liability Indemnity;
- c) Registration / insurance in terms of the Compensation for Occupational Injuries and Disease Act, Act 130 of 1993. This can either take the form of a certified copy of a valid Letter of Good Standing issued by the Compensation Commissioner, or proof of insurance with a licenced compensation insurer, from either the bidder's broker or the insurance company itself (see **Proof of Insurance / Insurance Broker's Warranty** section in document for a pro forma version).

In the event of under insurance or the insurer's repudiation of any claim for whatever reason, the CCT will retain its right of recourse against the supplier.

- 11.3 The supplier shall be obliged to furnish the CCT with proof of such insurance as the CCT may require from time to time for the duration of this Contract. Evidence that the insurances have been effected in terms of this clause, shall be either in the form of an insurance broker's warranty worded precisely as per the pro forma version contained in the **Proof of Insurance / Insurance Broker's Warranty** section of the document or copies of the insurance policies.

15. Warranty

Add to Clause 15.2:

- 15.2 This warranty for this contract shall remain valid for **six (6) months** after the goods have been delivered.
Not Applicable

16. Payment

Delete Clause 16.1 in its entirety and replace with the following:

- 16.1 A monthly payment cycle will be the norm. All invoices which are dated on or before the 20th of a particular month will typically be paid between the 23rd and 26th of the following month. The supplier may submit a fully motivated application regarding more frequent payment to the Employer's Director. Expenditure for consideration. Requests for more frequent payments will be considered at the sole discretion of the Employer and is not a right in terms of this contract.

Delete Clause 16.2 in its entirety and replace with the following:

- 16.2 The supplier shall furnish the purchaser's Accounts Payable Department with an original tax invoice, clearly showing the amount due in respect of each and every claim for payment.

Add the following after clause 16.4

- 16.5 Notwithstanding any amount stated on the order, the supplier shall only be entitled to payment for goods actually delivered in terms of the Project Specification and Drawings, or any variations in accordance with clause 18. Any contingency sum included shall be for the sole use, and at the discretion, of the purchaser.

The CCT is not liable for payment of any invoice that pre-dates the date of delivery of the goods.

- 16.6 The purchaser will only make advanced payments to the supplier in strict compliance with the terms and details as contained on **Proforma Advanced Payment Guarantee** and only once the authenticity of such guarantee has been verified by the City's Treasury Department.

17. Prices

Add the following after clause 17.1

- 17.2 The prices for the goods delivered and services performed shall not be subject to contract price adjustment and the following conditions will be applicable:
- a) As per returnable Schedule 8:

18. Contract Amendments

Delete the heading of clause 18 and replace with the following:

18. Contract Amendments and Variations

Add the following to clause 18.1:

Variations means changes to the goods, extension of the duration or expansion of the value of the contract that the purchaser issues to the supplier as instructions in writing, subject to prior approval by the purchaser's delegated authority. Should the supplier deliver any goods not described in a written instruction from the purchaser, such work will not become due and payable until amended order has been issued by the purchaser.

20. Subcontracts

Add the following after clause 20.1:

- 20.2 The supplier shall be liable for the acts, defaults and negligence of any subcontractor, his agents or employees as fully as if they were the acts, defaults or negligence of the supplier.
- 20.3 Any appointment of a subcontractor shall not amount to a contract between the CCT and the subcontractor, or a responsibility or liability on the part of the CCT to the subcontractor and shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

Delete Clause 21.2 in its entirety and replace with the following:

- 21.2 If at any time during the performance of the contract the supplier or its sub-contractors should encounter conditions beyond their reasonable control which impede the timely delivery of the goods, the supplier shall notify the purchaser in writing, within 7 Days of first having become aware of these conditions, of the facts of the delay, its cause(s) and its probable duration. As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation, and may at his discretion extend the time for delivery.

Where additional time is granted, the purchaser shall also determine whether or not the supplier is entitled

to payment for additional costs in respect thereof. The principle to be applied in this regard is that where the purchaser or any of its agents are responsible for the delay, reasonable costs shall be paid. In respect of delays that were beyond the reasonable control of both the supplier and the purchaser, additional time only (no costs) will be granted.

The purchaser shall notify the supplier in writing of his decision(s) in the above regard.

- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of goods from a national department, provincial department, or a local authority.

22. Penalties

Delete clause 22.1 and replace with the following:

- 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum as stated herein for each day of the delay until actual delivery or performance.

The penalty for this contract shall be:

Description of Penalty	Penalty
1. The first recorded non-compliance with the Payment Transaction File transmission as prescribed in the tender specification. Refer to clause 3.3 b) and Annexure B of the tender specifications.	10%, excluding VAT, of the total commission payable on the applicable file.
2. The second recorded non-compliance with with the Payment Transaction File transmission as prescribed in the tender specification. Refer to clause 3.3 b) and Annexure B of the tender specifications.	15%, excluding VAT, of the total commission payable on the applicable file.
3. The third and beyond recorded non-compliance with the Payment Transaction File transmission as prescribed in the tender specification. Refer to Point 3.3 b) and Annexure B of the tender specifications.	20%, excluding VAT, of the total commission payable on the applicable file.
4. The recorded non-compliance with the application of the Daily Electronic Funds (EFT) Transfer Reference as prescribed in the tender specification. Refer to clause 3.4 a) under Annexure C.	R2000 per EFT
5. The recorded non-compliance with the validation of the municipal account number. Refer to clause 3.1(b) & 3.2(b) and Annexure A of the tender specifications.	R100 per non-validated notice number
6. The recorded non-compliance of ensuring the E-Commerce services' availability. Refer to clause 3.2 f) of the tender specification.	R1000.00 per recorded non-compliance

- 22.2 The purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, financial penalties as contained on the **Preference Schedule** relating to breaches of the conditions upon which preference points were awarded.

26. Termination for insolvency

Delete clause 26.1 and replace with the following:

- 26.1 The purchaser may make either of the following elections to ensure its rights are protected and any

negative impact on service delivery is mitigated:

- 26.1.1 accept a supplier proposal (via the liquidator) to render delivery utilising the appropriate contractual mechanisms; or
- 26.1.2 terminate the contract, as the liquidator proposed supplier is deemed unacceptable to the purchaser, at any time by giving written notice to the supplier (via the liquidator).
- 26.2 Termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

Amend clause 27.1 as follows:

- 27.1 If any dispute or difference of any kind whatsoever, with the exception of termination in terms of clause 23.1(c), arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve such dispute or difference amicably, by mutual consultation.

Delete Clause 27.2 in its entirety and replace with the following:

- 27.2 Should the parties fail to resolve any dispute by way of mutual consultation, either party shall be entitled to refer the matter for mediation before an independent and impartial person appointed by the City Manager in accordance with Regulation 50(1) of the Local Government: Municipal Finance Management Act, 56 of 2003 – Municipal Supply Chain Management Regulations (Notice 868 of 2005). Such referral shall be done by either party giving written notice to the other of its intention to commence with mediation. No mediation may be commenced unless such notice is given to the other party.

Irrespective whether the mediation resolves the dispute, the parties shall bear their own costs concerning the mediation and share the costs of the mediator and related costs equally.

The mediator shall agree the procedures, representation and dates for the mediation process with the parties. The mediator may meet the parties together or individually to enable a settlement.

Where the parties reach settlement of the dispute or any part thereof, the mediator shall record such agreement and on signing thereof by the parties the agreement shall be final and binding.

Save for reference to any portion of any settlement or decision which has been agreed to be final and binding on the parties, no reference shall be made by or on behalf of either party in any subsequent court proceedings, to any outcome of an amicable settlement by mutual consultation, or the fact that any particular evidence was given, or to any submission, statement or admission made in the course of amicable settlement by mutual consultation or mediation.

28. Limitation of Liability

Delete clause 28.1 (b) and replace with the following:

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the sums insured in terms of clause 11 in respect of insurable events, or where no such amounts are stated, to an amount equal to twice the contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

Add the following after clause 28.1:

28.2 Without detracting from, and in addition to, any of the other indemnities in this contract, the supplier shall be solely liable for and hereby indemnifies and holds harmless the purchaser against all claims, charges, damages, costs, actions, liability, demands and/or proceedings and expense in connection with:

- a) personal injury or loss of life to any individual;
- b) loss of or damage to property;

arising from, out of, or in connection with the performance by the supplier in terms of this Contract, save to the extent caused by the gross negligence or wilful misconduct of the purchaser.

28.3 The supplier and/or its employees, agents, concessionaires, suppliers, sub-contractors or customers shall not have any claim of any nature against the purchaser for any loss, damage, injury or death which any of them may directly or indirectly suffer, whether or not such loss, damages, injury or death is caused through negligence of the purchaser or its agents or employees.

28.4 Notwithstanding anything to the contrary contained in this Contract, under no circumstances whatsoever, including as a result of its negligent (including grossly negligent) acts or omissions or those of its servants, agents or contractors or other persons for whom in law it may be liable, shall any party or its servants (in whose favour this constitutes a *stipulatio alteri*) be liable for any indirect, extrinsic, special, penal, punitive, exemplary or consequential loss or damage of any kind whatsoever, whether or not the loss was actually foreseen or reasonably foreseeable), sustained by the other party, its directors and/or servants, including but not limited to any loss of profits, loss of operation time, corruption or loss of information and/or loss of contracts.

28.5 Each party agrees to waive all claims against the other insofar as the aggregate of compensation which might otherwise be payable exceeds the aforesaid maximum amounts payable.

31. Notices

Delete clauses 31.1 and 31.2 and replace with the following:

31.1 Any notice, request, consent, approvals or other communications made between the Parties pursuant to the Contract shall be in writing and forwarded to the addresses specified in the contract and may be given as set out hereunder and shall be deemed to have been received when:

- a) hand delivered – on the working day of delivery
- b) sent by registered mail – five (5) working days after mailing
- c) sent by email or telefax – one (1) working day after transmission

32. Taxes and Duties

35. Reporting Obligations.

35.1 The supplier shall complete, sign and submit with each delivery note, all the documents as required in the Specifications. Any failure in this regard may result in a delay in the processing of any payments.

36. Protection of Personal Information

36.1 The supplier acknowledges that it will be processing personal information as defined in the Protection of Personal Information Act No. 4 of 2013 relating to City customers, on behalf of the City. Accordingly, it undertakes to ensure compliance with the Act in respect of its processing activities. In particular, it undertakes to keep such information confidential and not to disclose it unless required by law or in the course of the proper performance of its duties. Furthermore, it undertakes to maintain security measures as envisaged in Sections 19 and 21 of the Act. The requirements of this clause apply to all agents and subcontractors acting on behalf of tenderers and must be included in all contracts between tenderers and their agents or subcontractors.

37. Review Clause:

37.1 This Agreement is valid from 1 July 2022 until 30 June 2028. This Agreement shall be reviewed once every three years; however, in lieu of a review during any period specified, the current Agreement will remain in effect. The purchaser reserves the right to reduce or increase the scope of works according to the dictates of the budget, to terminate this contract, and/or to review and terminate this contract as is contemplated in Section 116(1)(b)(iii) of the Local Government: Municipal Finance Management Act 56 of 2003, without adjustment to the agreed rates, sums or fees and without payment of any penalty or surcharge in this regard. The supplier shall however be entitled to pro-rata payment for all services carried out in terms of any adjustment to the Scope of Work or, in the case of termination, payment for good delivered.

As required by section 116(2)(b) of the *Local Government: Municipal Financial Management Act 56 of 2003*, the City shall monitor the performance of the contractor/supplier on at least a monthly basis, and the supplier agrees to provide the City with its full cooperation in this regard.



'ANNEXURE A'

Letterhead of supplier's Insurance Broker

Date _____

CITY OF CAPE TOWN
City Manager
Civic Centre
12 Hertzog Boulevard
Cape Town
8000

Dear Sir:

TENDER NO.: 368S/2020/21

TENDER DESCRIPTION: THE PROVISION OF THIRD PARTY PAYMENT SERVICES FOR THE PAYMENT OF
THE CITY OF CAPE TOWN'S MUNICIPAL ACCOUNTS

NAME OF SUPPLIER: _____

I, the undersigned, do hereby confirm and warrant that all the insurances required in terms of the abovementioned contract have been issued and/or in the case of blanket/umbrella policies, have been endorsed to reflect the interests of the CITY OF CAPE TOWN with regard to the abovementioned contract, and that all the insurances and endorsements, etc., are all in accordance with the requirements of the contract.

I furthermore confirm that all premiums in the above regard have been paid.

Yours faithfully

Signed: _____

For: _____ (Supplier's Insurance Broker)

PART 3: GENERAL CONDITIONS OF CONTRACT

(National Treasury - General Conditions of Contract (revised July 2010))

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1. Definitions

1. The following terms shall be interpreted as indicated:

- 1.1 'Closing time' means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2 'Contract' means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 'Contract price' means the price payable to the supplier under the contract for the full and proper performance of his or her contractual obligations.
- 1.4 'Corrupt practice' means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.

- 1.5 'Countervailing duties' are imposed in cases in which an enterprise abroad is subsidised by its government and encouraged to market its products internationally.
- 1.6 'Country of origin' means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognised new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 'Day' means calendar day.
- 1.8 'Delivery' means delivery in compliance with the conditions of the contract or order.
- 1.9 'Delivery ex stock' means immediate delivery directly from stock actually on hand.
- 1.10 'Delivery into consignee's store or to his site' means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- 1.11 'Dumping' occurs when a private enterprise abroad markets its goods on its own initiative in the RSA at lower prices than that of the country of origin, and which action has the potential to harm the local industries in the RSA.
- 1.12 'Force majeure' means an event beyond the control of the supplier, not involving the supplier's fault or negligence, and not foreseeable. Such events may include, but are not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 'Fraudulent practice' means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 'GCC' means the General Conditions of Contract.
- 1.15 'Goods' means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 'Imported content' means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 'Local content' means that portion of the bidding price which is not included in the imported content, provided that local manufacture does take place.
- 1.18 'Manufacture' means the production of products in a factory using labour, materials, components and machinery, and includes other, related value-adding activities.
- 1.19 'Order' means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 'Project site', where applicable, means the place indicated in bidding documents.
- 1.21 'Purchaser' means the organisation purchasing the goods.
- 1.22 'Republic' means the Republic of South Africa.

1.23 'SCC' means the Special Conditions of Contract.

1.24 'Services' means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance, and other such obligations of the supplier covered under the contract.

1.25 'Written' or 'in writing' means handwritten in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders, including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable, a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za.

4. Standards

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for the purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1, except for purposes of performing the contract.

5.3 Any document, other than the contract itself, mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from the use of the goods or any part thereof by the purchaser.

7. Performance Security

- 7.1 Within 30 (thirty) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in the SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.2 The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to the purchaser, and shall be in one of the following forms:
- a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - b) a cashier's or certified cheque.
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than 30 (thirty) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in the SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organisation acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention of such is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier, who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal, the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of the GCC.

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in the SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

- 10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in the SCC.
- 10.2 Documents to be submitted by the supplier are specified in the SCC.

11. Insurance

- 11.1 The goods supplied under the contract shall be fully insured, in a freely convertible currency, against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental Services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services (if any) specified in the SCC:
- (a) performance or supervision of on-site assembly, and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for the assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
 - (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

- 14.1 As specified in the SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
 - (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

- (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications), or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for 12 (twelve) months after the goods, or any portion thereof, as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for 18 (eighteen) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in the SCC.
- 15.3 The purchaser shall notify the supplier promptly, in writing, of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in the SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in the SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in the SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of any other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than 30 (thirty) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in the SCC.

17. Prices

- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices tendered by the supplier in his bid, with the exception of any price adjustments authorized in the SCC or in the purchaser's request for bid validity extension, as the case may be.

18. Contract Amendments

- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment

- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts

- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during the performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his or her discretion extend the supplier's time for performance with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure, outside of the contract, small quantities of supplies; or to have minor essential services executed if an emergency arises, or the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and, without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

- 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services, using the current prime interest rate, calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - (b) if the supplier fails to perform any other obligation(s) under the contract; or
 - (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than 14 (fourteen) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated 14 (fourteen) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer/Authority will, at the discretion of the Accounting Officer/Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person is or was, in the opinion of the Accounting Officer/Authority, actively associated.

23.6 If a restriction is imposed, the purchaser must, within 5 (five) working days of such imposition, furnish the National Treasury with the following information:

- (i) the name and address of the supplier and/or person restricted by the purchaser;
- (ii) the date of commencement of the restriction;
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, Act 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period of not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction, and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidised import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall, on demand, be paid forthwith by the contractor to the State, or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he or she delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him or her.

25. Force majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if, and to the extent that, his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall notify the purchaser promptly, in writing, of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve such dispute or difference amicably, by mutual consultation.

27.2 If, after 30 (thirty) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due to the supplier.

28. Limitation of Liability

28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6:

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable Law

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in the SCC.

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail, and any other notice to him shall be posted by ordinary mail, to the address furnished in his bid or

to the address notified later by him in writing; and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice

32. Taxes and Duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, licence fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, licence fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. National Industrial Participation (NIP) Programme

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34 Prohibition of Restrictive practices

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act, Act 89 of 1998, as amended, an agreement between or concerted practice by firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is/are or a contractor(s) was/were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has/have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act, Act 89 of 1998.

34.3 If a bidder(s) or contractor(s) has/have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and/or terminate the contract in whole or part, and/or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding 10 (ten) years and/or claim damages from the bidder(s) or contractor(s) concerned.

PART 4: SPECIFICATIONS

1. ABBREVIATIONS/DEFINITIONS

- 1.1 **"Assisted services"** means a pay point where a customer gets assisted to pay a municipal account.
- 1.2 **"Banking Day"** means any day other than a Sunday or a Public Holiday as designated by legislation in the Republic of South Africa.
- 1.3 **"Cash"** means, but not limited to, money, credit card, debit card or any other form of legal payment, however transmitted.
- 1.4 **"CCT"** means the City of Cape Town – a Metropolitan Municipality Constituted in terms of the Local Government: Municipal Structures Act, 1988, read with the Province of the Western Cape: Provincial Notice 479/2000 dated 22 September 2000.
- 1.5 **"CDV-Check Digit Validation"** means an account number validation rule, as outlined in **ANNEXURE A**.
- 1.6 **"Collector(s)"** means the various legal entities with whom the **Service Provider** has contracted or will in the future contract by signing an agreement with the **Service Provider**.
- 1.7 **"Customer"** means a party that presents the **Service Provider** with a CCT municipal account and expects a service for the payment thereof.
- 1.8 **"E-Commerce"** means the provision of a payment service over an electronic network (internet).
- 1.9 **"EFT also known as Electronic Funds Transfer"** means the transfer of funds that takes place over a computerized network from one bank to another, either within a single financial institution or across multiple financial institutions, where the CCT is already a pre-defined beneficiary.
- 1.10 **"Footprint"** means a payment point/service such as retail store and E-Commerce where municipal accounts can be paid.
- 1.11 **"Major retail store"** means a minimum of 100 of such stores in South Africa.
- 1.12 **"Municipal accounts"** means, but not limited to, the City's Rates & Services Account, which a customer may present for payment.
- 1.13 **"Nominated bank account"** means the bank account into which the tenderer must transfer (EFT) the CCT's revenue. The bank details will be provided at the commencement of the contract. Note, the CCT is already a pre-defined beneficiary at all the major banks.
- 1.14 **"Organ of State"** means any state entity.
- 1.15 **"PASA"** means Payment Association of South Africa which is a payment system management body recognised by SARB.
- 1.16 **"Payment Transaction File"** means an electronic file containing payment data as per the specifications in **ANNEXURE B**.
- 1.14 **"POS (Point of Sale)"** means a manned payment service for receipting purposes which produces a receipt.

1.15 "PCI" means Payment Card Industry.

1.16 "Recorded non-compliance" means the CCT informing the Service Provider, in writing, of non-compliance.

1.17 "SARB" means the South African Reserve Bank.

1.18 "Supplier" means Service Provider.

1.19 "Transaction" means a payment on a municipal account successfully transmitted to the CCT by the Service Provider.

2. INTRODUCTION

2.1 The CCT bills in excess of one million municipal accounts monthly.

2.2 The CCT has a responsibility;

- To collect all revenue due and payable to the CCT.
- To ensure effective revenue collection systems are in place and to provide extensive convenient pay point (POS) facilities (major retail stores) and ecommerce facilities for its customers to pay for rates and services (municipal accounts) received from the City of Cape Town to maximize the collection of all outstanding debt in an efficient and effective manner.

2.3 This tender calls for Service providers to provide a Third Party Payment Service for the payment of the CCT's municipal account.

2.4 All collection risks, security and insurances are for the account of the Service Provider and must be adequately provided for by the Service Provider.

2.5 The Service Provider shall at all times act in the best interest of the CCT and must ensure the image of the City is positively reflected.

2.6 The CCT reserves the right to operate and manage its own cash offices throughout the CCT.

2.7 The CCT reserves the right to continue its business relationship with any organ of state, who renders the same service.

3. SCOPE OF THE TENDER

PAYMENT OF CCT MUNICIPAL ACCOUNTS

3.1 ASSISTED (POS) SERVICES

- a) The Service Provider must facilitate an assisted service (POS) solution for the payment of the CCT municipal accounts throughout the CCT and where possible the rest of South Africa.
- b) The Service Provider must validate the municipal account number before payment is finalized, as per the CDV, as outlined in **ANNEXURE A** in the tender specifications. Note the cost for this validation is for the service provider's account.
- c) The Service Provider shall upon receipt of payment from the customer, immediately issue a

machine/system printed receipt to the customer in a format as approved by the CCT. The receipt format shall contain, but not limited to, the following: Date; Time; Receipt/Unique Reference number; POS number; Cashier name and/or Number; Amount tendered; Amount received; Mode of payment; Change (if applicable) and Municipal account number.

- d) The Service provider shall ensure the speed to complete the transaction (end-to-end), is no longer than 10 seconds (from when the tender type is presented until the receipt is printed).
- e) The Service Provider must refer all CCT customer payment queries to the CCT.
- f) The Service Provider must be registered with the PCI Security Standards Council.
- g) The Service Provider must be registered with PASA as a Third Party Payment Provider.
- h) The Service Provider must provide the necessary specifications on how card fraud and payment disputes will be managed and catered for.

NOTE: The City of Cape Town will not make its municipal account data available to the Service Provider for the rendering of this service.

3.2 E-COMMERCE SERVICES

- a) The Service Provider must facilitate an E-Commerce platform (i.e. website, mobile phone app etc.) for the payment of the CCT's municipal accounts. The cost for building or provisioning of the platform and any technical integration required is for the Service Provider's account.
- b) The Service Provider must validate the municipal account number before payment is finalized, as per the CDV, as outlined in **ANNEXURE A** in the tender specifications. Note, the cost for this validation is for the service provider's account.
- c) The Service Provider will have to demonstrate a successful municipal account payment in both the Assisted services and E-Commerce environments within thirty (30) calendar days from the commencement of contract. Note, the cost for this is for the service provider's account.
- d) The Service Provider shall upon finalization of payment from the customer enable the generation of a receipt which can be e-mailed to the customer. The receipt must be in a format as approved by the CCT. The receipt format shall contain, but not limited to, the following: Date; Time; Receipt/Unique Reference number; Amount received; Mode of payment and Municipal account number.
- e) The Service provider shall ensure the speed to complete the transaction (end-to-end), is no longer than 10 seconds (from when the tender type is presented until the receipt is printed).
- f) The **Service Provider** shall ensure the E-Commerce services are available 24/7/365
- g) The Service provider shall provide monthly reports on the non-availability of the E-Commerce services.
- h) The Service Provider must refer all CCT customer payment queries to the CCT.
- i) The Service Provider must be registered with the PCI Security Standards Council.
- i) The Service provider must be registered with PASA.
- j) The Service Provider must provide the necessary specifications on how card fraud and payment disputes will be managed and catered for.

- k) The Service Provider must specify how 3DS (ThreeD Secure) transactions are transmitted, detailing specifically how the ecommerce indicators will be configured for all card types.

NOTE: The City of Cape Town will not make its municipal account data available to the Service Provider for the rendering this service.

3.3 PAYMENT TRANSACTION FILE

- a) Upon the Service Provider receiving payments the Service Provider shall consolidate same into the Payment Transaction File and transmit it to the CCT within 24 hours of the tenderer having received the payment. An alert notification of a successful or unsuccessful transmission must be conveyed to the City. Note, the cost for the transmission of the file is for the services provider's account.
- b) The Service Provider must comply with the Payment Transaction File format and its transmission, with reference to **ANNEXURE B** in the tender specifications.
- c) The Service Provider shall provide the CCT with a successful test Payment Transaction File within thirty (30) calendar days from the commencement of contract..
- d) Should there be changes to the Transaction File format and its transmission during the tenure of this contract the cost will be for the Service Provider.

3.4 ELECTRONIC FUNDS TRANSFER

- a) The Service Provider **MUST** transfer, via EFT, the consolidated Rand value of the Payment Transaction File into the CCT's nominated bank account, within 24 hours of the date of the transmission of the Payment Transaction File with reference to Point 3.3 a), above.. The EFT reference **MUST** be the numeral progressive Deposit Identifier described in **ANNEXURE C** in the tender specifications.

3.5 LATE/NON DEPOSITS

- a) In the event that the Service Provider is unable to deposit the CCT's revenue as per the tender specifications the Service Provider shall within 24 hours upon becoming aware of this fact, notify the CCT in writing thereof.
- b) Notwithstanding the above if the Service Provider for whatsoever reason breaches the provision of Clause a), above the Service Provider will be liable for interest on the amount of all revenue not deposited in accordance with the aforementioned clauses. Such interest shall run from the date of breach to the date the revenue is transferred/ deposited into the CCT's Nominated Bank Account. Furthermore, interest shall be calculated at 1% higher than the rate of interest payable by the CCT to its bankers in respect of an overdraft.
- c) The interest stipulated in Clause b), above shall be debited to the Service Provider's debtor account with the CCT. Where the Service Provider is not a debtor of the CCT, the Service Provider will be registered as a debtor to the CCT for this purpose.

3.6 REFUND

- a) The Service Provider may request the CCT to refund a payment paid over to the CCT, in error (e.g.: that the error has arisen due to a technical problem or duplication resulting in the City receiving a payment to which it is not entitled)

- b) The Service Provider must request a refund within thirty (30) working days from the date of the receipt generated by the Service Provider. In the event of the Service Provider failing to submit a claim within the prescribed period, the Service Provider shall forfeit same.
- c) The CCT will investigate the payment concerned and if it is satisfied that an error has occurred it undertakes to refund the Service Provider within thirty (30) days of written notification received from the Service Provider.
- d) Where a receipt was generated on the Service Provider's payment system such a receipt shall accompany the refund request.
- e) Should the Service Provider have been paid for duplicate/error transactions submitted to the CCT the Service Provider shall refund the CCT the said amounts to which it was not entitled to within 30 days from date of this being discovered.
- f) The Service Provider will make provision for chargebacks and refunds. The Service Provider must provide sufficient evidence of how this will be managed on their platform and how payment dispute resolutions are catered for.

3.7 PRIMARY DELIVERABLES

- a) The Service Provider must validate the municipal account number, printed by the CCT on its municipal account with reference to **ANNEXURE A** in the tender specifications, on its systems before transacting and finalization of receipt.

To Note: The City of Cape Town's data will not be made available to the Service Provider for this purpose.

- b) The Service Provider shall, upon receipt of payment from the customer, immediately issue a receipt to the customer, in the case of Assisted Services in the format as prescribed in Point 3.1 (c), above or in the case of an E-Commerce transaction in the format as prescribed in 3.2 (d), above.
- c) The Service Provider must comply with the Payment Transaction File format and its transmission, with reference to **ANNEXURE B** in the tender specifications.
- d) The Service Provider must EFT the CCT municipal account payment revenue into the Nominated bank account, daily, with the Deposit Reference format as described in **ANNEXURE C** in the tender specifications.
- e) The Service Provider must refer all CCT customer payment queries to the CCT.
- f) The Service Provider must notify the CCT of all existing and future Collectors.
- g) The Service Provider must ensure that its Collectors or payment gateway service provider are able to provide an uninterrupted service at all times. The Service Provider will provide high-level system architecture diagrams detailing how uninterrupted service between the Service Providers and Collectors or payment gateway service provider will be managed.
- h) The CCT will only allow one tier of Collectors between the Service Provider and the end-merchant servicing the customer.
- i) The Service Provider must ensure that the staff of Collectors comply with a code of conduct when dealing with CCT's customers, by acting in the best interest of the CCT at all times and ensure that the image of the CCT is positively reflected.
- j) The Service Provider must ensure that all Collectors or payment gateway service provider sign a contract with the Service Provider that aligns to the tender contract and CCT's conditions.

- k) The Service Provider must provide the CCT with a successful test Payment Transaction File within thirty (30) calendar days of the date of the award of the tender.
- l) The successful tenderers will be required to adhere to relevant legislation and the CCT policies, procedures and by-laws.
- m) The Service Provider shall accept the following modes of payment: Cash (money), Debit card, Credit card or any other legal tender.
- n) The Service Provider shall be required to submit to the CCT reports on services rendered to the CCT, on request. Sample reports to be provided, include, but not exclusively; max and average transaction latency, transaction audit log and payment trace files, transaction concurrency reporting, velocity checks, transaction volumetric reporting, system reporting, Etc.
- o) The CCT does not accept responsibility for any losses and or damages suffered by the Service Provider as a consequence card scam and/or card fraud by its employees or customers, such as but not limited to; Lost and/or stolen card fraud, Not-received issued-card fraud, false-application card fraud, Counterfeit card fraud, Card-skimming via Point of Sale (POS) devices, Account-takeover card fraud, Card not present card fraud (CNP).

To Note:

- Direct charges to the CCT's customers by the service provider shall not be permitted.

ANNEXURE A – VALIDATION OF MUNICIPAL ACCOUNT NUMBER

NOTE: Should this validation change during the tenure of the contract it will be for the cost of the Service Provider.

The City of Cape Town's 3rd party receiver account number, as listed on the municipal account (and imbedded in the barcode), is made up of a leading "9" (could change in future), a 4-digit receiver ID (1555-this might change) which is unique to, and identifies the City, a nine-digit Customer account number (has its own CDV as shown below for information purposes) and a CDV in the 15th character.

AN EXAMPLE OF THE MUNICIPAL NINE DIGIT ACCOUNT NUMBER: 209200641

Adding the current prefix of 91555, which could change, and the Check-Digit Validation at the end makes it a 15-digit number.

CDV for municipal account number

Given the 15-digit number drop the first and the last digits (1555209200641) and starting from the last digit and working to the first, multiply each digit in an odd number position by 2, subtracting 9 if the product is larger than 9. Calculate the sum of all these products, and add it to the sum of the even numbered digits in the number. The check digit will be the number which when added to this sum makes it a multiple 10

In this case the result is 251540900342, added = 37

Check digit will be $40 - 37 = 3$

The full municipal account number is 915552092006413

FOR INFORMATION PURPOSES

The CCT's municipal account number is imbedded in the 15-digit number and carries its own CDV as presented below.

Given a 15-digit retail number aaaaabbbbbbbbbc

- Strip off the 5-digit prefix aaaaa
- Discard the 15th digit c
- Apply the following CDV rule to the 1st eight digits of bbbbbbbbbb in order to determine the 9th digit:

Multiply the digit in position 1 to 8 by the weight listed below:

1st position = 3

2nd position = 2

3rd position = 1

4th position = 2

5th position = 3

6th position = 4

7th position = 5

8th position = 6

Divide the sum of the products by 9.

The remainder = the check digit (if no remainder, then check digit = 0).

Example:

Account Number: 12812368+CD

Position	Number	Weight	Product
1	1	3	3
2	2	2	4
3	8	1	8
4	1	2	2
5	2	3	6
6	3	4	12
7	6	5	30
8	8	6	48
Total			113

113 divided by 9 = 12 remainder 5

The account number is 128123685.

TO NOTE: The Service Provider and its Collectors must ensure the validation of the full 15-digit number or the embedded 9 digit number at point of transaction.

ANNEXURE B

Payment transaction file format and Transmission is outlined below.

NOTE: Should the file format change during the tenure of the contract it will be for the cost of the Service Provider.

This file format has a fixed record length. Each file starts with a header record and ends with a trailer record. Between the header and trailer there are any number of transaction records, each of which is followed by a payment record and any number of tender records. Each record starts on a new line.

The header contains a file generation number which will start at 1 and be incremented by 1 for each file generated. The purpose of this number is to prevent files from being processed more than once, or out of sequence. The trailer is used to determine whether the file is complete.

Each record contains a record byte check which is the sum of the ASCII values of each of the first 74 bytes multiplied by the character position in the record. This serves to prevent modification of any one record. The record byte checks are used to detect tampering and/or transmission errors.

Negative payments should never be included in the file.

In the layout below the record type is indicated as follows:

N = numeric

X = alphanumeric

Fixed values are marked with an asterisk (*).

Where a specific justification (left-/right-) and/or padding with 0's is necessary, this is explicitly stated.

File naming convention:

Each payment transaction file should be named as follows: **POSmmm.nnn** where mmm is a Point of Sale number supplied by CCT, and nnn is a sequence number corresponding to the last 3 digits of the file generation number in the file header. This sequence number must increment by 1 per file generated and clock round at 999.

Header record (01)

The CCT is a receiver of payment files – Its Receiver Identifier appears in the header record and currently have a value of 1555, which might change. Other information required is described in the table below.

Field Name	Type	Size	Description/Value
Record Identifier	N	2	01*
Date Processed	N	8	yyyymmdd
File Generation Number	N	6	Increment by 1 per file generated; right-justified; left padded with 0's
Receiver Identifier	N	4	1555* (This might change)
File Version Number	N	2	04*
Deposit Slip Number	N	12	Determined according to formula in Annexure C.1
Filler	X	40	blank
Record Byte Check	N	6	Calculated according to algorithm in Annexure C.2

Transaction Record (40)

This record indicates the collector, date, time and point of service where a transaction took place. This information can be used to trace a transaction.

Field Name	Type	Size	Description/Value
Record Identifier	N	2	40*
Date	N	8	yyyymmdd
Time	N	6	hhmmss
Collector	X	16	Any reference number
POS	X	8	Any reference number or code
Filler	X	34	blank
Record Byte Check	N	6	calculated according to algorithm in Annexure C.2

Payment Record (50)

This record contains data about the amount of a payment, the fee for the payment and the **retail number**, which is the number printed after the chevrons (>>>>) at the bottom LHS of the City's municipal account. This number currently consists of the fixed identifier (91555), which might change, immediately followed by a 9-digit account number and 1 check digit, to give total length 15. The number is left-padded with zeroes in the file. The full 15-digits must always be present in the file – the payment will not be processed correctly if only the 9-digit account number is included. The 9-digit account number must be validated according to the CDV rule as set out in ANNEXURE A, above.

There is one payment record per transaction.

Field Name	Type	Size	Description/Value
Record Identifier	N	2	50*
Date	N	8	yyyymmdd
Time	N	6	hhmmss
Retail number	N	40	right-justified; left-padded with 0's
Sign	X	1	+
Amount	N	9	amount in cents; right-justified; left-padded with 0's
Sign	X	1	+
Fee	N	7	fee in cents; left-padded with 0's
Record Byte Check	N	6	calculated according to algorithm in Annexure C.2

Tender Record (61 - 67) *

This record contains the amount and bank cost of a particular tender type offered for the payment, as well as other information. More than one tender type can be used for one payment, so there may be many tender records for one payment record in one transaction. Currently 7 tender types are allowed – see ANNEXURE C.3 for the list of Tender Types.

The account number is optional, and is usually only used for cheques, credit cards and other non-cash tenders. When no account number is present, the field should be zero-filled.

Field Name	Type	Size	Description/Value
Record Identifier	N	2	61-67* (see Tender Types in Annexure C.3)
Date	N	8	yyyymmdd
Time	N	6	hhmmss
Account	N	40	right-justified; left-padded with 0's; can be all 0's
Sign	X	1	+
Amount	N	9	amount in cents; right-justified; left-padded with 0's
Sign	X	1	+
Bank Cost	N	7	bank cost in cents; right-justified; left-padded with 0's
Record Byte Check	N	6	calculated according to algorithm in Annexure C.2

Trailer Record (99)

This record contains check totals. It must be present for the file to be complete.

Field Name	Type	Size	Description/Value
Record Identifier	N	2	99*
Number of Payments	N	6	total no. of payments; right-justified; left-padded 0's
Sign	X	1	+
Payment Total	N	11	total payment amount; right-justified; left-padded 0's
Sign	X	1	+

Fee Total	N	11	total fee amount; right-justified; left-padded 0's
Filler	X	1	blank
Number of Tenders	N	6	total no. of tenders; right-justified; left-padded 0's
Sign	X	1	+
Tender Total	N	11	total tender amount; right-justified; left-padded 0's
Sign	X	1	+
Bank Cost Total	N	11	total of bank costs; right-justified; left-padded 0's
Filler	X	11	blank
Record Byte Check	N	6	calculated according to algorithm in Annexure C.2

NOTE:

- Negative payments should never be allowed in the payment transaction file.
- Only Municipal account payments must feature in the above Payment Transaction File.
- Cryptographic Standard for File Transfers
 - ✓ Only SFTP and FTPS is supported
 - ✓ In addition, only TLS 1.2 is supported. All other versions are explicitly not supported.
 - ✓ FTPS (FTP over TLS) TLS V1.2 or
 - ✓ SFTP (FTP over SSH) TLS V1.2

ANNEXURE C

DEPOSITS (EFT)

NOTE: Should this deposit identifier format change during the tenure of the contract it will be for the cost of the Service Provider.

The tenderer **MUST** transfer, via EFT, the consolidated Rand value of the Payment Transaction File into the CCT's nominated bank account, every **BANKING DAY**. The EFT reference **MUST** be the numeral progressive Deposit Identifier determined according to the formula provided, below.

This Deposit Identifier must also appear in the file header as indicated in the file layout in **ANNEXURE B**, above.

1. Formula for Deposit Identifier.

This is a 12 digit number, **aaaabbbcccd**, where

- the first 4 digits **aaaa** identify the office number which will be assigned to the Third Party.
- the next 3 digits **bbb** identify the POS number which will be assigned to the Third Party.
- the next 4 digits **cccc** will be variable. For each new deposit slip number generated, **cccc** must increment by 1. The initial value of **cccc** must be 0001.
- the last digit **d** will be the Check Digit, calculated according to the CDV rule below:
 - Multiply the number by 2.
 - Divide the answer by 9.
 - Remainder = check digit

Example:

Given office number 5001, POS 216 and 21 deposit slip numbers already generated.

Deposit number : 5001 216 0022 d

$50012160022 \times 2 = 100024320044$

$100024320044 / 9 = 111138133382 \text{ remainder } 2$

Therefore the Deposit Identifier is: 5001 216 0022 2

2. Record byte check algorithm for municipal account payments

Sum of the ASCII values of each of the first 74 bytes multiplied by the character position in the record i.e.

Byte 1 Byte 2 Byte 74
 $(\text{ascii_val} \times 1) + (\text{ascii_val} \times 2) + \dots + (\text{ascii_val} \times 74)$

3. TENDER TYPES

- Cash : 61
- Cheque : 62
- Credit Card : 63
- Credit EFT : 64
- EFT : 65
- Other : 66
- Round : 67

3.8 TRADE NAMES OR PROPRIETARY PRODUCTS

Bid specifications may not make any reference to any particular trade mark, name, patent, design, type, specific origin or producer, unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the words "or equivalent".

TENDERERS MUST NOTE THAT WHEREVER THIS DOCUMENT REFERS TO ANY PARTICULAR TRADE MARK, NAME, PATENT, DESIGN, TYPE, SPECIFIC ORIGIN OR PRODUCER, SUCH REFERENCE SHALL BE DEEMED TO BE ACCOMPANIED BY THE WORDS 'OR EQUIVALENT'

3.9 EMPLOYMENT OF SECURITY PERSONNEL

All security staff employed by the supplier on behalf of the CCT or at any CCT property must be registered with Private Security Industry Regulatory Authority (PSiRA). Proof of such registration must be made available to the CCT's agent upon request.

3.10 FORMS FOR CONTRACT ADMINISTRATION

The supplier shall complete, sign and submit with each invoice, the following:

- a) Monthly Project Labour Report (**Annex 3**).
- b) B-BBEE Sub-Contract Expenditure Report (**Annex 4**).
- c) Joint Venture Expenditure Report (**Annex 5**).

The Monthly Project Labour Report must include details of all labour (including that of sub-contractors) that are South African citizens earning less than R350.00 per day, as adjusted from time to time (excluding any benefits), who are employed on a temporary or contract basis on this contract in the month in question.

In addition to the Monthly Project Labour Report the Supplier shall simultaneously furnish the CCT's Agent with copies of the employment contracts entered into with such labour, together with certified copies of identification documents, proof of attendance in the form of attendance register or timesheets as well as evidence of payments to such labour in the form of copies of payslips or payroll runs. If the worker is paid in cash or by cheque, this information must be recorded on the envelope and the worker must acknowledge receipt of payment by signing for it and proof of such acknowledgement shall be furnished to the CCT's Agent.

The Monthly Project Labour Reports shall be completed and submitted in accordance with the instructions therein.

The **B-BBEE Sub-Contract Expenditure Report** is required for monitoring the supplier's compliance with the sub-contracting conditions of the **Preference Schedule**.

The Joint Venture Expenditure Report is required for monitoring the joint venture's/consortium/partnership compliance with the percentage contributions of the partners as tendered, where the joint venture/consortium/partnership has been awarded preference points in respect of its consolidated B-BBEE scorecard

PART 5 : PRICING SCHEDULE

Pricing Instructions:

- 4.1 State the rates and prices in Rand unless instructed otherwise in the tender conditions.
- 4.2 Include in the rates, prices, and the tendered total of the prices (if any) all duties, taxes (except Value Added Tax (VAT), and other levies payable by the successful tenderer, such duties, taxes and levies being those applicable 14 days before the closing time stated in the General Tender Information.
- 4.3 All prices tendered must include all expenses, disbursements and costs (e.g. transport, accommodation etc.) that may be required for the execution of the tenderer's obligations in terms of the Contract, and shall cover the cost of all general risks, liabilities and obligations set forth or implied in the Contract as well as overhead charges and profit (in the event that the tender is successful). All prices tendered will be final and binding.
- 4.4 **All prices shall be tendered in accordance with the units specified in this schedule. Tenderers must submit prices for all periods of the contract and for all items.**
- 4.5 Where a value is given in the Quantity column, a Rate and Price (the product of the Quantity and Rate) is required to be inserted in the relevant columns.
- 4.6 The successful tenderer is required to perform all tasks listed against each item. The tenderer must therefore tender prices/rates on all items as per the section in the Price Schedule. **An item against which no rate (or rates, in the case of rate categories if provided) is/are entered, or if anything other than a rate or a nil rate (for example, a zero, a dash or the word "included" or abbreviations thereof) is entered against an item, it will also be evaluated as a nil rate having been entered against that item, i.e. that there is no charge for that item.**
- 4.7 Provide fixed rates and prices for the duration of the contract that are not subject to adjustment except as otherwise provided for in clause 17 of the Conditions of Contract and as amplified in the Special Conditions of Contract.

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4.8 COMMISSION PAYABLE

The commission payable to the Service Provider, for the above, will be per successful municipal account payment transaction transmitted to the City.

ITEM	DESCRIPTION	UNIT OF MEASUREMENT	PERIOD	TRANSACTION RATE (excl VAT) R
1	Commission Payable	Per transaction	From 1 July 2022 until 30 June 2023	R
2	Commission Payable	Per transaction	From 1 July 2023 until 30 June 2024	R
3	Commission Payable	Per transaction	From 1 July 2024 until 30 June 2025	R
4	Commission Payable	Per transaction	From 1 July 2025 until 30 June 2026	R
5	Commission Payable	Per transaction	From 1 July 2026 until 30 June 2027	R
6	Commission Payable	Per transaction	From 1 July 2027 until 30 June 2028	R

4.9 BANK COST:

The City shall reimburse the Service Provider's bank costs incurred at a percentage of the transaction value. The cost shall be fixed for the duration of the contract period.

Tenderers that do not comply with this instruction will be non-responsive.

BANK COSTS RE-IMBURSEMENTS

Item	Description	Unit of Measurement		
7	Cash transaction	Per transaction	% of payment transaction value (excl. VAT)	
				%
8	Debit card transaction	Per transaction	% of payment transaction value (excl. VAT)	
				%
9	Credit card transaction	Per transaction	% of payment transaction value (excl. VAT)	
				%
10	Other transactions	Per transaction	% of payment transaction value (excl. VAT)	
				%

INITIALS OF CITY
OFFICIALS

PART 6- OCCUPATIONAL HEALTH AND SAFETY AGREEMENT

TENDER NO: 3655/2020/21

(11) OCCUPATIONAL HEALTH AND SAFETY AGREEMENT

AGREEMENT MADE AND ENTERED INTO BETWEEN THE CITY OF CAPE TOWN (HEREINAFTER CALLED THE "CCT") AND

(Supplier/Mandatory/Company/CC Name)

IN TERMS OF SECTION 37(2) OF THE OCCUPATIONAL HEALTH AND SAFETY ACT, 85 OF 1993 AS AMENDED.

I, _____, representing _____,

as an employer
In its own right, do hereby undertake to ensure, as far as is reasonably practicable, that all work will be performed, and all equipment, machinery or plant used in such a manner as to comply with the provisions of the Occupational Health and Safety Act (OHSA) and the Regulations promulgated thereunder.

I furthermore confirm that I am/we are registered with the Compensation Commissioner and that all registration and assessment monies due to the Compensation Commissioner have been fully paid or that I/We are insured with an approved licensed compensation insurer.

COID ACT Registration Number: _____

OR Compensation Insurer: _____

Policy No.: _____

I undertake to appoint, where required, suitable competent persons, in writing, in terms of the requirements of OHSA and the Regulations and to charge him/her with the duty of ensuring that the provisions of OHSA and Regulations as well as the Council's Special Conditions of Contract, Way Leave, Lock-Out and Work Permit Procedures are adhered to as far as reasonably practicable.

I further undertake to ensure that any subcontractors employed by me will enter into an occupational health and safety agreement separately, and that such subcontractors comply with the conditions set.

I hereby declare that I have read and understand the Occupational Health and Safety Specifications contained in this tender and undertake to comply therewith at all times.

I hereby also undertake to comply with the Occupational Health and Safety Specification and Plan submitted and approved in terms thereof.

Signed at _____ on the _____ day of _____ 20_____

Witness _____

mandatory

Signed at _____ on the _____ day of _____ 20_____

Witness _____

for and on behalf of
City of Cape Town