

CONTRACT DATA

**A contract between
SENTECH, Sender Technology Park, Radiokop, Octave Road, Honeydew,
and**

**for the
Appointment of Service Provider to Pricing Model for SENTECH's Products and
Services.**

Bid Number: SENT/040/2020-21

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PART C1: AGREEMENTS AND CONTRACT DATA –

Form of Offer and Acceptance

Offer

Sentech, identified in the acceptance signature block, has solicited offers to enter into a contract for the **Development a Pricing Model for SENTECH products and services**

The Bidder, identified in the offer signature block, has examined the documents listed in the Tender Data and addenda thereto as listed in the Bid schedules, and by submitting this offer has accepted the conditions of the Bid.

By the representative of the Bidder, deemed to be duly authorized, signing this part of this form of offer and acceptance, the Bidder offers to perform all of the obligations and liabilities of the Bidder under the Contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the conditions of contract identified in the Contract Data.

THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF APPLICABLE TAXES; (in the Bids applicable currency).

_____ (amount in words);
_____ (amount in figures)

NB: The Prices quoted above is the total Bid offer inclusive of all applicable taxes for the Contract duration. The price must be carried over from the price breakdown / schedule of rates provided in the Bid document.

This offer may be accepted by Sentech by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the Bidder before the end of the period of validity stated in the Tender Data, whereupon the Bidder becomes the party named as the Bidder in the conditions of contract identified in the Contract Data.

Bidder's Signature(s) _____

Signed by the Bidder at _____ on this the _____ day of _____ 20 _____

Name(s) _____

Capacity _____

Address (*Domicillium*)

Acceptance

By signing this part of this form of offer and acceptance, Sentech accepts the Bidder's offer. In consideration thereof, Sentech shall pay the Bidder the amount due in accordance with the conditions of contract identified in the Contract Data. Acceptance of the Bidder's offer by the signature by Sentech shall form an agreement between Sentech and the Bidder upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

- Part C1 Agreements and contract data, (which includes this agreement)
- Part C2 Pricing data
- Part C3 Scope of work.

and drawings and documents or parts thereof, which may be incorporated by reference into Parts C1 to C3 above.

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

Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the Bidder receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the Bidder within five working days of the date of such receipt notifies Sentech in writing of any reason why it cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

Sentech's Signature(s) _____

Signed by Sentech at _____ **on this the** _____ **day of** _____ **20** _____

Name(s) _____

Designation _____

SENTECH SOC LIMITED,

Sender Technology Park
Octave Road
Radiokop
Honeydew
Johannesburg

Date _____

Upon acceptance by Sentech of the Bidder's offer, a contract will come into existence.

SCHEDULE OF DEVIATIONS

Notes:

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

1. **Subject** _____

Details _____

2. **Subject** _____

Details _____

3. **Subject** _____

Details _____

4. **Subject** _____

Details _____

By the duly authorised representatives signing this schedule of deviations, Sentech and the Bidder agree to and accept the foregoing schedule of deviations as the only deviations from and amendments to the documents listed in the Tender Data and addenda thereto as listed in the Bid schedules, as well as any confirmation, clarification or changes to the terms of the offer agreed by the Bidder and Sentech during this process of offer and acceptance.

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

Contract Data

Part one - Data provided by Sentech given in all contracts

1. The Purchaser is

SENTECH SOC LIMITED,
Sender Technology Park
Octave Road
Radiokop
Honeydew
Johannesburg

2. General

The National Treasury General Conditions of Contract for goods and services (NT GCC, 2010) or General Conditions of Contract for Works (2015) as issued by National Treasury and the Construction Industry Development Board of the Republic of South Africa apply, respectively.

The goods are specified in the Scope of Work. The Special Conditions of Contract (SCC) are stipulated in the Tender Data.

3. Goods information:

The *Goods Information* is in the document called "Scope of Work" and in the documents and drawings referred to by it.

4. Terms of Delivery

The *Terms of Delivery* are contained in the General Conditions of Contract (GCC) and Special Conditions of Contract.

5. Language

The *language* of this contract is English.

6. Governing Laws and Jurisdiction

The Contract shall be governed by and interpreted according to the laws of the Republic of South Africa.

In the event of a conflict between or inconsistency in the laws applicable in the various provinces of the Republic of South Africa, the law as applied and interpreted in the Gauteng Province shall prevail.

The parties irrevocably submit to the exclusive jurisdiction of the South Gauteng High Court, Johannesburg in respect of any action or proceeding arising from this Bid.

This Bid and all contracts emanating there from will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999). The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the SCC are in conflict with the GCC, the SCC shall prevail.

7. Sub-contracting post award

A Bidder awarded a Bid may only enter into a subcontracting arrangement with the approval of Sentech. The successful bidder may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the Bidder concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

8. Transformation Plan

A transformation plan is a record of activities an entity intends to undertake to improve its BBBEE Level through Ownership, Management and Control; Skills Development; Enterprise and Supplier Development and Socio-Economic Development.

Sentech reserves the right to request a BBBEE transformation plan with clearly defined timelines and milestones if the recommended bidder does not meet Sentech's transformation goals. These milestones must be achieved over the term of the contract. This transformation plan shall be submitted within 10 working days from the written request, failing which Sentech reserves the right to withdraw its appointment of the preferred recommended Bidder.

9. Warranty

The warranty period is 12 months after Delivery.

10. Payment

The method and conditions of payment are contained in the Tender Data, GCC and SCC.

The interest on late payment is 0 % per complete week of delay.

11. Currency

South African registered businesses that purchase equipment overseas and quote in foreign currency will be required to provide Sentech a 6-month forward cover contract on appointment. The 6 months forward cover will be re-negotiated and renewed every 6 months should the contract term on this tender be longer than 6 months.

12. General - Prices

Unless approval has been obtained from Sentech, no adjustment in contract prices will be made.

Applications for price adjustment must be accompanied by documentary evidence in support of any adjustment.

13. Price Negotiations

Sentech reserves the right to negotiate market related prices. If market-related prices are not agreed to, Sentech reserves the right to cancel the Bid / Contract

14. Liabilities indemnities and insurance

Insurance is required from the Bidder in respect of delivery and transportation where applicable.

15. Disputes

Should any dispute, disagreement or claim arise between the parties ("the dispute") concerning this Agreement, the parties shall try to resolve the dispute by negotiation. This entails one party inviting the other party to meet and attempt to resolve the dispute within fourteen (14) days from the date of the written invitation.

If the dispute has not been resolved by such negotiation as referred to in this clause above, the Parties shall submit the dispute to the Arbitration Foundation of Southern Africa ("AFSA") for administered mediation, upon the terms set out by the AFSA secretariat.

Failing such resolution, the dispute shall be resolved by arbitration in accordance with the rules and procedures of AFSA by an arbitrator appointed by AFSA. Where the arbitration route is followed, the dispute must be adjudicated within Johannesburg in the English language and finally resolved in accordance with the rules of AFSA, by an arbitrator or arbitrators appointed by that Foundation.

The provisions of this clause shall not preclude any party from obtaining relief from a Court of competent jurisdiction. To this extent, the Parties hereby consent to the jurisdiction of the South Gauteng High Court, Johannesburg, South Africa. The provisions of this clause shall continue to be binding on the Parties, notwithstanding any termination or cancellation of this Agreement.

16. Termination

Sentech shall have the right, at its sole and exclusive discretion, upon written notice to the Bidder, to terminate this Agreement, in whole or in part should the Bidder fail to perform any of its obligations or deliver any deliverable timeously or should Sentech not be satisfied with the quality of any service/s in terms of this Agreement, to the satisfaction of Sentech.

Sentech shall furthermore have the right, as a result of such termination, to appoint a third party to perform the obligations of the Bidder in terms of the Agreement and the Bidder indemnifies Sentech against all costs incurred by Sentech in appointing such third party to fulfil the obligations of the Bidder.

Sentech shall have the right, at its sole and exclusive discretion, to terminate this Agreement, at any time, upon 30 (thirty) days' written notice to the Bidder.

17. Contract Term

SENTECH require a fully integrated Customer Service Management application which will be required in phases as and when additional services will be required. The term of the contract will be based a once off project

18. Supplier Due Diligence

Sentech reserves the right to conduct supplier due diligence at any time pre, during and post the contract period. This may include announced or unannounced site visits.

Sentech's Representative is

Name: Mr Zunaid Adams

Address: **SENTECH SOC LIMITED,**
Sender Technology Park
Octave Road
Radiokop
Honeydew
Johannesburg

Tel No. 0114714400

Email: adamsz@sentech.co.za

Sentech's Representative is the Executive: Legal and Regulatory.

14. Delay damages

As stipulated in the Special Conditions of Contract.

Contract Data

Part two - Data provided by the Bidder

Statements given in all contracts

The Bidder is:

Name _____

Address _____

a company / close corporation / partnership duly incorporated in accordance with the laws of the Republic of South Africa.

PART C2: PRICING DATA
Price List

Column A	Column B	Column C
DESCRIPTION		Completion of each phase (Lead time)
Pricing Model development		
Benchmarking		

PART C3: SCOPE OF WORK

3.1 CONTENT OF TENDER PROPOSAL

The proposal should include:

- 3.1.1 All relevant perceived strengths and weaknesses of the firm tendering for the services, e.g. similar previous experience, in-house skills, regulatory framework, providing information which will assist Sentech to assess its capabilities, capacity, skills, expertise, competitive advantage, etc.
- 3.1.2 A summary of the tenderer's business history, mission and vision statement, values and long-term strategic objectives.
- 3.1.3 A proposed project plan of action to achieve the objectives of the Project. Such plan should cover short and medium steps to manage the Project and demonstrate how it intends to show its value add.
- 3.1.4 The advantages that would accrue to Sentech as a result of outsourcing to yourselves as the service provider.
- 3.1.5 Presenting a structure that outlines how the services will be provided including an overall approach and specific methodology.
- 3.1.6 Presenting details of the methodologies to be applied.
- 3.1.7 A list of five (5) references of previous and current project appointments where a comprehensive and seamless approach was used.
- 3.1.8 An organogram or list of partners, managers, specialist and assistants together with curriculum vitae of the staff who will be available for the duration of the work. Any possible staff changes during the course of the Project must be done in consultation and with the approval of Sentech.
- 3.1.9 Details of staff training and development policies and procedures, with specific reference mention of affirmative action policies.
- 3.1.10 A breakdown of the hourly tariff, inclusive of VAT, but exclusive of disbursements for services rendered.
- 3.1.11 In so far as is possible, a comprehensive budget, indicating the service activities proposed, with charge out rates and budgeted activity, detailing all assumptions made in arriving at a proposed budget, including all disbursement costs. Preference will be given to firms (Tenderer) who show ingenuity in conducting work.
- 3.1.12 How the service provider proposes to provide governance and risk management assistance to Sentech.
- 3.1.13 Provide a specimen service level agreement, which will be entered into.
- 3.1.14 In so far as is possible, provide an overview of the methodology to be applied.

3.2 SCOPE OF THE PROJECT

The change in landscape that SENTECH as an organisation finds its self in has become imperative that SENTECH reviews its current cost structure and service fees to be in line with the market in which it operates in . SENTECH needs to review its current tariff model to ensure that it conforms to International best practice and remain competitive.

3.2.1 In assisting Sentech with the tariff model review the following criteria need to be addressed by the respondent:

3.2.1.1 Establishment of a tariff model that will be based on International best practice. This will have to be demonstrated by the respondent for the following services:

- 3.2.1.1.1 Television (DTT) Pricing Model
- 3.2.1.1.2 Radio (FM and DAB) Pricing Model
- 3.2.1.1.3 Streaming (Pricing Model)
- 3.2.1.1.4 Direct-to-Home Satellite (Pricing Model)
- 3.2.1.1.5 Facilities Leasing (Pricing Model)
- 3.2.1.1.6 Broadband Services (Pricing Model)

3.2.1.2 Due consideration to be taken with regard to

- 3.2.1.2.1 Sentech's tariff philosophy based on the common carrier obligations in the Content and Multimedia business offerings.
- 3.2.1.2.2 SENTECH's fixed wireless tariff as there is no standard tariff for example 10Mbps, standard tariffs are required to enable quicker turn around for the sales team
- 3.2.1.2.3 Understanding of the competitive landscape within the broadband market.

3.2.1.3 Due consideration be given to capital costs, both new as well as historical.

3.2.1.4 Evaluate Sentech's current tariff models.

3.2.1.5 Respondent to demonstrate experience in setting up and modelling tariff structures.

3.2.1.6 Inputs to the tariff model must be auditable / measurable.

3.2.1.7 Occupancy/vacancy factors must be taken into account.

3.2.2 The tariff model should also take into consideration all regulations and advise on how to best incorporate the requirements of the regulations into the proposed tariff model.

3.2 OBJECTIVES

3.2.1 To propose ways of establishing all the above in the shortest possible time and which has to be quantified.

3.2.2 To review Sentech's current products and services tariff models and where necessary, recommend improvements.

3.2.3 To create a tariff model and develop mechanisms that will assist with the implementation and maintenance of the model.

3.2.4 To assist in validating information provided by the business units for accuracy and reliability, and to ensure overall integrity of the tariff model.

3.3 EXPECTED OUTPUTS / DELIVERABLES

It is expected to produce the following outputs / deliverables as a minimum:

3.3.1 A report, which details the approach and work of the consultants in the implementation of their services.

3.3.2 Program of works.

3.3.3 All related documentation including Excel spreadsheets, Word Documents as well as a Power Point presentation of the new Sentech tariff model as well as the evaluation of the current tariff model.

3.3.4 Thorough costing analysis and assumptions and economic indicators must be defined, and it must be possible to adjust tariffs by changing any of the assumptions.

3.3.5 Timeframes will be agreed upon between Sentech and the successful Consultant (s).

3.4 SPECIFICATION OF SKILLS REQUIRED

3.4.1 Sentech requires that the Consultant have a sound understanding of internal audit methodologies and techniques and have practical experience on similar projects.

3.4.2 It will be required for the person (Director/Partner) leading the project must have personally implemented the same or a substantially similar function previously.

3.4.3 The successful bidder will be required to have an Economist and Chartered Accountant on the team working on this project with an understanding of business modelling.

3.4.4 Understanding of ICT / Technology Media Telecommunications (TMT) type product and services costing

3.4.5 Understanding of Telecommunications type product and services costing including not limited to fixed wireless, VSAT, TVWS and 5G.

3.4.6 Understanding of Telecommunications Layer 3 products and services including not limited to Internet, VoIP, 4IR technologies