Request for Proposal

LAUNDRY SERVICES TENDER

RFP Number:	**P0001/27**
Issue Date:	**20 May 2026**
Closing Date:	**02 June 2026**
Closing Time:	**12H00**
Deliver Sealed Proposal to:	**HAND DELIVER**

Confidential

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PART A - INSTRUCTIONS FOR RFP

1 BACKGROUND AND INVITATION

1.1 HCI Resources Proprietary Limited ("**HCI Resources**") is a subsidiary company of Hosken Consolidated Investments Limited, a listed company on the Johannesburg Securities Exchange.

1.2 Palesa Coal Proprietary Limited ("**Palesa**") is a wholly-owned subsidiary company of HCI Resources.

1.3 Palesa hereby issues this Request for Proposal ("**RFP**") and seeks to engage with independent contractors/managed service providers/suppliers (hereinafter referred to as "**Tenderer**" or "**Contractor**") to provide a complete managed service in accordance with the scope of work and requirements set out in the document attached hereto and marked as Part B ("**Scope of Work**").

1.4 Interested Tenderer's should carefully examine this RFP, the Scope of Work, and other requirements as defined, and which may arise before submission of a proposal in respect of the RFP.

1.5 The table below lists certain key dates and activities relevant from time of issuance of the RFP up to and until the closing date.

No	Description	Start Date/Time	End Date/Time
1.	RFP issued (issue date)	20 May 2026	20 May 2026
2.	Tenderers to submit written questions	22 May 2026	22 May 2026
3.	Palesa to respond to written questions	26 May 2026	26 May 2026
4.	Tenders due (closing date and closing time)	02 June 2026	02 June 2026
5.	Validity Period (90 days)	20 May 2026	20 August 2026

1.5.1 All dates and times in this RFP are South African Standard Time.
1.5.2 Palesa reserves the right to deviate from the dates/times set out in this RFP.

2 TENDERER'S INFORMATION

The following information is required to be submitted:

2.1 Cover letter

2.1.1 The Tenderer shall be required include a cover letter to its response/proposal (as required in Annexure 1) signed by a person of suitable authority to commit the tendering company to the RFP (the person or persons signing the proposal must be legally authorised by the Tenderer to do so). This cover letter must state that "We have examined the information provided in the RFP document and submit our proposal herewith in accordance with the requirements as set out (reference number P0001/27). This complete proposal and agreed amendment/s will be valid for acceptance until **20 August 2026 Expiry Date**"**)**, and we confirm that this RFP will remain binding upon us and may be accepted by Palesa at any time before the Expiry Date.

2.2 Tenderer Information, Shareholders and Directors

2.2.1 The Tenderer shall submit as part of its response/proposal the information and supporting documentation as required in Annexure 2.

2.2.2 The Tenderer shall include in its proposal written proof that the signatory of the Tenderer has the authority to submit and sign the proposal in the form of a duly certified copy of the relevant resolution by the applicable governance forum of the Tenderer, i.e. Board of Directors, Partnership Meeting etc.

2.3 Contact Information

2.3.1 The Tenderer shall submit as part of its response/proposal the required information as required in Annexure 3.

2.4 Failure by the Tenderer to duly sign its proposal may invalidate its proposal.

3 RFP PRICE, ANNUAL PRICE REVIEW AND PAYMENT TERMS

3.1 RFP price

3.1.1 The Tenderer shall submit as part of its response/proposal the information required in Annexure 4.

3.1.2 Prices must be quoted in South African Rand exclusive of Value-Added Tax ("**VAT**") in terms of the Value-Added Tax Act, 1991.

3.2 Annual Price Review

3.2.1 Palesa shall give preference to fixed RFP prices where the tariffs of the contract shall remain fixed for the full duration of the order process.

3.3 Payment terms

3.3.1 Payment terms shall be 30 (thirty) days after the statement date on which the complete managed service was provided and subject to the correct statement

submitted. The payment terms are further subject to Palesa's standard terms and conditions.

3.4 **Method and timing of payment**

3.4.1 Payment shall only be effected by means of electronic fund transfer and no payments by cheque or cash shall be made. Banking details must be shown on all tax invoices which must comply with the provisions of the Value-Added Tax Act, 1991.

3.4.2 The Contractor shall invoice Palesa on a monthly basis, in arrears, within 3 (three) days of a calendar month end in order to qualify for payment at the end of the following month (e.g., May work month, all documentation together with the invoice must be received by 3 June to be paid by the end of June).

3.5 **VAT and Tax Compliance**

3.5.1 The Tenderer shall be registered for VAT in terms of the Value-Added Tax Act.

3.5.2 Tenderers must be compliant when submitting a proposal to Palesa and remain compliant for the entire contract term with all applicable tax legislation, including but not limited to the Income Tax Act, 1962 and Value Added Tax Act, 1991. It is a condition of this RFP that the tax matters of the successful Tenderer be in order, or that satisfactory arrangements have been made with South African Revenue Service ("**SARS**") to meet the Tenderer's tax obligations.

4 SUBMISSION OF PROPOSALS – CLOSING DATE AND TIME

4.1 Proposals must be submitted in sealed envelopes addressed, marked and delivered as follows (ensure checklist on **page 18** of this document is completed in full):

Palesa Coal Proprietary Limited
RFP No. P0001/27
Tenderer's Name – Laundry Services Tender

4.2 Proposals must be delivered by hand to Procurement at:

4.2.1 HCI head office between 08:30 and no later than 12:00 on Tuesday 02 June 2026. (Gallager House, 19 Richard House, L3 West Wing, Midrand 1685); or

4.2.2 Palesa Mine (Main Entrance), between 08:30 and no later than 12:00 on Tuesday, 02 June 2026. (Loopspruit Farm, KwaMhlanga, Mpumalanga, 1022).

4.3 The onus will be on the Tenderer to ensure that its proposal is correctly marked, addressed and delivered by hand to reach the above address/es prior to the closing date and time.

4.4 No request by the Tenderer/s for postponement of the closing date and time shall be considered by Palesa, unless such request is received by Procurement at least 3 (three) business days before the closing date. Palesa shall have the sole discretion to decide whether or not to extend the closing date and/or time without having to provide reasons for its decision.

5 LATE PROPOSALS

5.1 Any proposal received after **12:00** on **02 June 2026** will be considered as a "late tender".

5.2 No late tenders will be considered, and no representations will be entertained in this regard whatsoever, without exception, irrespective of the prices, quality, service, and any other benefits offered to Palesa.

5.3 Proposals addressed and sent contrary to the above will not be considered.

5.4 **No Fax, Oral or E Mail proposals will be accepted**.

6 RFP VALIDITY PERIOD

6.1 Unless otherwise expressly stated, all proposals furnished pursuant to this RFP shall be deemed to be offers. Any exceptions to this statement must be clearly and specifically indicated.

6.2 All proposals submitted shall remain valid and open for acceptance by Palesa for a 90 -day period until August 2026 ("**Expiry Date**").

6.3 Tenderers are to note that they may be requested to extend the validity period of their bid, at the same terms and conditions, if the internal evaluation process has not been finalised within the validity period.

6.4 Should a Tenderer fail to respond to a request for extension of the validity period before it expires, that Tenderer will be excluded from tender process.

7 COMMUNICATION

7.1 For specific queries relating to this RFP, a RFP Clarification Request Form should be submitted as set out in paragraph 7.2 before 12:00 (midday) on **22 May 2026**, substantially in the form set out in Annexure 6 hereto.

7.2 The RFP Clarification Request Form shall be submitted via electronic mail to:

Contact	Email Address	Subject Header
Procurement	procurement@hciresources.co.za	Laundry Service Tender

7.3 In the interest of fairness and transparency, Palesa's response to such a query may be published on the HCI Resources website.

7.4 After the closing date of the RFP, a Tenderer may only communicate with the Procurement Manager on any matter relating to its RFP proposal.

7.5 Tenderers are to note that any changes to its submission/proposal will not be considered after the closing date set out in this RFP.

7.6 It is prohibited for Tenderers to attempt, either directly or indirectly, to canvass any officer or employee of HCI Resources and/or Palesa in respect of this RFP between the closing date and the date of the award of the business.

7.7 No Tenderer shall be involved, directly or indirectly, in more than one proposal submitted to Palesa in response to this RFP. Any failure to comply with this requirement of the RFP may in the sole discretion of Palesa result in the disqualification of the relevant Tenderer(s). Tenderers suspected by Palesa in its sole discretion to be in collusion with one another will be automatically disqualified and restricted from doing business with HCI Resources and/or Palesa for a specified period determined by HCI Resources and/or Palesa in its sole discretion.

7.8 HCI Resources and/or Palesa shall not publish the outcome of this RFP on the HCI Resources website.

8 CONSIDERATIONS OF PROPOSALS

8.1 Palesa shall consider all tenders timeously received, save for any provisions to the contrary contained herein.

8.2 Palesa shall use reasonable means to fairly assess proposals in arriving at its decision as to the outcome of this RFP, in accordance with established principles of good corporate governance and financial and commercial prudence.

8.3 The Tenderer shall not offer any form of gifts, entertainment or payments to any employee of Palesa and/or HCI Resources for the purposes of obtaining any favourable treatment relating to this RFP or the awarding of any Agreement/Order/Contract pursuant to the RFP. In the event that this should happen, the Tenderer shall be immediately disqualified from submitting a proposal or in the event that a proposal has already been submitted, Palesa shall not consider it for purposes of the assessment of this RFP. In addition, Palesa and/or HCI Resources reserves its rights to take appropriate legal action against the Tenderer.

9 ACCEPTANCE OF PROPOSAL

9.1 Palesa may in its sole and absolute discretion, accept or reject any proposal without furnishing reasons.

9.2 Palesa does not bind itself to accept any proposal and reserves the right to accept a proposal wholly or in part.

9.3 Proposals for the whole or a portion of the estimated requirements, are acceptable.

9.4 The RFP will not be opened publicly.

9.5 Palesa relies on a proposal as being accurate and comprehensive in relation to the information and proposals provided therein by the Tenderer. To assist in the examination, evaluation, and comparison of proposals, Palesa may, at Palesa's discretion, request any Tenderer for clarification from the Tenderer in respect of its proposal.

9.6 All proposals submitted to Palesa in response to the RFP shall become the property of Palesa and as such, will not be returned to the Tenderer. Palesa undertakes that all commercial information including trade secrets, financial, commercial, scientific or technical information, the disclosure of which would be likely to cause harm to the commercial or financial interests of a Tenderer or information supplied in confidence by a Tenderer, the disclosure of which could reasonably be expected to put the Tenderer at a disadvantage in contractual or other negotiations or prejudice a Tenderer in commercial competition, will be treated by Palesa as confidential information and will not be disclosed to a third party without the consent of the Tenderer; provided that any information contained in the proposal

which the Tenderer considers to be confidential information as contemplated in this paragraph 9.6 shall be clearly marked as confidential by the Tenderer.

9.7 Palesa or its representatives may carry out site inspections at the Tenderer premises to verify the capacity of the Tenderer to execute and provide the required goods and/or services according to the Scope of Work. Furthermore, equipment of short-listed companies may be inspected as part of the adjudication process. Such inspection shall take place at a time and location as arranged with the Tenderer.

9.8 Upon acceptance by Palesa of a proposal, the Tenderer shall be required to enter into an agreement with Palesa ("**Agreement/Order/Contract**"), which shall be subject to Palesa's Standard Terms and Conditions of Contract (as may be amended from time to time).

9.9 Unsuccessful Tenderers will be advised thereof by Palesa only once the Agreement/Order/Contract has been awarded to the successful Tenderers. Palesa shall not be obliged to provide any reasons to unsuccessful Tenderers as to why their proposals have not been accepted by Palesa.

10 TENDER ADJUDICATION

10.1 **Clarification and Additional Information**

10.1.1 Palesa reserves the right to call for any additional information or clarification it deems necessary in order to efficiently and effectively conduct its evaluation of a proposal in terms of this RFP.

10.2 **Tender Information**

10.2.1 Incomplete proposals can be disqualified at the sole discretion of Palesa and Palesa is not obliged to request for information after the closing date.

10.2.2 In the event that the Tenderer does not supply all the information required, or the information supplied is regarded as inconsistent with the other information supplied in the proposal, then Palesa shall have the right to require the Tenderer to supply such information within a period not exceeding 2 (two) business days.

10.2.3 If the Tenderer fails to supply the information required, or the information supplied is regarded as inconsistent with the other information supplied in the proposal before or after any requests for clarification, Palesa reserves the right to use the least advantageous information supplied by the other prospective Tenderers for that particular evaluation point to substitute for the evaluation of the aberrant Tenderers' proposal on that particular point.

11 DURATIONS OF SERVICES REQUIRED

11.1 The services of the successful Tenderer will be required until the completion of the services set out in the Scope of Work.

11.2 If during the currency of the Contract, the operations at the mine cease, are curtailed or Eskom Holdings SOC Limited has cancelled or amended its supply agreement with Palesa, Palesa shall be entitled to terminate the Contract or amend the Contract by giving sixty (60) days' written notice (or such other period as may be mutually agreed) to such effect to the Contractor without payment to the said Contractor of any damages whatsoever including, without limitation, consequential damages, loss of business and/or profits resulting from such termination.

11.3 The Tenderer will not have an expectation of this Contract being renewed at the expiry period of the Agreement/Order/Contract and no representation regarding renewal shall be valid and binding on Palesa unless recorded in writing and signed by both Parties.

12 COSTS AND EXPENSES

12.1 All costs and expenses incurred by Tenderer in the preparation and submission of its proposal including the making of any presentation (if applicable) shall be paid for by the relevant Tenderer.

12.2 No Tenderer submitting a proposal shall have any claim against Palesa and/or HCI Resources for any costs and expenses incurred in the submission of the proposal, including any costs incurred by the Tenderer to attend any meetings to which it might be invited by Palesa and/or HCI Resources with regard to this RFP.

13 RFP EVALUATION CRITERIA

13.1 Palesa recognises the need to participate meaningfully in the socio-economic transformation of South Africa. Whilst Palesa aims to support the country's socio-economic changes, it remains focused on achieving its business goals and hence the scorecard rating of the RFP will be used as qualifying criteria.

13.2 Palesa's appointed tender committee will evaluate the proposals received using a predetermined qualitative and quantitative method to evaluate the proposals received. Palesa undertakes to evaluate all such proposals in an equal manner, without introducing unfair biases into its evaluation.

13.3 Unclear or incomplete information provided will result in no points being allocated.

13.4 Tenderers must therefore ensure that all information is provided. The Tenderer shall submit as part of its response the information as required in Annexure 5.

13.5 Palesa shall, to the extent possible and in its sole discretion –

13.5.1 give preference to small, micro and medium enterprises ("**SMME**") entities that are from its host communities; and

13.5.2 employ staff from its host communities.

14 SOCIAL RESPONSIBILITY AND HOST COMMUNITY PROCUREMENT

14.1 Palesa wishes to work with Tenderers who embrace the principle of Social Responsibility and demonstrate corporate social responsibility by taking account of economic, social and environmental factors.

14.2 Bidding Tenderer should demonstrate what corporate social initiative programmes they would undertake. These programmes must be within the Thembisile Hani Local Municipality & Region 7 City of Tshwane (hereinafter referred to as the "**Host Community**") and must be presented and reported to the Procurement Team on an annual basis. Any enterprise and supplier development activities embarked upon and demonstrated by the Tenderer shall be consistent with the requirements of the Broad-Based Black Economic Empowerment Act, 2003 (as amended), aimed at improving the capacity of Host Community businesses.

14.3 The Tenderer shall use its best endeavors to work in partnership with Palesa and/or HCI Resources in order to identify, participate and co-invest in social development projects which

shall include enterprise and supplier development programmes, charitable, education, health, skills building and other types of development activity .

14.4 The Tenderer undertakes to commit, to the extent possible, to purchase/procure goods and services required for performance under this Agreement/Order/Contract from the Host Community businesses, focusing on SMMEs, in order to contribute to economic development of the Host Community. All such goods and services purchased/procured from Host Community businesses must meet all safety, technical capability and delivery requirements as specified by Palesa and/or HCI Resources from time to time.

15 INSURANCE AND INDEMNITY

15.1 For the duration of the Agreement/Order/Contract (to be concluded pursuant to this RFP), the Tenderer shall indemnify Palesa and obtain and maintain insurance at the Tenderers own cost to keep the Tenderer indemnified against the following risks:

15.1.1 all necessary insurance in respect of its employees in terms of the prevailing legislation, including, without limitation, workman's compensation insurance, as required in terms of the provisions of Compensation for Occupational Injuries and Diseases Act, 1993;

15.1.2 appropriate and adequate public liability insurance, which insurance shall include cover for occurrences on the property arising out of the Agreement/Order/Contract and its employees', sub-contractor or other representatives' acts or omissions and the provision of the services; and

15.1.3 appropriate and adequate insurance cover in respect of Tenderer equipment if necessary.

16 SECURITY, SAFETY, HEALTH AND WORK REQUIREMENTS

16.1 The Tenderer shall be responsible for working within the requirements of the Minerals and Petroleum Resources Development Act, 2002 as amended, the Mine Health and Safety Act, 1996, the Mine Standard Procedures, Mine Code of Practices, Safety Rules and Specifications, Labour Relations Act, 1995, Basic Conditions of Employment Act, 1997 and any other applicable legislation. All code of practices and safety standards shall be strictly adhered to. The Tenderer's equipment that will be provided and used by them at all times shall be subject to the standards set by Palesa and thereby subject to inspection and acceptance by Palesa at all times during the currency of the Agreement/Order/Contract.

16.2 Compliance with the above will not in any way relieve or limit the Tenderer's responsibility or liability in terms of the Agreement/Order/Contract or in law.

16.3 Tenderer employees shall always work and perform the services under the direct supervision, management and control of the Tenderer.

16.4 The successful Tenderer will be responsible for its staff's accommodation off-site if required. No on-site accommodation is available.

16.5 All the Tenderer employees shall, at such Tenderer's costs, undertake pre-employment medical examinations in accordance with the relevant legislation including the Mine Health and Safety Act, 1996 (as amended), such employees shall also be required to be re-examined medically following the return from annual leave taken by such an employee as well when the need for termination of employment arises. The Tenderer, and his employees, must arrange for exit medical examinations to be held before, or as soon as possible after termination of employment. If Palesa becomes aware that exit medical examinations are

not performed by the Tenderer and its employees, Palesa may withhold final payment to the Tenderer. Palesa will notify the Tenderer of any employees found without medical certificates and clearance to provide the service required in a specific area and request that the Tenderer immediately removes their employee from the site.

16.6 To ensure that Tenderer site employees are aware of Palesa's onsite procedures, the Tenderer shall direct its employees to attend an induction/training course presented by Palesa or other Tenderer at regular intervals as requested by Palesa at the Tenderer's cost and expense. No Tenderer or its employees will be allowed to work at any mine site unless the induction programme has been completed.

17 SUB-CONTRACTING

17.1 No sub-contracting of services will be allowed without the written approval of Palesa.

18 GOVERNING LAW

18.1 Law governing this RFP and the Agreement/Order/Contract shall be the laws of the Republic of South Africa.

19 DATA PROTECTION

19.1 Palesa may, as part of assessing the proposal submitted in response to this RFP, be required to Process the Personal Information of Data Subjects accessible to Palesa through its engagement with the Tenderer submitting the proposal or otherwise supplied to it by the Tenderer, with Palesa acting in the capacity of an Operator in accordance with POPIA.

19.2 In circumstances where Palesa collects and/or otherwise Processes Personal Information of the Tenderer submitting the proposal in response to this RFP and/or any Data Subject in the capacity as a Responsible Party for purposes of assessing the proposal in accordance with this RFP, Palesa undertakes to only Process such Personal Information in accordance with POPIA and for the purpose specified in this paragraph 19. By signing any document in response to this RFP and/or submitting a proposal to Palesa, the Tenderer expressly consents to Palesa Processing such Personal Information for the purpose stated in this paragraph 19.

19.3 Palesa shall:

19.3.1 only Process the Personal Information on behalf of the Tenderer in terms of this RFP and in accordance with (i) any instructions, requirements or specific directions of the Tenderer, and/or (ii) POPIA;

19.3.2 treat the Personal Information as strictly confidential;

19.3.3 not disclose or otherwise make available the Personal Information to any third Tenderer, other than to an Affiliate in relation to a legitimate business purpose and/or to a subcontractor, provided that Palesa will ensure that it has entered into a written agreement with such third Tenderer ensuring that they agree to comply with the requirements set out in this paragraph 19 as it relates to them; and

19.3.4 take appropriate, reasonable technical and organisational measures as a means to ensure that the integrity of the Personal Information in its possession or under its control is secure and that such Personal Information is, as far as possible, protected against unauthorised or unlawful processing, accidental loss, destruction or damage, alteration, disclosure or access by, having regard to generally accepted information security practices and procedures.

19.4 The Tenderer submitting a proposal in response to this RFP warrants that it shall only provide access to and/or otherwise supply Personal Information to Palesa in accordance with applicable laws, including all Data Protection Laws and shall at all times comply with Data Protection Laws when instructing or engaging the Palesa to Process such Personal Information on its behalf.

19.5 For the purpose of this paragraph 19:

19.5.1 "**Affiliate**" means with respect to any person (including juristic or natural), any other person (including juristic or natural) which, directly or indirectly, controls, is controlled by, or is under common control with, the former.

19.5.2 "**Data Protection Laws**" means applicable laws relating to the protection of Personal Information including but not limited to POPIA.

19.5.3 "**Data Subject**" bears the meaning assigned thereto under POPIA generally and for purposes of this RFP specifically means the Tenderer submitting a proposal in response to this RFP and its customers, suppliers and staff (including permanent, fixed term and temporary employees as well as well as approved subcontractors, agents, consultants and independent contractors).

19.5.4 "**Operator**" bears the meaning assigned thereto under POPIA.

19.5.5 "**Personal Information**" bears the meaning assigned thereto under POPIA.

19.5.6 "**POPIA**" means the Protection of Personal Information Act, 2013 (as amended from time to time).

19.5.7 "**Processing**" bears the meaning assigned thereto under POPIA.

19.5.8 "**Responsible Party**" bears the meaning assigned thereto under POPIA.

20 STATUS / RELATIONSHIP

20.1 The relationship of the Tenderer to Palesa will be that of independent contractor and not that of labour broker, agent, employee, partner.

20.2 Nothing in this Agreement or in the conduct of the parties in relation to this Agreement shall be deemed or construed as creating a relationship of principal and agent, employment, partnership or joint venture between them.

21 PERFORMANCE

21.1 Regular meetings as determined by Palesa will be held in order to continuously evaluate the performance of the successful Tenderer.

21.2 The successful Tenderer will make their senior management available for any meeting b

22 DISCLAIMERS

22.1 Tenderers are hereby advised that Palesa is not committed to any course of action because of its issuance of this RFP and/or its receipt of proposals.

22.2 Palesa reserves the right to:

22.2.1 amend, modify or withdraw this RFP or any part thereof without prior notice, and to request Tenderers to re-bid on any such changes/modifications;

22.2.2 reject any proposal which does not conform to instructions and specifications which are detailed herein;

22.2.3 disqualify proposals submitted after the stated submission deadline 02 June 2026;

22.2.4 award an Agreement/Order/Contract in connection with this RFP at any time after the RFP's closing date;

22.2.5 award an Agreement/Order/Contract for only a portion of the proposed services which are reflected in the scope of work of this RFP;

22.2.6 split the award of the Agreement/Order/Contract between more than one Tenderer, should it at Palesa's discretion be more advantageous in terms of, amongst others, cost, or developmental considerations;

22.2.7 cancel the bid process;

22.2.8 validate any information submitted by Tenderers in response to this RFP. This would include, but is not limited to, requesting the Tenderers to provide supporting evidence. By submitting a proposal, Respondents hereby irrevocably grant the necessary consent to Palesa to do so;

22.2.9 request audited financial statements or other documentation for the purposes of a due diligence exercise;

22.2.10 not accept any changes or purported changes by the Tenderer to the bid rates and quantities schedule after the closing date and/or after the award of the business, unless the Agreement/Order/Contract specifically provided for it;

22.2.11 cancel the Agreement/Order/Contract,

without liability to any of the Tenderers, as may be applicable.

23 CONFIDENTIALITY

23.1 The Tenderer shall treat all information provided by Palesa as private and confidential. The Tenderer shall use the information provided as part of and relating to this RFP only for the purposes of preparing, compiling, submitting and delivering the proposal to Palesa and for no other purpose whatsoever.

24 COMPETITION ACT, 1998

24.1 Section 4(1)((b)(iii) of the Competition Act, 1998 ("**Competition Act**") prohibits any agreement between, or concerted practice by firms or a decision by an association of firms if it is between parties in a horizontal relationship that involves collusive bidding (or so-called "bid rigging").

24.2 Collusive bidding as contemplated by the Competition Act constitutes a per se prohibition in terms of the Competition Act and therefore there is not any ground in terms of the Competition Act on which such collusion between firms can be justified.

24.3 To ensure compliance with statutory requirements contemplated in this clause, each Tenderer is required to include in its proposal a duly completed Certificate of Bid Determination in the form contained in the RFP as Annexure 7.

24.4 A failure by the Tenderer to include the required Certificate of Bid Determination in its proposal may, in the sole discretion of Palesa, result in the disqualification of the relevant Tenderer.

25 GENERAL BID CONDITIONS / SPECIAL CONDITIONS

25.1 This RFP is further subject to the General Bid Conditions attached as Annexure 8 and, if applicable, the Special Conditions attached as Annexure 9.

25.2 The parties shall be bound by these General Bid Conditions and any contractual terms and/or any schedule of “Special Conditions” or otherwise which form part of the Bid Documents.

25.3 Should a conflict arise between the General Bid Conditions and this RFP and/or the Special Conditions document, the conditions stated in this RFP document and/or the Special Conditions shall prevail.

PART B - SCOPE OF WORK:

The successful Party shall:

- Supply, supervise, co-ordinate and manage suitably qualified personnel, in order to render a comprehensive Laundry and Cleaning service including the washing, drying of overalls and any other PPE requirements as well as a full range of daily cleaning services of all Palesa buildings, including but not limited to the control room, offices, rest rooms and ablution facilities, kitchens and change house.

- The laundry service is to be provided for all Palesa Coal employees as well as permanent contractors.

- All staff employed by the successful Party for deployment at Palesa shall comply with the minimum requirements of Dover/Vienna testing (only applicable to those requiring mine vehicle driving licenses), mine specific HIRA certification and comply with the provisions of the Mine Health and Safety Act No. 29 of 1996 as amended.

Duties and service required:

- The following is required with regards to the washing, drying of garments:

    - Same day turnaround but not exceeding 24 hours.
    - Garments and or overalls to be handled as instructed on the care label to prevent damage.
    - Take proper care of the facilities and machinery provided by Palesa Coal.

- The following is required with regards to the cleaning services which are to be undertaken in all Palesa buildings, including but not limited to the control room, offices, restrooms and ablution facilities, kitchens and change house:

    - Wash, clean and disinfect all floors and fixtures.
    - Wash and clean all internal walls on weekly bases.
    - Wash and clean all windows when as and when required.
    - Replace consumables on a daily basis (soap, toilet paper, air fresheners, hand towels condoms, etc).
    - Sweeps clean all external concrete walkways and pavers at entrances on a daily basis.
    - Clean all windowpanes inside and outside once a month.
    - Empty office waste/paper bins, clean tabletops, rearrange tables and chairs, dust off equipment, dust off blinds, clean doors and mirrors.
    - All cleaning services are to be carried out between the working hours between 07H00 and 15H30 Monday to Friday.
    - Report any damages timeously to Palesa

- The service provider shall:

    - Be liable to replace garments that are lost and/or damaged after receipt within five working days. Should the service provider fail to comply, Palesa Coal reserves the right to replace and deduct the equivalent replacement costs from the next invoice.
    - Put in place controls and measures to prevent losses and or damages to garments.
    - Operate the laundry 7 days per week from 06H00 until 18H00.
    - Maintain good housekeeping and hygiene standards

- Provide weekly/monthly reporting detailing total labour hours, quantity of garments handled, safety statics and occurrences, consumables consumption, remaining consumable stock and/or any other information required by Palesa Coal from time to time.

- Palesa shall:

  - Provide facilities, electricity, water, consumables, chemicals and detergents necessary for the Laundry and Cleaning Services

- Transportation

  - The successful Party shall supply, maintain, insure, license and operate at its own cost and risk, all transport considered necessary to carry out its obligations under the Contract.

- Uniforms and Personal Equipment:

  - The successful Party shall provide the uniforms and personal protective equipment required for the personnel to perform their duties. The cost of these will be for the successful Party.
  - The basic safety requirements applicable to Palesa with regard to headgear, footwear and clothing must be adhered to (D59 overalls with adequate reflective, safety boots, hard hat, safety glasses, freezer jacket and gloves where necessary).

- General Requirements:

  - There is no accommodation on site, and the successful Party will be responsible for its staff's accommodation off site if required.

- Supplier Performance Management/Meetings:

  - Regular meetings as determined by either party will be held in order to continuously evaluate the performance of the successful Party.
  - The successful Party will make their senior management available for any meeting requested within reasonable notice by Palesa.

- Required staff complement:
  - Laundry Service – 2 Operators per shift. 24 Hours, Monday to Saturday. Sunday dayshift only.
  - Cleaning Service – 2 Cleaners per day shift. 07H00 to 15H30 Monday to Friday.
  - Supervisor – 1 supervisor per day shift, which will require relevant 2.9.2 MHSA legal appointment, internal training and sign off. 07H00 to 15H30 Monday to Friday. The supervisor doubles as an additional cleaner, but acts as the team leader and supervisor of the full team (both laundry and cleaning services)

It is expected that the basic conditions of employment act are followed. Meaning that no employee works more than the maximum of 48 hours per week. This includes the supervisor. The proposal needs to include the costs for the reliever shifts.

INSTRUCTION FOR COMPLETION OF TENDER TENDERERS MUST COMPLETE THE ACTUAL TENDER DOCUMENTS AS FOLLOWS:

1. **Proposals in respect of this RFP must be submitted with the tender checklist (Part C), fully completed, with the proposal.**
2. **Annexures 2, 3, 4, 5, 7, 10 and 11 to the RFP must be completed and signed and returned with the proposal.**
3. **Proposals must be submitted on the cover of the covering letter on Tenderer's letterhead.**
4. **Please sign documents [sign, stamp, and date the bottom of each page]. The person or persons signing the submission must be legally authorised by the respondent to do so.**

PART C - CHECKLIST OF INFORMATION REQUIRED TO BE SUBMITTED BY TENDERER WITH PROPOSAL (PLEASE TICK YES/NO FOR EACH REQUIREMENT)

The following documents as per the document checklist below are compulsory and must be submitted with the proposal on or before the closing date as indicated above. Should any of these documents not be included in the proposal pack in response to this RFP, the proposal will not be considered.

FILE REF	DOCUMENT CHECKLIST	YES	NO
A	Annexure 1- Cover Letter		
B	Board resolution, duly authorizing the representative to enter into any contractual obligations on their behalf		
C	Annexure 2- Tenderer Information		
D	CIPC Enterprise Registration Certificate (COR14.3 or CM1)		
E	SARS Valid Tax Clearance Certificate		
F	COIDA Letter of Good Standing		
G	A Valid BBB-EE Certificate/ Affidavit (Must be dated on or after 01st April 2022)		
H	Proof of Business Address (Utility Account not older than 3 Months)		
I	CIPC Certificate of Current Directors, Auditors and Public Officers (COR39 or CM29		
J	Certified Colour Copy of the ID of each of the Directors		
K	Proof of Residence (Utility Accounts/ Tribal Authority/ Municipal Letter) for each Director(Not older than 3 Months)		
L	Enterprise Share Holders Certificates (Share Certificate)		
M	Certified ID Copies of all Employees of the Enterprise that will be Utilized for this tender if successful		
N	Proof of Residence (Utility Accounts/ Tribal Authority/ Municipal Letter) for each Employee)		
O	Annexure 3- Tenderer Contact Details		
P	Annexure 4- Pricing		
Q	Annexure 5- Evaluation Criteria and References		
R	Annexure 7- Certificate of Independent Bid Determination		
S	Annexure 10- Declaration of tenderer's Past Supply Management Practices		
T	Annexure 11- Non- Disclosure Agreement		

ANNEXURE 1: COVER LETTER

The tenderer shall submit on a company letterhead, a covering letter which includes the following paragraph:

"We have examined the information provided in the RFP document and submit our proposal herewith in accordance with the requirements as set out (reference number **P0001/27**) This complete proposal and agreed amendment/s will be valid for acceptance until **12:00 (midday)** on **02 June 2026** ("**Expiry Date**") and we confirm that this tender will remain binding upon us and may be accepted by Palesa at any time before the Expiry Date".

The tenderer shall also submit a company board resolution that duly authorizes the person tendering on behalf of the company to commit the tendering company to the RFP.

This shall be submitted as "Annexure 1" to the Proposal

ANNEXURE 2: TENDERER INFORMATION

Name of Company/Entity		Supporting documentation
Company Registration Number		COR 14.3 / CM1
VAT Registration Number		Valid Tax Clearance Certificate
Income Tax Registration Number		Valid Tax Clearance Certificate
Workmens Compensation Number		Valid COIDA Letter of Good standing
BBBEE Level		BBBEE Certificate/affidavit (<12 months)
Street address of Company	Postal address of Company	3rd party utility bill or similar reflecting registered Compnay name and Street address (not older than 3 months)
Postal Code	Postal Code	
Full Name and Surname of Company Directors(as per RSA ID)		COR 39 / CM 29
(indicate which directors are Executive/Non Executive/Independent)		
		ID colour copy of each Director
		Proof of residence for each Director(3rd party Utility bill/Tribal authority/municipal confimration letter - Not older than 3 months)
State Ownership Structure		Share certificates of major investor and/or affiliated companies)
(i.e The % Shareholding of the major investors and controlling interest in affiliated companies)		
State Basic Organogram Labour Structure of Company		
(The administration that Palesa will be dealing with on a day-to-day basis)(Names of Incumbants and positions)		ID colour copy of each Incumbant
		Proof of residence for each staff(3rd party Utility bill/Tribal authority/municipal confimration letter - Not older than 3 months)

This shall be submitted as "Annexure 2" to the Proposal

ANNEXURE 3: CONTACT INFORMATION

Contact details of responsible person who will act on behalf of the Tenderer:

Name and Surname:
……
Designation:
……
Mobile Number:
……
E-mail address:
……
Telephone Number:
……
Facsimile Number:
……

Contact details of alternative responsible person who will act on behalf of the Tenderer should the person above not be available:

Name and Surname:
……
Designation:
……
Mobile Number:
……
E-mail address:
……
Telephone Number:
……
Facsimile Number:
……

This shall be submitted as "Annexure 3" to the proposal.

ANNEXURE 4: PRICING

For the Services rendered, Palesa shall, upon acceptance of the Tenderer's proposal, pay the Tenderer the rates set out in the quantity and rates schedule submitted by the Tenderer as part of its proposal.

The Tenderer acknowledges that:

- Rates shall be exclusive of Value Added Tax ("**VAT**") in terms of the Value-Added Tax Act, 1991.
- Rates remain fixed and firm for a minimum period of **1 year**.

The Tenderer acknowledges and confirms that it is registered for VAT in terms of the Value-Added Tax Act, 1991.

The Tenderer will be responsible for the payment of all taxes owed by it to SARS arising out of the income earned in terms of this Agreement and hereby indemnifies Palesa from any liability and costs for any and all taxes, amounts and payments of penalties or interest due to SARS.

The Tenderer shall furnish Palesa with a tax directive, certificate of exemption or the like from SARS specifying its income tax status. Upon receiving such directive certificate of exemption or the like, the Palesa shall pay the Tenderer in accordance with it.

Rate Schedule

Item No	**Description**	**Rand Ex Vat**
Item 1.0	Site Establishment (cost to establish onsite, medicals, inductions, etc)**(Once Off Cost)**	R
Item 2.0	Site De-Establishment (cost to de-establish offsite, exit medicals, etc)**(Once Off Cost)**	R
Item 3.0	Laundry Service per Month – (approximately 4,500 garments per month)	R
Item 4.0	Cleaning Service per Month	R
	Total Monthly Cost – Rand Ex Vat (Item 3.0 + Item 4.0)	R

NAME & SURNAME: _____

AUTHORISED SIGNATORY: _____

DESIGNATION: _____

DATE: _____

This shall be submitted as "Annexure 4" to the proposal.

ANNEXURE 5 : Evaluation Criteria

EVALUATION CRITERIA	MAXIMUM POINT
PRICE	80
BBB-EE	20

Preferential Point Consideration by PALESA COAL (PTY) LTD			
Category Parameters: **1. 25.1 % Black Ownership** **2. 51% Black Ownership – BWO & BO & YO** **3. QSE or EME** **4. LOCALITY** **5. BBBEEE Scorecard Status** **As per revised DTI codes of good practices & Mining Chatter III**	***Commodity Type***	***Preferential Points allocated by Palesa Mine***	***Points To be added By supplier to Score themselves***
1. ***Minimum 25.1% black owned + 1 share % Black*** *owned & managed, with appropriate realization of BEE partner debt as per DTI ownership element requirements*	*ALL COMMODITY TYPES*	**1**	
2. ***Black Ownership*** a. *Is the supplier an Empowering Supplier that is* ***at least 51% black owned***	*ALL COMMODITY TYPES*	**4**	
b. *Is the supplier an Empowering Supplier that is* ***at least 51% black Woman Owned & Youth owned***	*ALL COMMODITY TYPES*	**5**	
3. *Is the supplier an Empowering Supplier that is a* ***Qualifying Small Enterprise or an Exempted Micro-Enterprise***	*ALL COMMODITY TYPES*	**4**	
Suppliers located within the ***THEMBISILE HANI AND REGION 7 MANICIPALITY AREA***			
4. *Suppliers located within* ***THLM/REGIONAL 7***	*ALL COMMODITY TYPES*	**5**	
5. ***BBBEEE SCORE CARD STATUS*** a. *Supplier with a Broad based Black Economic Empowerment score of level 1 to level 4*	*ALL COMMODITY TYPES*	**10**	
b. *Supplier with a Broad based Black Economic Empowerment score of level 5 to level 8*	*ALL COMMODITY TYPES*	**8**	
Maximum points to be gained from all parameters are: 20 POINTS			
Score out of 20 points will be converted in terms of our preferential procurement weighting vs. price.			
NON-compliant suppliers include all suppliers with black ownership < 25.1%			

NAME & SURNAME: _____

AUTHORISED SIGNATORY: _____

DESIGNATION: _____

DATE: _____

This shall be submitted as "Annexure 5" to the proposal

ANNEXURE 6 : RFP CLARIFICATION REQUEST FORM

RFP No: P0001/27
RFP deadline for questions / RFP clarifications: Before 12:00 pm on 22 May 2026

TO: Palesa Coal Proprietary Limited
ATTENTION: Procurement
EMAIL: procurement@hciresources.co.za
DATE: _____
FROM: _____

RFP Clarification No [to be inserted by Palesa]: _____

REQUEST FOR RFP CLARIFICATION

_____
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ANNEXURE 7 : CERTIFICATE OF INDEPENDENT BID DETERMINATION

[*Tenderer to use its own company letterhead*]

I, the undersigned [Insert name]_____
on behalf of [Insert Tenderer's name]_____

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

1. am duly authorised by the Tenderer to sign this certificate and to submit the proposal to Palesa on behalf of the Tenderer.

2. The Tenderer has arrived at and compiled the proposal in response to the Request for Proposal ("**RFP**") issued by Palesa dated [insert], including the fee proposal included in the PROPOSAL, independently from and without consultation, communication, agreement or arrangement with any Competitor.

3. In particular, without limiting the generality of paragraph 2 above, there has been no consultation, communication, agreement or arrangement with any Competitor regarding:
   3.1 Fees;
   3.2 Geographical area where services will be rendered (market allocation);
   3.3 Methods, factors or formulas used to calculate fees;
   3.4 The intention or decision to submit or not submit a proposal;
   3.5 The submission of a proposal that does not meet the requirements of the RFP; and
   3.6 Submitting a proposal with the intention of not being awarded an Agreement/Order/Contract.

4. There have been no consultations, communications, agreements or arrangements with any Competitor regarding the quality, quantity or conditions of services to which the RFP and/or proposal relates.

5. The terms and contents of the proposal have not been and will not be disclosed by the Tenderer, directly or indirectly to any Competitor prior to the date of the awarding of an Agreement/Order/Contract pursuant to the RFP.

6. For purposes of this certificate and proposal, I understand that the word "**Competitor**" shall include any individual or organisation, other than the Tenderer, whether or not affiliated with the Tenderer, who:

   6.1 Has been invited to submit a proposal in response to this RFP;
   6.2 Could potentially submit a proposal in response to this RFP based on their qualifications, abilities or experience; and
   6.3 Provides the same services as the Tenderer and/or is in the same line of business as the Tenderer.

7. I understand that the proposal will be disqualified if this certificate is found not to be true and correct in every respect.

8. I am aware that in addition and without prejudice to any other remedy provided to combat restrictive practices related to bids and contracts, proposals that are suspicious may be reported to the Competition Commission for investigation in terms of the Competition Act, 1998 (Act No 89 of 1998).

9. I have read and I understand the contents of this certificate.

_____
Signature Designation: _____ Date: _____
This shall be submitted as "Annexure 7" to the proposal.

ANNEXURE 8 : GENERAL BID CONDITIONS

GENERAL BID CONDITIONS

1 DEFINITIONS

Where the following words or phrases are used in this Agreement, such words or phrases shall have the meaning assigned thereto in this clause, except where the context clearly requires otherwise:

1.1 **Bid** shall mean a Respondent's tendered response / proposal to a RFP.

1.2 **Bid Document(s)** shall mean a reference to a Request for Proposal.

1.3 **Business Day** shall mean any day other than a Saturday, Sunday, or public holiday.

1.4 **Goods** shall mean the goods required by Palesa Coal as specified in its Bid Document.

1.5 **Parties** shall mean Palesa Coal and the Respondents to a Bid Document.

1.6 **Respondent(s)** shall mean a respondent/bidder/tenderer to a Bid Document.

1.7 **RFP** shall mean Request for Proposal issued by Palesa Coal.

1.8 **Palesa Coal** shall mean Palesa Coal Proprietary Limited (registration number: 2006/019675/07).

1.9 **Services** shall mean the services required by Palesa Coal as specified in its Bid Document.

1.10 **Service Provider or Supplier** shall mean the successful Respondent.

1.11 **Tax Invoice** shall mean the document as required by Section 20 of the VAT Act.

1.12 **VAT Act** shall mean Value-Added Tax Act, 89 of 1991, as may be amended from time to time.

1.13 **VAT** shall mean Value-Added Tax in terms of the VAT Act.

2 GENERAL

All Bid Documents and subsequent contracts and orders shall be subject to the following general conditions as laid down by Palesa Coal and are to be strictly adhered to by any Respondent to the RFP.

3 COMMITMENTS OF PALESA COAL

Palesa Coal commits to take all measures necessary to prevent dishonesty, fraud and corruption and to observe the following principles:

3.1 Palesa Coal hereby undertakes that no employee of Palesa Coal connected directly or indirectly with the sourcing event and ensuing contract, will demand, take a promise for or accept directly or through intermediaries any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the Respondent, either for themselves or for any person, organisation or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or

implementation process related to any contract.

3.2 Palesa Coal will, during the registration and bidding process, treat all Respondents with equity, transparency and fairness. Palesa Coal will in particular, before and during the registration process, provide to all Respondents the same information and will not provide to any Respondents confidential / additional information through which the Respondents could obtain an advantage in relation to any bidding process.

3.3 Palesa Coal further confirms that its employees will not favour any prospective Respondent in any form that could afford an undue advantage to a particular Respondent during the tendering stage and will further treat all Respondents participating in the bidding process.

3.4 Palesa Coal will exclude from the bidding process such employees who have any personal interest in the Respondents participating in the bidding process.

4 OBLIGATIONS OF THE RESPONDENT

4.1 The Respondent commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its bid or during any ensuing contract stage in order to secure the contract or in furtherance to secure it and in particular the Respondent commits to the following:

a) The Respondent will not, directly or through any other person or firm, offer, promise or give to Palesa Coal or to any of Palesa Coal's employees involved in the bidding process or to any third person any material or other benefit or payment, in order to obtain in exchange an advantage during the bidding process; and

b) The Respondent will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any employee of Palesa Coal, connected directly or indirectly with the bidding process, or to any person, organisation or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.

4.2 The acceptance and giving of gifts may be permitted provided that:

a) the gift does not exceed R1 000 (one thousand Rand) in retail value;

b) many low retail value gifts do not exceed R 1 000 within a 12 month period;

c) hospitality packages do not exceed R5 000 in value or many low value hospitality packages do not cumulatively exceed R5 000;

d) a Respondent does not give a Palesa Coal employee more than 2 (two) gifts within a 12 (twelve) month period, irrespective of value;

e) a Respondent does not accept more than 1 (one) gift in excess of R750 (seven hundred and fifty Rand) from a Palesa Coal employee within a 12 (twelve) month period, irrespective of value;

f) a Respondent may under no circumstances, accept from or give to, a Palesa Coal employee any gift, business courtesy, including an invitation to a business meal and /or drinks, or hospitality package, irrespective of value, during any bid evaluation process, including a period of 12 (twelve) months after such tender has been awarded, as it may be perceived as undue and improper influence on the evaluation process or reward for the contract that has been awarded; and

g) a Respondent may not offer gifts, goods or services to a Palesa Coal employee

at artificially low prices, which are not available to the public at those prices.

4.3 The Respondent will not collude with other parties interested in the contract to preclude a competitive bid price, impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract. The Respondent / Supplier further commits itself to delivering against all agreed upon conditions as stipulated within the contract.

4.4 The Respondent will not enter into any illegal or dishonest agreement or understanding, whether formal or informal with other Respondents. This applies in particular to certifications, submissions or non-submission of documents or actions that are restrictive or to introduce cartels into the bidding process.

4.5 The Respondent will not commit any criminal offence under the relevant anti-corruption laws of the Republic of South Africa or any other country. Furthermore, the Respondent will not use for illegitimate purposes or for restrictive purposes or personal gain, or pass on to others, any information provided by Palesa Coal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.

4.6 A Respondent of foreign origin shall disclose the name and address of its agents or representatives in the Republic of South Africa, if any, involved directly or indirectly in the registration or bidding process. Similarly, the Respondent of South African nationality shall furnish the name and address of the foreign principals, if any, involved directly or indirectly in the registration or bidding process.

4.7 The Respondent will not misrepresent facts or furnish false or forged documents or information in order to influence the bidding process to the advantage of the Respondent or detriment of Palesa Coal or other competitors.

4.8 The Respondent shall furnish Palesa Coal with a copy of its code of conduct, which code of conduct shall reject the use of bribes and other dishonest and unethical conduct, as well as a compliance programme for the implementation of the code of conduct.

4.9 The Respondent will not instigate third persons to commit offences outlined above or be an accessory to such offences.

4.10 The Respondent confirms that they will uphold the ten principles of the United Nations Global Compact (UNGC) in the fields of Human Rights, Labour, Anti-Corruption and the Environment when undertaking business with Palesa Coal as follows:

a) Human Rights

(i) Principle 1: Businesses should support and respect the protection of internationally

proclaimed human rights; and

(ii) Principle 2: make sure that they are not complicit in human rights abuses.

b) Labour

(i) Principle 3: Businesses should uphold the freedom of association and the effective

recognition of the right to collective bargaining;

(ii) Principle 4: the elimination of all forms of forced and compulsory labour;

(iii) Principle 5: the effective abolition of child labour; and

(iv) Principle 6: the elimination of discrimination in respect of employment and occupation.

c) Environment

(i) Principle 7: Businesses should support a precautionary approach to environmental

challenges;

(ii) Principle 8: undertake initiatives to promote greater environmental responsibility; and

(iii) Principle 9: encourage the development and diffusion of environmentally friendly

technologies.

d) Anti-Corruption

(i) Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

5 INDEPENDENT BIDDING

5.1 For the purposes of this undertaking in relation to any submitted Bid, the Respondent declares to fully understand that the word "competitor" shall include any individual or organisation, other than the Respondent, whether or not affiliated with the Respondent, who:

a) has been requested to submit a Bid in response to this Bid invitation;

b) could potentially submit a Bid in response to this Bid invitation, based on their qualifications, abilities or experience; and

c) provides the same Goods and Services as the Respondent and/or is in the same line of business as the Respondent.

5.2 The Respondent has arrived at his submitted Bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium will not be construed as collusive bidding.

5.3 In particular, without limiting the generality of clause 5.2 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

a) prices;

b) geographical area where Goods or Services will be rendered (market allocation);

c) methods, factors or formulas used to calculate prices;

d) the intention or decision to submit or not to submit, a Bid;

e) the submission of a Bid which does not meet the specifications and conditions of the RFP; or

f) bidding with the intention of not winning the Bid.

5.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the Goods or Services to which his/her Bid relates.

5.5 The terms of the Bid as submitted have not been, and will not be, disclosed by the Respondent, directly or indirectly, to any competitor, prior to the date and time of the

official Bid opening or of the awarding of the contract.

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

6 SUBMITTING OF BID DOCUMENTS

6.1 A Bid, which shall hereinafter include reference to an RFP, shall be submitted to Palesa Coal no later than the closing date and time specified in accordance with the directions issued in the Bid Documents. Late Bids will not be considered.

6.2 The Bid Documents must be completed in their entirety and Respondents are required to complete their Bid submissions legibly in non-erasable ink.

6.3 Bids shall be delivered in a sealed envelope in accordance with the instructions indicated in the Bid Documents with the Bid number and subject marked on the front of the envelope.

6.4 The Respondent's return address must be stated on the reverse side of the sealed envelope.

7 USE OF BID FORMS

7.1 Where special forms and/or formats are issued by Palesa Coal for the submission of Bids, Respondents are required to submit their Bids by completion of the appropriate sections on such official forms and/or formats and not in other forms and/or formats or documents bearing their own terms and conditions of contract. Non-compliance with this condition may result in the rejection of a Bid.

7.2 Respondent must note that the original Bid forms and/or formats must be completed for submission and not a reprocessed copy or other format thereof

7.3 Only if insufficient space has been allocated to a particular response may a Respondent submit additional information under separate cover using the Company's letterhead. This must be duly cross- referenced in the RFP.

8 VALIDITY PERIOD

8.1 The Respondents must hold their Bid valid for acceptance by Palesa Coal at any time within the requested validity period after the closing date of the bid.

8.2 Respondents may be requested to extend their validity period for a specified additional period. In such instances, Respondents will not be allowed to change any aspect of their Bid, unless they are able to demonstrate that the proposed change/s is as a direct and unavoidable consequence of Palesa Coal's extension of the validity period.

9 SITE VISITS / BRIEFING SESSIONS / INSPECTIONS

9.1 Respondents may be requested to attend a site visit or briefing session where it is

necessary to view the site in order to prepare their Bids, or where Palesa Coal deems it necessary to provide Respondents with further information to allow them to complete their Bids properly. Where such visits or sessions are indicated as compulsory in the RFP Document, Respondents are obliged to attend these meetings as failure to do so will result in their disqualification.

9.2 Should Palesa Coal consider it necessary, Palesa Coal may as part of the evaluation of its proposal undertake an inspection of the facilities and resources of the Respondent. Such inspection shall take place at a time and location as arranged with the Respondent.

10 CLARIFICATION BEFORE THE CLOSING DATE

Should clarification be required on any aspect of the Bid before the closing date, the Respondent must direct such queries to the contact person listed in the RFP Document in the stipulated manner.

11 COMMUNICATION AFTER THE CLOSING DATE

After the closing date of a Bid (i.e. during the evaluation period) the Respondent may only communicate with the Procurement Manager.

12 UNAUTHORISED COMMUNICATION ABOUT BIDS

Where Bids are submitted to the Procurement Manager, Respondents may at any time communicate with the Procurement Manager on any matter relating to its Bid but, in the absence of written authority from the Procurement Manager, no communication on a question affecting the subject of a Bid shall take place between Respondents or other potential service providers or official of Palesa Coal during the period between the closing date for the receipt of the Bid and the date of the notification of the successful Respondent(s). A Bid, in respect of which any such unauthorised communication has occurred, may be disqualified.

13 POST TENDER NEGOTIATIONS

Palesa Coal reserves the right to conduct post tender negotiations with the preferred Respondent or a shortlist of preferred Respondents. Should Palesa Coal decide to conduct post tender negotiations, Respondents will be requested to provide their best and final offers to Palesa Coal based on such negotiations. A final evaluation will be conducted in terms of 80/20 or 90/10 (whichever is applicable) and the contract will be negotiated and awarded to the successful Respondent(s).

14 RETURNABLE DOCUMENTS

All returnable documents listed in the RFP Documents must be submitted with Respondent's Bid. Failure to submit mandatory returnable schedules / documents will result in disqualification. Failure to submit other schedules / documents may result in disqualification.

15 DEFAULTS BY RESPONDENTS

If the Respondent, after it has been notified of the acceptance of its Bid fails to:

15.1 enter into a formal contract when called upon to do so within such period as Palesa Coal may specify; or

15.2 accept an order in terms of the Bid.

15.3 furnish satisfactory security when called upon to do so for the fulfilment of the contract; or

15.4 comply with any condition imposed by Palesa Coal,

Palesa Coal may, in any such case, without prejudice to any other legal remedy which it may have, proceed to accept any other Bid or, if it is necessary to do so, call for Bids afresh, and may recover from the defaulting Respondent any additional expense incurred by Palesa Coal in calling for new offers or in accepting a less favourable offer.

16 CURRENCY

All monetary amounts referred to in a Bid response must be in Rand, the currency of the Republic of South Africa ("**ZAR**"), save to the extent specifically permitted in the RFP.

17 PRICES SUBJECT TO CONFIRMATION

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

17.2 Firm prices quoted for the duration of any resulting order and/or contract will receive precedence over prices which are subject to fluctuation if this is in Palesa Coal's best interests.

18 ALTERATIONS MADE BY THE RESPONDENT TO BID PRICES

All alterations made by the Respondent to its Bid price(s) prior to the submission of its Bid Documents must be done by deleting the incorrect figures and words where required and by inserting the correct figures and words against the items concerned. All such alterations must be initialled by the person who signs the Bid Documents. Failure to observe this requirement may result in the particular item(s) concerned being excluded in the matter of the award of the business.

19 EXCHANGE AND REMITTANCE

19.1 The Respondent should note that where the whole or a portion of the contract or order value is to be remitted overseas, Palesa Coal shall, if requested to do so by the Supplier/Service Provider, effect payment overseas directly to the foreign principal or manufacturer of such percentage of the contract or order value as may be stipulated by the Respondent in its Bid Documents.

19.2 It is Palesa Coal's preference to enter into Rand-based agreements. Palesa Coal would request, therefore, that the Respondent give favourable consideration to obtaining forward exchange cover on the foreign currency portion of the Agreement at a cost that is acceptable to Palesa Coal to protect itself against any currency rate fluctuation risks for the duration of any resulting contract or order.

19.3 The Respondent who desires to avail itself of the aforementioned facility must at the time of bidding furnish the information called for in the Exchange and Remittance section of the Bid Documents and also furnish full details of the principals or manufacturer to whom payment is to be made.

19.4 The South African Reserve Bank's approval is required before any foreign currency payments can be made to or on behalf of Respondents.

19.5 Palesa Coal will not recognise any claim for adjustment of the order and/or contract price if the increase in price arises after the date on which the Goods/Services were to

be delivered, as set out in the order and/or contract, or any subsequent agreement between the parties.

19.6 Palesa Coal reserves the right to request a pro-forma invoice/tax invoice in order to ensure compliance with the contract and the VAT Act.

20 ACCEPTANCE OF BID

20.1 Palesa Coal does not bind itself to accept the lowest priced or any Bid.

20.2 Palesa Coal reserves the right to accept any Bid in whole or in part.

20.3 Upon the acceptance of a Bid by Palesa Coal, the parties shall be bound by these General Bid Conditions and any contractual terms and/or any schedule of "Special Conditions" or otherwise which form part of the Bid Documents.

20.4 Where the Respondent has been informed by Palesa Coal of the acceptance of its Bid, the acknowledgement of receipt transmitted shall be regarded as proof of delivery to the Respondent.

21 NOTICE TO UNSUCCESSFUL RESPONDENTS

21.1 Unsuccessful Respondents shall be advised in writing that their Bids have not been accepted as soon as possible after the closing date of the Bid. On award of business to the successful Respondent all unsuccessful Respondents must be informed of the name of the successful Respondent but shall not be informed of the reason/s as to why their Bids had been unsuccessful.

22 TERMS AND CONDITIONS OF CONTRACT

22.1 The Supplier/Service Provider shall adhere to the Terms and Conditions of Contract issued with the Bid Documents, together with any schedule of "Special Conditions" or otherwise which form part of the Bid Documents.

22.2 Should the Respondent find any conditions unacceptable, it should indicate which conditions are unacceptable and offer amendments/ alternatives by written submission on a company letterhead. Any such submission shall be subject to review by Palesa Coal's Legal Counsel who shall determine whether the proposed amendments /alternative(s) are acceptable or otherwise, as the case may be.

23 CONTRACT DOCUMENTS

23.1 The contract documents will comprise these General Bid Conditions, the Terms and Conditions of Contract and any schedule of "Special Conditions" which form part of the Bid Documents.

23.2 The abovementioned documents together with the Respondent's Bid response will constitute the contract between the parties upon receipt by the Respondent of Palesa Coal's letter of acceptance / intent, subject to all additional amendments and/or special conditions thereto as agreed to by the parties.

23.3 Should Palesa Coal inform the Respondent that a formal contract will be signed, the abovementioned

documents together with the Respondent's Bid response [and, if any, its covering letter and any subsequent exchange of correspondence] as well as Palesa Coal's Letter of Acceptance/Intent, shall constitute a binding contract until the final contract is signed.

24 LAW GOVERNING CONTRACT

The law of the Republic of South Africa shall govern the contract created by the acceptance of a Bid. The *domicilium citandi et executandi* shall be a place in the Republic of South Africa to be specified by the Respondent in its Bid at which all legal documents may be served on the Respondent who shall agree to submit to the jurisdiction of the courts of the Republic of South Africa. A foreign Respondent shall, therefore, state in its Bid the name of its authorised representative in the Republic of South Africa who is empowered to sign any contract which may be entered into in the event of its Bid being accepted and to act on its behalf in all matters relating to the contract.

25 IDENTIFICATION

If the Respondent is a company, the full names of the directors shall be stated in the Bid. If the Respondent is a close corporation, the full names of the members shall be stated in the Bid. If the Respondent is a partnership or an individual trading under a trade name, the full names of the partners or of such individual, as the case may be, shall be furnished.

26 RESPONDENT'S SAMPLES

26.1 If samples are required from Respondents, such samples shall be suitably marked with the Respondent's name and address, the Bid number and the Bid item number and must be despatched in time to reach the addressee as stipulated in the Bid Documents on or before the closing date of the Bid. Failure to submit samples by the due date may result in the rejection of a Bid.

26.2 Palesa Coal reserves the right to retain samples furnished by Respondents in compliance with Bid conditions.

26.3 Payment will not be made for a successful Respondent's samples that may be retained by Palesa Coal for the purpose of checking the quality and workmanship of Goods/Services delivered in execution of a contract.

26.4 If Palesa Coal does not wish to retain unsuccessful Respondents' samples and the Respondents require

their return, such samples may be collected by the Respondents at their own risk and cost.

27 SECURITIES

27.1 The successful Respondent, when called upon to do so, shall provide security to the satisfaction of Palesa Coal for the due fulfilment of a contract or order. Such security shall be in the form of a Deed of Suretyship furnished by an approved bank, building society, insurance or guarantee corporation carrying on business in the Republic of South Africa.

27.2 The security may be applied in whole or part at the discretion of Palesa Coal to make good any loss or damage which Palesa Coal may incur in consequence of a breach of the contract or any part thereof.

27.3 Such security, if required, shall be an amount which will be stipulated in the Bid Documents.

27.4 Additional costs incurred by Palesa Coal necessitated by reason of default on the part of the Supplier/Service Provider in relation to the conditions of this clause 27 will be for the account of the Supplier/Service Provider.

28 PRICE AND DELIVERY BASIS FOR GOODS

28.1 Unless otherwise specified in the Bid Documents, the prices quoted for Goods must be on a Delivered Duty Paid [ICC Incoterms 2010] price basis in accordance with the terms and at the delivery point or points specified in Palesa Coal's Bid Documents. Bids for supply on any other basis of delivery are liable to disqualification. The lead time for delivery stated by the Respondent must be inclusive of all Business Days or holidays, and of periods occupied in stocktaking or in effecting repairs to or overhauling plant, which would ordinarily occur within the delivery period given by the Respondent.

28.2 Respondents must furnish their Bid prices in the Price Schedule of the Bid Documents on the following basis:

a) Local Supplies - Prices for Goods to be manufactured, produced or assembled in the Republic of South Africa, or imported supplies held in the Republic of South Africa, to be quoted on a Delivered RSA named destination basis.

b) Imported Supplies - Prices for Goods to be imported from all sources to be quoted on a Delivered Duty Paid [ICC Incoterms 2010] basis, to end destination in the Republic of South Africa, unless otherwise specified in the Bid Price Schedule.

29 EXPORT LICENCE

The award of a Bid for Goods to be imported may be subject to the issue of an export licence in the country of origin or supply. If required, the Supplier/Service Provider's manufacturer or forwarding agent shall be required to apply for such licence.

30 QUALITY OF MATERIAL

Unless otherwise stipulated, the Goods offered shall be NEW i.e. in unused condition, neither second-hand nor reconditioned.

31 DELETION OF ITEMS EXCLUDED FROM BID

The Respondent must delete items for which it has not tendered or for which the price has been included elsewhere in its Bid.

32 VALUE-ADDED TAX

32.1 In respect of local supplies, i.e. Goods to be manufactured, produced or assembled in the Republic of South Africa, or imported supplies held or already in transit to the Republic of South Africa, the prices quoted by the Respondent are to be exclusive of VAT which must be shown separately at the standard rate on the Tax Invoice.

32.2 In respect of foreign Services rendered:

a) the invoicing by a South African Service Provider on behalf of its foreign principal rendering such Service represents a Service rendered by the principal; and

b) the Service Provider's Tax Invoice(s) for the local portion only (i.e. the "commission" for the Services rendered locally) must show the VAT separately.

33 IMPORTANT NOTICE TO RESPONDENTS REGARDING PAYMENT

33.1 Method of Payment

a) The attention of the Respondent is directed to the Terms and Conditions of Contract which set out the conditions of payment on which Bid price(s) shall be based

b) However, in addition to the aforegoing the Respondent is invited to submit offers based on alternative methods of payment and/or financing proposals.

c) The Respondent is required to give full particulars of the terms that will be applicable to its alternative offer(s) and the financial merits thereof will be evaluated and taken into consideration when the Bid is adjudicated.

d) The Respondent must, therefore, in the first instance, tender strictly in accordance with clause 33.1 (a) above. Failure to comply with clause 33.1 (a) above may preclude a Bid from further consideration.

33.2 The successful Supplier/Service Provider may, where applicable, be required to furnish a guarantee covering any advance payments.

33.3 Conditional Discount

Respondents offering prices which are subject to a conditional discount applicable for payment within a specific period are to note that the conditional period will be calculated as from the date of receipt by Palesa Coal of the Supplier/Service Provider's month-end statement reflecting the relevant Tax Invoice(s) for payment purposes, provided the conditions of the order or contract have been fulfilled and the Tax Invoice is correct in all respects as referred to in the contract or order. Incomplete and/or incorrect Tax Invoices shall be returned and the conditional period will be recalculated from the date of receipt of the correct documentation.

34 CONTRACT QUANTITIES AND DELIVERY REQUIREMENTS

34.1 Contract Quantities

a) It must be clearly understood that although Palesa Coal does not bind itself to purchase a definitive quantity under any contract which may be entered into pursuant to this Bid, the successful Respondent nevertheless undertakes to supply against the contract such quantities as may be ordered against the contract, which orders are posted or delivered by hand or transmitted electronically on or before the expiry date of such contract.

b) It is furthermore a condition that Palesa Coal will not accept liability for any material/stocks specially ordered or carried by the Respondent with a view to meeting the requirements under any such contract.

c) The estimated planned quantities likely to be ordered by Palesa Coal per annum are furnished in relevant section of the Bid Documents. For avoidance of doubt the estimated quantities are estimates and Palesa Coal reserves the right to order only those quantities sufficient for its operational requirements.

34.2 Delivery Period

a) Period Contracts and Fixed Quantity Requirements

It will be a condition of any resulting contract/order that the delivery period embodied therein will be governed by the provisions of the Terms and Conditions of Contract.

b) Progress Reports

The Supplier/Service Provider may be required to submit periodical progress reports with regard to the delivery of the Goods/Services.

c) Emergency Demands as and when required

If, due to unforeseen circumstances, supplies of the Goods/Services covered by the Bid are required at short notice for immediate delivery, the Supplier/Service Provider will be given first right of refusal for such business. If it is unable to meet the desired critical delivery period, Palesa Coal reserves the right to purchase such supplies as may be required to meet the emergency outside the contract if immediate delivery can be offered from any other source. The Total or Partial Failure to Perform the Scope of Supply section in the Terms and Conditions of Contract will not be applicable in these circumstances.

35 PLANS, DRAWINGS, DIAGRAMS, SPECIFICATIONS AND DOCUMENTS

35.1 Copyright

Copyright in plans, drawings, diagrams, specifications and documents compiled by the Supplier/Service Provider for the purpose of contract work shall be governed by the Intellectual Property Rights section in the Terms and Conditions of Contract.

35.2 Drawings and specifications

In addition to what may be stated in any Bid Document, the Respondent should note that, unless notified to the contrary by Palesa Coal or a designated official by means of an official amendment to the Bid Documents, it is required to tender for Goods/Services strictly in accordance with the drawings and/or specifications supplied by Palesa Coal, notwithstanding that it may be aware that alterations or amendments to such drawings or specifications are contemplated by Palesa Coal.

35.3 Respondent's drawings
Drawings required to be submitted by the Respondent must be furnished before the closing time and date of the Bid. The non-receipt of such drawings by the appointed time may disqualify the Bid.

35.4 Foreign specifications
The Respondent quoting for Goods/Services in accordance with foreign specifications, other than British and American standards, is to submit translated copies of such specifications with the Bid. In the event of any departures or variations between the foreign specification(s) quoted in the Bid Documents, full details regarding such departures or variations must be furnished by the Respondent in a covering letter attached to the Bid. Non-compliance with this condition may result in disqualification.

36 BIDS BY OR ON BEHALF OF FOREIGN RESPONDENTS

36.1 Bids submitted by foreign principals may be forwarded directly by the principals or by its South African representative or agent to the Secretary of the Acquisition Council or to a designated official of Palesa Coal according to whichever officer is specified in the

Bid Documents.

36.2 In the case of a representative or agent, written proof must be submitted to the effect that such representative or agent has been duly authorised to act in that capacity by the principal. Failure to submit such authorisation by the representative or agent shall disqualify the Bid.

36.3 When legally authorised to prepare and submit Bids on behalf of their principals not domiciled in the Republic of South Africa, representatives or agents must compile the Bids in the names of such principals and sign them on behalf of the latter.

36.4 South African representatives or agents of a successful foreign Respondent must when so required enter into a formal contract in the name of their principals and must sign such contract on behalf of the latter. In every such case a legal Power of Attorney from their principals must be furnished to Palesa Coal by the South African representative or agents authorising them to enter into and sign such contract.

a) Such Power of Attorney must comply with Rule 63 (Authentication of documents executed outside the Republic for use within the Republic) of the Uniform Rules of Court: Rules regulating the conduct of the proceedings of the several provincial and local divisions of the Supreme Court of South Africa.

b) The Power of Attorney must be signed by the principal under the same title as used in the Bid Documents.

c) If a Power of Attorney held by the South African representative or agent includes matters of a general nature besides provision for the entering into and signing of a contract with Palesa Coal, a certified copy thereof should be furnished.

d) The Power of Attorney must authorise the South African representative or agent to choose the *domicilium citandi et executandi.*

36.5 If payment is to be made in South Africa, the foreign Supplier/Service Provider [i.e. the principal, or its South African agent or representative], must notify Palesa Coal in writing whether, for payment by electronic funds transfer ("**EFT**"):

a) funds are to be transferred to the credit of the foreign Supplier/Service Provider's account at a bank in South Africa, in which case the name and branch of such bank shall be furnished; or

b) funds are to be transferred to the credit of its South African agent or representative, in which case the name and branch of such bank shall be furnished.

36.6 The attention of the Respondent is directed to clause 27 above (*Securities*) regarding the provision of security for the fulfilment of contracts and orders and the manner and form in which such security is to be furnished.

37 CONFLICT WITH ISSUED RFP DOCUMENT

37.1 Should a conflict arise between these General Bid Conditions and the issued RFP document, the conditions stated in the RFP document shall prevail.

38 DATABASE OF RESTRICTED SUPPLIERS (BLACKLISTING)

38.1 All the stipulations on Palesa Coal's blacklisting process as laid down in Palesa Coal's Supply Chain Policy and Procurement Procedures Manual are included herein by way of reference. Below follows a condensed summary of this blacklisting procedure.

38.2 Blacklisting is a mechanism used to exclude a company/person from future business with Palesa Coal and other organs of state for a specified period. On completion of the blacklisting process, the blacklisted entity's details will be placed on National Treasury's Database of Restricted Suppliers for the specified period of exclusion.

38.3 The decision to blacklist is based on one of the grounds for blacklisting. The standard of proof to commence the blacklisting process is whether a "*prima facie*" (i.e. on the face of it) case has been established.

38.4 Depending on the seriousness of the misconduct and the strategic importance of the Goods/Services, in addition to blacklisting a company/person from future business, Palesa Coal may decide to terminate some or all existing contracts with the company/person as well.

38.5 A Supplier/Service provider or contractor to Palesa Coal may not subcontract any portion of the contract to a blacklisted company.

38.6 Grounds for blacklisting include: If any person/Enterprise which has submitted a Bid, concluded a contract, or, in the capacity of agent or subcontractor, has been associated with such Bid or contract:

a) Has, in bad faith, withdrawn such Bid after the advertised closing date and time for the receipt of Bids;
b) has, after being notified of the acceptance of his Bid, failed or refused to sign a contract when called upon to do so in terms of any condition forming part of the bid documents;
c) has carried out any contract resulting from such bid in an unsatisfactory manner or has breached any condition of the contract;
d) has offered, promised or given a bribe in relation to the obtaining or execution of the contract;
e) has acted in a fraudulent or improper manner or in bad faith towards Palesa Coal or any Government Department or towards any public body, Enterprise or person;
f) has made any incorrect statement in a certificate or other communication with regard to the local content of his Goods or his Broad-Based Black Economic Empowerment ("**B-BBEE**") status and is unable to prove to the satisfaction of Palesa Coal that:

   (i) he made the statement in good faith honestly believing it to be correct; and
   (ii) before making such statement he took all reasonable steps to satisfy himself of its correctness;

g) caused Palesa Coal damage, or to incur costs in order to meet the contractor's requirements and which could not be recovered from the contractor;
h) has litigated against Palesa Coal in bad faith.

38.7 Palesa Coal recognises that trust and good faith are pivotal to its relationship with its Suppliers/Service Providers. When a dispute arises between Palesa Coal and its Supplier/Service Provider, the parties should use their best endeavours to resolve the dispute in an amicable manner, whenever possible. Litigation in bad faith negates the principles of trust and good faith on which commercial relationships are based. Accordingly, Palesa Coal will not do business with a company that litigates against it in bad faith or is involved in any action that reflects bad faith on its part. Litigation in bad faith includes, but is not limited to the following instances:

a) Vexatious proceedings. These are frivolous proceedings which have been

instituted without proper grounds;

b) Perjury. Where a Supplier/Service Provider commits perjury either in giving evidence or on affidavit;

c) Scurrilous allegations. Where a Supplier/Service Provider makes allegations regarding a senior Palesa Coal employee which are without a proper foundation, scandalous, abusive or defamatory.

d) Abuse of court process. When a Supplier/Service Provider abuses the court process in order to gain a competitive advantage during a bid process.

38.8 Where any person or Enterprise has been found guilty by a court of law, tribunal or other administrative body of a serious breach of any law, during the preceding 5 Years, such person/Enterprise may also be blacklisted. Serious breaches of the law would include but are not limited to corruption, fraud, theft, extortion, or contraventions of the Competition Act 89 of 1998 (e.g. collusive tendering). This process excludes minor convictions such as traffic offences or personal disagreements between parties which have no bearing on the business operations of the person or enterprise.

38.9 Grounds for blacklisting include a company/person recorded as being a company or person prohibited from doing business with the public sector on National Treasury's Register of Tender Defaulters.

38.10 Companies associated with the person/s guilty of misconduct (i.e. entities owned, controlled or managed by such persons), any companies subsequently formed by the person(s) guilty of the misconduct and/or an existing company where such person(s) acquires a controlling stake may be considered for blacklisting. The decision to extend the blacklist to associated companies will be at the sole discretion of Palesa Coal.

38.11 Any person or enterprise or company against whom a decision to blacklist has been taken, may make representations to the Chief Financial Officer of Palesa Coal, whose decision shall be final.

39 PROTECTION OF PERSONAL DATA

39.1 Both Parties agree that they may obtain and have access to personal data as a result of the Bid process. The Parties shall at all times ensure that:

a) they process data only for the express purpose for which it was obtained;

b) once processed for the purposes for which it was obtained, all data will be destroyed to an extent that it cannot be reconstructed to its original form;

c) data is provided only to authorised personnel who strictly require the personal data to carry out

the Parties' respective obligations in terms of the Bid process;

d) they do not disclose personal data of the other Party, other than as agreed in clause 39.3 below;

e) they have all reasonable technical and organisational measures in place to protect all personal data from unauthorised access and/or use;

f) they have appropriate technical and organisational measures in place to safeguard the security, integrity and authenticity of all data in its possession or under its control as a result of the Bid process;

g) such personal data is protected against unauthorised or unlawful processing,

accidental loss, destruction or damage, alteration, disclosure or access.

39.2 The Parties agree that if personal data will be processed for additional purposes beyond the original purpose for which it was obtained, explicit consent must be obtained beforehand from those persons whose information will be subject to further processing.

39.3 Should it be necessary for either Party to disclose or otherwise make available the personal data to any third party (including sub-contractors and employees), it may do so only with the prior written permission of the other Party. The Party requiring such permission shall require of all such third parties, appropriate written undertakings to be provided, containing similar terms to that set forth in this clause 39, and dealing with that third party's obligations in respect of its processing of the personal data. Following approval by the other Party, the Party requiring permission agrees that the provisions of this clause 39 shall *mutatis mutandis* apply to all authorised third parties who process personal data.

39.4 The Parties shall ensure that any persons authorised to process data on their behalf (including employees and third parties) will safeguard the security, integrity and authenticity of all data. Where necessary to meet this requirement, the Parties shall keep all personal data and any analyses, profiles, or documents derived therefrom logically separated from all other data and documentation held by it.

39.5 The Parties shall carry out regular assessments to identify all reasonably foreseeable internal and external risks to the personal data in its possession or under its control. The Parties shall implement and maintain appropriate safeguards against the risks which it identifies and shall also regularly verify that the safeguards which it has in place has been effectively implemented.

39.6 The Parties agree that they will promptly return or destroy any personal data in their possession or control which belongs to the other Party once it no longer serves the purpose for which it was collected in relation to the Bid process, subject to any legal retention requirements. This may be at the request of the other Party and includes circumstances where a person has requested the Parties to delete all instances of their personal data. The information will be destroyed in such a manner that it cannot be reconstructed to its original form, linking it to any particular individual or organisation.

39.7 Personal Information security breach: Respondent’s Obligations

a) The Respondent is required to notify the Information Officer of Palesa Coal, in writing as soon as possible after it becomes aware of or suspects any loss, unauthorised access or unlawful use of any personal data and shall, at its own cost, take all necessary remedial steps to mitigate the extent of the loss or compromise of personal data as quickly as is possible. The Respondent shall also be required to provide Palesa Coal with details of the persons affected by the compromise and the nature and extent of the compromise, including details of the identity of the unauthorised person who may have accessed or acquired the personal data.

b) The Respondent shall provide on-going updates on its progress in resolving the compromise at reasonable intervals until such time as the compromise is resolved.

c) Where required, the Respondent may be required to notify the South African Police Service; and/or the State Security Agency and where applicable, the relevant regulator and/or the affected persons of the security breach. Any such notification shall always include sufficient information to allow the persons to take protective measures against the potential consequences of the compromise.

d) The Respondent undertakes to co-operate in any investigation relating to security which is carried out by or on behalf of Palesa Coal including providing any information or material in its possession or control and implementing new security measures.

40 SOCIAL RESPONSIBILITY AND HOST COMMUNITY PROCUREMENT

40.1 Palesa wishes to work with Tenderers who embrace the principle of Social Responsibility and demonstrate corporate social responsibility by taking account of economic, social and environmental factors.

40.2 Bidding Tenderer should demonstrate what corporate social initiative programmes they would undertake. These programmes must be within the Thembisile Hani Local Municipality & Region 7 City of Tshwane (hereinafter referred to as the "**Host Community**") and must be presented and reported to the Procurement Team on an annual basis. Any enterprise and supplier development activities embarked upon and demonstrated by the Tenderer shall be consistent with the requirements of the Broad-Based Black Economic Empowerment Act, 2003 (as amended), aimed at improving the capacity of Host Community businesses.

40.3 The Tenderer shall use its best endeavours to work in partnership with Palesa and/or HCI Resources in order to identify, participate and co-invest in social development projects which shall include enterprise and supplier development programmes, charitable, education, health, skills building and other types of development activity .

40.4 The Tenderer undertakes to commit, to the extent possible, to purchase/procure goods and services required for performance under this Agreement/Order/Contract from the Host Community businesses, focusing on small, micro and medium enterprises ("**SMMEs**"), in order to contribute to economic development of the Host Community. All such goods and services purchased/procured from Host Community businesses must meet all safety, technical capability and delivery requirements as specified by Palesa from time to time.

1. ANNEXURE 9 : SPECIAL CONDITIONS

Not Applicable

ANNEXURE 10: DECLARATION OF TENDERER'S PAST SUPPLY MANAGEMENT PRACTICES

This document shall form part of all bids invited to Palesa Coal Proprietary Limited. It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system. The bid of any tenderer may be disregarded if that tenderer, or any of its directors have:

- abused the institution's supply chain management system;
- committed fraud or any other improper conduct in relation to such system; or
- failed to perform on any previous contract.

Databases and lists can be accessed on the National Treasury website at www.treasury.gov.za

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

No.	Question	Answer
1.	Is the tenderer or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the audi alteram partem rule was applied). The Database of Restricted Suppliers is available on the National Treasury's website.	Yes / No
	If so, furnish particulars below	
2.	Is the tenderer or any of its directors listed on the Register for Tender defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website.	Yes / No

	If so, furnish particulars below	
3.	Was the tenderer or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes / No
	If so, furnish particulars below	
4.	Was any contract between the tenderer and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes / No
	If so, furnish particulars below	

Certification

I, the undersigned **(insert full name)** _____certify that the information furnished on this declaration form is true and correct. I accept that, in addition to cancellation of a contract, action may be taken against me should this declaration prove to be false.

Signature _____
Date_____
Position_____
Name of Tenderer _____

ANNEXURE 11 : NON-DISCLOSURE AGREEMENT

NON-DISCLOSURE AGREEMENT

between

PALESA COAL PROPRIETARY LIMITED

(Registration Number: 2006/019675/07)

a private company duly incorporated and registered in accordance with the laws of South Africa

and

THE TENDERER AS INDICATED IN THE BID DOCUMENT (RFP) HERETO

WHEREBY IT IS AGREED AS FOLLOWS:

1 **INTRODUCTION**

1.1 Palesa and the Tenderer wish to exchange Information as contemplated in clause [insert] and it is envisaged that each Party may from time to time receive Information relating to the other in respect thereof.

1.2 In consideration of each Party making available to the other such Information, the Parties jointly agree that any dealings between them shall be subject to the terms and conditions of this Agreement which themselves will be subject to the parameters of the Bid Document.

2 **INTERPRETATION AND DEFINITIONS**

In this Agreement:

2.1 the headings are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this Agreement nor any clause hereof;

2.2 capitalised terms which are not defined in this Agreement shall bear the meanings assigned to them in this Agreement, unless the context indicates otherwise;

2.3 unless a contrary intention clearly appears, the following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely:

2.3.1 "**Agreement**" means this non-disclosure agreement including any annexures hereto;

2.3.2 "**Agents**" mean directors, officers, employees, agents, professional advisers, contractors or sub- contractors, or any Group member;

2.3.3 "**Bid**" or "**Bid Document**" means Palesa's Request for Proposal ("**RFP**");

2.3.4 "**Confidential Information**" means any information or other data relating to one Party (the "**Disclosing Party**") and/or the business carried on or proposed or intended to be carried on by that Party and which is made available for the

purposes of the Bid to the other Party (the "**Receiving Party**") or its Agents by the Disclosing Party or its Agents or recorded in agreed minutes following oral disclosure and any other information otherwise made available by the Disclosing Party or its Agents to the Receiving Party or its Agents, whether before, on or after the date of this Agreement, and whether in writing or otherwise, including any information, analysis or specifications derived from, containing or reflecting such information but excluding information which:

2.3.4.1 is publicly available at the time of its disclosure or becomes publicly available (other than as a result of disclosure by the Receiving Party or any of its Agent's contrary to the terms of this Agreement); or

2.3.4.2 was lawfully in the possession of the Receiving Party or its Agents (as can be demonstrated by its written records or other reasonable evidence) free of any restriction as to its use or disclosure prior to its being so disclosed; or

2.3.4.3 following such disclosure, becomes available to the Receiving Party or its Agents (as can be demonstrated by its written records or other reasonable evidence) from a source other than the Disclosing Party or its Agents, which source is not bound by any duty of confidentiality owed, directly or indirectly, to the Disclosing Party in relation to such information;

2.3.5 "**Group**" means any subsidiary, any holding company and any subsidiary of any holding company of either Party, if any;

2.3.6 "**Information**" means all information in whatever form including, without limitation, any information relating to systems, operations, plans, intentions, market opportunities, know-how, trade secrets and business affairs whether in writing, conveyed orally or by machine-readable medium;

2.3.7 "**Palesa**" means Palesa Coal Proprietary Limited (Registration No. 2006/019675/07);

2.3.8 "**Parties**" shall mean Palesa Coal and the Tenderer and "**Party**" shall mean either one of them as the context may indicate; and

2.3.9 "**Tenderer**" means the person indicated in the Bid Document.

3 CONFIDENTIAL INFORMATION

3.1 All Confidential Information given by the Disclosing Party to the Receiving Party will be treated by the Receiving Party as secret and confidential and will not, without the Disclosing Party's written consent, directly or indirectly communicate or disclose (whether in writing or orally or in any other manner) Confidential Information to any other person other than in accordance with the terms of this Agreement.

3.2 The Receiving Party will only use the Confidential Information for the sole purpose of technical and commercial discussions between the Parties in relation to the Bid or for the subsequent performance of any contract between the Parties in relation to the Bid.

3.3 Notwithstanding clause 3.1 above, the Receiving Party may disclose Confidential Information:

3.3.1 to those of its Agents who strictly need to know the Confidential Information for the sole purpose set out in clause 3.2 above, provided that the Receiving Party shall ensure that such Agents are made aware prior to the disclosure of any part of the Confidential Information that the same is confidential and that they owe a duty of confidence to the Disclosing Party. The Receiving Party shall at all times remain liable for any actions of such Agents that would constitute a breach of this Agreement; or

3.3.2 to the extent required by law or the rules of any applicable regulatory authority, subject to clause 3.4 below.

3.4 In the event that the Receiving Party is required to disclose any Confidential Information in accordance with clause 3.3.2 above, it shall promptly notify the Disclosing Party and cooperate with the Disclosing Party regarding the form, nature, content and purpose of such disclosure or any action which the Disclosing Party may reasonably take to challenge the validity of such requirement.

3.5 In the event that any Confidential Information shall be copied, disclosed or used otherwise than as permitted under this Agreement then, upon becoming aware of

the same, without prejudice to any rights or remedies of the Disclosing Party, the Receiving Party shall as soon as practicable notify the Disclosing Party of such event and if requested take such steps [including the institution of legal proceedings] as shall be necessary to remedy [if capable of remedy] the default and/or to prevent further unauthorised copying, disclosure or use.

3.6 All Confidential Information shall remain the property of the Disclosing Party and its disclosure shall not confer on the Receiving Party any rights, including intellectual property rights over the Confidential Information whatsoever, beyond those contained in this Agreement.

4 RECORDS AND RETURN OF INFORMATION

4.1 The Receiving Party agrees to ensure proper and secure storage of all Information and any copies thereof.

4.2 The Receiving Party shall keep a written record, to be supplied to the Disclosing Party upon request, of the Confidential Information provided and any copies made thereof and, so far as is reasonably practicable, of the location of such Confidential Information and any copies thereof.

4.3 The Tenderer shall, within 7 (seven) days of receipt of a written demand from Palesa:

4.3.1 return all written Confidential Information including any and all copies; and

4.3.2 expunge or destroy any Confidential Information from any computer, word processor or other device whatsoever into which it was copied, read or programmed by the Tenderer or on its behalf.

4.4 The Tenderer shall on request supply a certificate signed by a director as to its full compliance with the requirements of clause 4.3.2 above.

5 ANNOUNCEMENTS

5.1 Neither Party will make or permit to be made any announcement or disclosure of its prospective interest in the Bid without the prior written consent of the other Party.

5.2 Neither Party shall make use of the other Party's name, or any information acquired through its dealings with the other Party for publicity or marketing purposes without the prior written consent of the other Party.

6 DURATION

6.1 The obligations of each Party and its Agents under this Agreement shall survive the termination of any discussions or negotiations between the Parties regarding the Bid and continue thereafter for a period of 5 (five) years.

7 PRINCIPAL

7.1 Each Party confirms that it is acting as principal and not as nominee, agent or broker for any other person and that it will be responsible for any costs incurred by it or its advisers in considering or pursuing the Bid and in complying with the terms of this Agreement.

8 ADEQUACY OF DAMAGES

8.1 Nothing contained in this Agreement shall be construed as prohibiting the Disclosing Party from pursuing any other remedies available to it, either at law or in equity, for any such threatened or actual breach of this Agreement, including specific performance, recovery of damages or otherwise.

9 PRIVACY AND DATA PROTECTION

9.1 The Receiving Party undertakes to comply with South Africa's general privacy protection in terms Section 14 of the Bill of Rights and the Protection of Personal Information Act, 2013 in connection with this Bid and shall procure that its personnel and/or Agents shall observe the provisions of such legislation or any amendments and re-enactments thereof and any regulations made pursuant thereto.

9.2 The Receiving Party warrants that it and its Agents have the appropriate technical and organisational measures in place against unauthorised or unlawful processing of data relating to the Bid and against accidental loss or destruction of, or damage to such data held or processed by them.

10 BREACH

10.1 Save as specifically provided for in this Agreement, should a Party (the "**Defaulting Party**") commit a breach of any provision of this Agreement and fail to remedy such breach within 7 (seven) days of receiving written notice from another Party (the "**Aggrieved Party**") requiring the Defaulting Party to do so, the Aggrieved Party shall be entitled, at its option, to claim immediate specific performance by the Defaulting Party of the obligations which it has breached, with or without claiming damages.

10.2 Each of the Parties acknowledges that it may be difficult or even impossible to measure in money, the damages that will arise from the failure of any Party to perform any of its obligations under this Agreement. Bearing in mind that cancellation is not a remedy available under this Agreement, the Parties agree that it shall be competent for any Party to bring an action for specific performance of the provisions of this Agreement as contemplated in clause 10.1 and the Parties waive their rights to claim or raise as a defence, that an alternative adequate remedy exists at law.

11 ARBITRATION

11.1 Save in respect of those provisions of this Agreement which provide for their own dispute resolution procedures by an expert, any dispute which arises between the Parties in connection with –

11.1.1 the formation or existence of;

11.1.2 the implementation of;

11.1.3 the interpretation or application of the provisions of;

11.1.4 the Parties' respective rights and obligations in terms of or arising out of, or the breach or termination of;

11.1.5 the validity, enforceability, rectification, termination or cancellation, whether in whole or in part of;

11.1.6 any documents furnished by the Parties pursuant to the provisions of,

this Agreement or which relates in any way to any matter affecting the interests of the Parties in terms of this Agreement, that dispute shall be referred to arbitration on written notice by any Party to the other Parties.

11.2 The dispute shall be determined by an arbitral tribunal ("**Tribunal**") appointed by agreement between the Parties in writing or, failing agreement within 5 (five) days from the request for such agreement, by the Association of Arbitrators (Southern Africa) NPC ("**AOA**") on application by any of the Parties

11.3 The referral to arbitration, the appointment of the Tribunal, the conduct of the arbitral proceedings, the law applicable to the arbitration, the juridical seat and the place of the arbitration and, without limitation, all things relating to or arising from any of the aforesaid shall be governed by the Standard Procedure Rules for the Conduct of Arbitrations of the AOA, current at the time of the appointment of the Tribunal ("**Rules**").

11.4 If the AOA no longer exists then the arbitrator shall be appointed by the President for the time being of the Legal Practice Council and shall be conducted in accordance with the Arbitration Act 42 of 1965.

11.5 Unless otherwise agreed in writing by the Parties, each Party expressly consents to:

11.5.1 any arbitration in terms of the Rules being conducted as a matter of urgency;

11.5.2 the seat, or legal place, of the arbitration to be Johannesburg, South Africa; and

11.5.3 the arbitration being conducted in secret and in English.

11.6 This clause shall not preclude any Party from approaching any court of competent jurisdiction for an interdict or any urgent relief prior to the constitution of the Tribunal and/or pending the outcome of the arbitration and/or for the purpose of enforcing the arbitration decision.

11.7 For the purposes of clause 11.6 and for the purposes of having any award made by the arbitrator being made an order of court, each of the Parties hereby submits itself to the non-exclusive jurisdiction of the High Court of South Africa, Gauteng Local Division, Johannesburg (or the successor to that court).

11.8 This clause 11 is severable from the other provisions of this Agreement and shall remain in full force and effect notwithstanding any termination, cancellation, invalidity, unenforceability or unlawfulness of this Agreement, or any part thereof.

11.9 The Parties agree to keep the arbitration including the subject-matter of the arbitration and the evidence heard during the arbitration confidential and not to disclose it to anyone except for purposes of an order to be made in terms of clause 11.7.

11.10 The provisions of this clause –

11.10.1 constitute an irrevocable consent by the Parties to any proceedings in terms hereof and no Party shall be entitled to withdraw therefrom or claim at any such proceedings that it is not bound by such provisions; and

11.10.2 are severable from the rest of this Agreement and shall remain in effect despite the invalidity for any reason of this Agreement.

12 NOTICES AND DOMICILIA

12.1 The Parties choose as their *domicilia citandi et executandi* for all purposes in terms of this Agreement, whether in respect of court process, notices or other documents or communications of whatsoever nature, the following addresses:

12.1.1 **Palesa:**

Physical: Gallagher House, 19 Richards Drive, Level 3- West Wing, Midrand, 1685

Postal: P O Box 1839, Halfway House, 1685

Tel: +2711 448 4900

Email: procurement@hciresources.co.za

12.1.2 **The Tenderer:** As reflected in the Bid Document.

12.2 Any notice or communication required or permitted to be given in terms of this Agreement shall be valid and effective only if in writing, but it shall be competent to give notice by email.

12.3 Either Party may by notice to the other Party change the physical address chosen as its *domicilium citandi et executandi* to another physical address where postal delivery occurs in the Republic of South Africa or its postal address, provided that the change shall become effective on the 5th (fifth) Business Day from the deemed receipt of the notice by the other Party.

12.4 Any notice to a Party:

12.4.1 sent by prepaid registered post in a correctly addressed envelope to it at an address chosen as its *domicilium citandi et executandi* to which post is delivered shall be deemed to have been received on the 5th (fifth) Business Day after posting (unless the contrary is proved);

12.4.2 delivered by hand to a responsible person during ordinary business hours at the physical address chosen as its *domicilium citandi et executandi* shall be deemed to have been received on the day of delivery;

12.4.3 sent by email to its chosen email address stipulated in clause 12.1, shall be deemed to have been received on the date of despatch (unless the contrary is proved).

12.5 Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a Party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen *domicilium citandi et executandi*.

13 SOUTH AFRICAN LAW

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

14 WHOLE AGREEMENT, NO AMENDMENT

14.1 This Agreement constitute the whole agreement between the Parties concerning

their subject matter.

14.2 No amendment or consensual cancellation of this Agreement or any provision or term thereof or of any agreement or other document issued or executed pursuant to or in terms of this Agreement and no extension of time, waiver or relaxation or suspension of any of the provisions or terms of this Agreement or of any agreement or other document issued pursuant to or in terms of this Agreement shall be binding unless recorded in a written document signed by the Parties. Any such extension, waiver or relaxation or suspension which is so given or made shall be strictly construed as relating strictly to the matter in respect whereof it was made or given.

14.3 No extension of time or waiver or relaxation of any of the provisions or terms of this Agreement or any agreement or other document issued or executed pursuant to or in terms of this Agreement, shall operate as an estoppel against any Party in respect of its rights under this Agreement, nor shall it operate so as to preclude such Party (save as to any extension, waiver or relaxation actually given) thereafter from exercising its rights strictly in accordance with this Agreement.

15 GENERAL PROVISIONS

15.1 No relaxation, indulgence or extension of time granted by Palesa to the Tenderer shall be construed as a waiver of any of Palesa's rights in terms hereof, or a novation of any of the terms of this Agreement or estop Palesa from enforcing strict and punctual compliance with the terms of this Agreement.

15.2 All the provisions of this Agreement shall be severable and no provision shall be affected by the invalidity of any other provisions of this Agreement.

15.3 Neither Party may assign the benefit of this Agreement, or any interest hereunder, except with the prior written consent of the other, save that Palesa may assign this Agreement at any time to any member of the Palesa Group.

15.4 Nothing in this Agreement shall constitute the creation of a partnership, joint venture or agency between the Parties.

16 **COUNTERPARTS**

16.1 This Agreement may be executed in one or more counterparts, which together shall constitute one and the same instrument.

17 **COSTS**

17.1 Each Party shall pay its own legal costs in respect of the negotiation, preparation and drafting of this Agreement and all attendances in connection therewith.

_____	_____
For and on behalf of: **PALESA COAL PROPRIETAY LIMITED**	For and on behalf of: **TENDERER**
Name: _____	Name: _____
Date: _____	Date: _____
Office: _____	Office: _____
(who warrants his authority)	(who warrants his authority)