



WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITYTENDER NO: WMM LM 27/10/21/01 PIS

**BID DESCRIPTION: PROVISION OF INSURANCE SERVICES (60 MONTHS)  
NOVEMBER 2021**

ISSUED BY: SUPPLY CHAIN MANAGEMENT OFFICE

WINNIE MADIKIZELA MANDELA MUNICIPALITY

PO BOX 12, MBIZANA,

4800.

NAME OF TENDERER	
ADDRESS	
TELEPHONE NUMBER	
TOTAL BID PRICE	
CSD NUMBER	

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**PLEASE NOTE:**

- Each page of the tender document and schedules thereto must be initialled by the relevant authorized person in order for the document to constitute a proper contract between the Municipality and the Tenderer.
- On acceptance of the tender by the Municipality, the forms and schedules attached hereto shall be deemed to be the Conditions of Contract between the parties.
- Failure to complete all blank or not applicable spaces in the forms and attend to the other details mentioned therein may render the tender not responsive.

**(1) DETAILS OF A BIDDER**

COMPANY FULL NAME	
COMPANY/ENTERPRISE REGISTRATION NO. OR IDNO.	
POSTAL ADDRESS	
PHYSICAL ADDRESS	
TELEPHONE NO.	
CELL NO. OF CONTACTPERSON	
FAX NO.	
E-MAIL ADDRESS	
CONTACT PERSON	
VAT REGISTRATION NO	



## (2) ADVERT

Bid proposals are hereby invited from suitably qualified and accredited service providers who are interested in the below listed projects

Bid documents can be downloaded from e-tender portal website. ([www.etenders.gov.za](http://www.etenders.gov.za)) or Winnie Madikizela-Mandela Local Municipality Website (<https://www.winniemmlm.gov.za/tenders/>)

Project Name

1. Provision of Insurance Services (60 Months)

Bid Number

WMM LM 27/10/21/01 PIS

Bids should score a minimum of 70% for functionality in order to be considered for further evaluation.

The bids will be evaluated on the 80/20 preferential points system

Failure to submit the following fully completed document(s) will render the bid null and void:

- CIPC Registration Documents, Certified ID Copy(ies) of Director(s) (not older than 6 months),
- Valid Tax Clearance PIN provided by SARS
- Bid documents MBD1, MBD4, MBD6.1, MBD 8 and MDB 9
- Billing Clearance Certificate or Statement of Municipal Accounts confirming that no undisputed municipal accounts are overdue by more than 30 days and letter signed by the bidder declaring that all accounts have been disclosed and no account is more than 30 Days in arrears
- A Valid BBBEE certificate (SANAS accredited) or original affidavit
- In case of a joint venture, an original valid Tax Compliance Document of both partners should be submitted as well as a signed agreement by both parties clearly indicating the lead partner

NB: All attached documents will be subject to confirmation and No Bidder will be accepted if not registered on central supplier database (CSD).

Published on the 15<sup>th</sup> November 2021

Closing date: All tenders must be emailed to [tenders.scm@mbizana.gov.za](mailto:tenders.scm@mbizana.gov.za) by no later than 15<sup>th</sup> December 2021 at 12h00 after which they will be opened. All tenders must have a subject

No late, incomplete or facsimile bids will be accepted for consideration. The only or lowest bid received shall not necessarily be accepted. Winnie Madikizela- Mandela Local Municipality reserves the right to accept part or full bid

- Technical enquiries, please contact to Mr. S. Mbusi, Manager; Assets and Stores 039 251 0230 or email to [mbusis@mbizana.gov.za](mailto:mbusis@mbizana.gov.za).
- Supply Chain Management related enquiries, please contact Mr. Z. Khala at (039) 2510230, Ext. 2113, email: [khalaz@mbizana.gov.za](mailto:khalaz@mbizana.gov.za) during working hours

.....  
Mr. L. Mahlaka  
MUNICIPAL MANAGER

### (3) INVITATION TO BID

#### MBD1 PART A: INVITATION TO BID

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)**

BID NUMBER: WMMLM 27/10/21/01 PIS CLOSING DATE: 15 December 2021 CLOSING TIME: 12h00

DESCRIPTION Provision of Insurance for 60 Months

**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).**

BID RESPONSE DOCUMENTS MAY BE EMAILED TO THE FOLLOWING EMAIL ADDRESS:

[tenders.scm@mbizana.gov.za](mailto:tenders.scm@mbizana.gov.za)

#### SUPPLIER INFORMATION

NAME OF BIDDER				
POSTAL ADDRESS				
STREET ADDRESS				
TELEPHONE NUMBER	CODE		NUMBER	
CELLPHONE NUMBER				
FACSIMILE NUMBER	CODE		NUMBER	
E-MAIL ADDRESS				
VAT REGISTRATION NUMBER				
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT		<input type="checkbox"/> Yes <input type="checkbox"/> No

**[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]**

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
SIGNATURE OF BIDDER	.....	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			

#### BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:

DEPARTMENT	BTO
CONTACT PERSON	Zuko Khala
TELEPHONE NUMBER	039 251 0230
FACSIMILE NUMBER	N/A
E-MAIL ADDRESS	<a href="mailto:khalaz@mbizana.gov.za">khalaz@mbizana.gov.za</a>

#### TECHNICAL INFORMATION MAY BE DIRECTED TO:

CONTACT PERSON	Siphosethu Mbusi
TELEPHONE NUMBER	039 251 0230
FACSIMILE NUMBER	N/A
E-MAIL ADDRESS	<a href="mailto:mbusis@mbizana.gov.za">mbusis@mbizana.gov.za</a>

**1. BID SUBMISSION:**

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED– (NOT TO BE RE-TYPED) OR ONLINE**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

**2. TAX COMPLIANCE REQUIREMENTS**

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

**3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO
- 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO
- 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA ☐ YES ☐ NO
- 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO
- 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? ☐ YES ☐ NO

**IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.**

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.  
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

DATE: .....

## (4) EVALUATION CRITERIA

The evaluation of this Bid will be conducted in the following two (2) stages:

### 3.1. Functionality

Bidders must note that a pre-qualification evaluation will be undertaken.

#### Functionality (100)

Proven capacity to develop Provision of Municipal Insurance and Supporting documentation and reference from relevant authorities must be submitted as part of the evaluation process

CRITERIA	WEIGHT
1. Experience	50
2. Expertise	20
3. Methodology	30

The minimum of 70 points for qualifying score in the functionality section must be obtained in order to proceed to the next stage of evaluation

#### EXPERIENCE [50]

- (a) Relevant expertise in the field of provision of municipal insurance of proposed project leader (Provide CV of Project leader and Qualifications) {15}
  - Above 10 years 15
  - 5 to 10 years 12
  - 3 years 9
  - 1-2 years 6
  - 0-1 years 3
- (b) Details of completed/current services by the service provider, including contactable references {15}
- (c) A detailed breakdown of the tender price and the pricing structure for the three-year period. {10}
- (d) Submission of a Client Portfolio, wherein, the tenderer is required to include at least two (2) lowest client profiles and two (2) highest client profiles {10}

#### EXPERTISE [20] (Attach CV's & Certificates)

- (a) Qualifications of key personnel to be involved in the administration and management of the Municipal Insurance (Provide CV and Qualifications) {15}
  - Fello-status/Fellowship (FIISA) 5
  - Associates (AIISA) 4
  - Licentiate (LIISA) 3
  - Membership (MIISA) 2
  - Grade 12 1
- (b) Tenderer must submit Financial Services Board (FSB) License Certificate {5}

#### METHODOLOGY: [30]

Process followed when processing claims from the reporting of the incident, documents required, period of accessing the claim, total turnaround time of the claim and pay-out etc. {30} *(no points will be awarded if the minimum requirements as detailed above are not included in the proposal)*



**NB: (All the above needs comprehensive plan demonstrating methodology to be followed when reporting an incident)**

### **3.2. Preference points systems**

Only those qualifying Bids will be evaluated in terms of the 80/20 preference points systems, where the 80 will be used for price (VAT inclusive) and the 20 for points awarded for B-BBEEE status level of contribution as follows:

#### Points awarded for B-BBEE Status Level of Contribution

<b>B-BBEE Status Level of Contributor</b>	<b>Number of Points</b>
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-Compliant Contributor	0

**NB:** In order to claim for these points, Bidders are required to submit an original and valid B-BBEEE Status level Verification Certificates or certified copies thereof together with their Bids to substantiate their B-BBEEE rating claims.

**(5) CONTRACT FORM (TO BE FILLED IN BY WINNIE MADIKIZELA  
MANDELA MUNICIPALITY)**

**CONTRACT FORM - RENDERING OF SERVICES**

**THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.**

**PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)**

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Filled in task directive/proposal;
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of Bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

**WITNESSES**

1 .....

2 .....

DATE:.....

NAME OF FIRM .....

DATE .....

## CONTRACT FORM - RENDERING OF SERVICES

### PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity as.....  
accept your bid under reference number .....dated.....for the rendering of services indicated hereunder  
and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30  
(thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETI ON DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED AT ..... ON .....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

#### WITNESSES

1 .....

2 .....

DATE:.....

## (6) PRICE SCHEDULE

N.B: Winnie Madikizela Mandela Municipality will only accept firm prices. Non-firm prices (including prices subject to rates of exchange variations) will not be considered.

*Insert Pricing Schedule*

## PART 1 - Conditions of Bid

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### 1. GENERAL REQUIREMENTS

- 1.1 The Council wishes to request a bid for the “**PROVISION OF INSURANCE SERVICES**”
- 1.2 The bidder is required to furnish full details requested on the bid forms. All prices shall be inclusive of Value Added Tax.
- 1.3 The bidder is requested to furnish all relevant information not entertained on the form of bids under separate cover which shall form part of the bid.

### 2. CONTACT PERSON FOR TECHNICAL QUERIES

Name	:	Mr. S. Mbusi
Telephone	:	039 251 0230
Email	:	<a href="mailto:mbusis@mbizana.gov.za">mbusis@mbizana.gov.za</a>

### 3. TERMS AND CONDITIONS

#### 3.1 Confidentiality

All materials, specifications, service level requirements detailed information and everything else supplied with this request for the bid remains the property of the Winnie Madikizela-Mandela LM and may be recalled if deemed necessary.

#### 3.2 Contractual obligations

The request for bid does not constitute a contract nor does it create an obligation on the part of the Winnie Madikizela-Mandela LM to purchase services, products or equipment from any vendor submitting a bid.

#### 3.3 Response to Questions

Where appropriate, questions should be answered explicitly by providing specific details requested.

Bidders selecting to omit any of the required information or who do not follow the specified format will be disqualified from the bid process. Should additional information be required by Winnie Madikizela-Mandela LM, bidders may be approached to provide more details, including aspects not specifically covered in this request for bids.

Please ensure that the documentation required is completed in full and signed.

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## (7) SPECIFICATION

### **PART 2 – TERMS OF REFERENCE (BID SPECIFICATIONS)**

#### **PROVISION OF INSURANCE SERVICES**

#### **4. SCOPE**

The purpose of this document is to invite proposals from service providers who can provide a reasonable but competitive risk cover in the form of a concise, readable explanation of various insurance covers. The proposed insurance covers must assist WINNIE MADIKIZELA-MANDELA Local Municipality in handling and managing the various risk exposures.

#### **5. BIDDERS RESPONSE**

The service provider must submit a proposal on the implementation requirements to provide the Municipality with Insurance Services set out below and provide details of:

- a) the time frames required, insurance schedule and programme for implementation of the required insurance services,
- b) any additional software (and its costs to the Municipality, if applicable) that the Municipality must supply in order to properly manage the municipal profile and therefore ultimately minimize the risk for the municipality, and
- c) training requirements (and its costs to the Municipality, if applicable) for the Municipality's personnel in order to fully adhere to the proposed insurer and the underwriter's requirements thereof.

#### **6. STATISTICAL INFORMATION**

The approximate aggregated volumes and values of the Municipality's Asset and public liability as at **30 October 2021** are available on request from the municipality. Find the attached annexure A and B for a detailed summary.

#### **7. SCOPE AND DELIVERABLES**

In relation to the insurance cover the bidder is expected to address the following but not limited to the topics covered in these terms of reference.

##### **7.1. Risk Areas**

The service provider will be expected to address the following risk areas and, also, provide reliable information on the following:

- (a) **Office contents** - Comprehensive cover for our furniture and fittings
- (b) **Business All Risk** - Comprehensive cover of assets as per the Municipal Fixed Asset Register (FAR)
- (c) **Theft** – Damage to contents of our properties and vehicles, and of loss of our properties and vehicles, as a result of theft accompanied by forceful entry or exit
- (d) **Stated benefits (employees)** - 24-hour cover for bodily injury by accident, violent, external, internal and visible means to employees

- (e) **Electronic equipment** - Physical loss or damage to property belonging to the Municipality or held by Municipality in trust or on commission for which they are responsible
- (f) **Motor** - Comprehensive cover for damage / loss of motor vehicles
- (g) **Glass** - Internal and External Glass (including mirrors)
- (h) **Public Liability** - Loss or damage to third party property / injury or death to third parties due to our negligence (the municipality and employees)
  - Probable events (any one period)
  - Defamation and wrongful arrest
  - Errors and Omissions
  - Products liability
  - Legal Defence Costs
  - Personal injury
  - Advertising Liability
  - Spread of Fire
- (i) **Employer's Liability** - Death or bodily injury (Disable) to any person employed under a contract of service and which occurs during hours of work or while he/she is driving for municipal duty in connection with such person's employment.
  - Employee's annual basic remuneration for employees working for Municipality, directors and councillors if it happens that he/she loses his or her life while he/she works for the Municipality.
- (j) **SASRIA** - Riot and strike, and political riot
- (k) **Fidelity Guarantee** - Cover against commercial crime / fraud caused by hackers or Municipal employees
- (l) **Combined Risk** - Cover against all property constructed of Brick, Stone, Concrete Or Metal on Metal Framework and Roofed with Slate, Tiles, Metal, Concrete, Asbestos Or Thatch
  - Cover against fire, lightning, thunderbolts, subterranean fire, explosions, implosions, spontaneous combustion, fermentation, charring, smoke, storm, wind, water, hail or snow, earthquake, earth tremor, aircraft, impact, theft and accidental damage due to sanitary ware
- (m) **Support** - One-on-one dedicated Claims Consultant
- (n) **Claims** - 30 calendar days turn-around time for outcome of claim from the date of submission of the claim
- (o) **Innovations** - Subject to approval by the MM/CFO any other risk items or areas identified by the bidder

## 7.2. Insurance Portfolio

With regards to placement of Winnie Madikizela-Mandela LM insurance portfolio the appointed service provider will be required to perform the following:

- Advise Winnie Madikizela-Mandela Local Municipality and provide quotations on additional insurance cover that could be reasonable and necessary for Winnie Madikizela-Mandela Local Municipality to take out in an attempt to minimise risks
- Place Winnie Madikizela-Mandela Local Municipality insurance portfolio with the Insurance underwriters not later than the 31 August 2018 and forward a written confirmation together with details.

### **7.3. Underwriting Administration**

The appointed service provider will have the following responsibilities with regards to underwriting administration.

- Provide Winnie Madikizela-Mandela Local Municipality with a quotation on additional cover
- Meet with municipal officials when required by either party involved to discuss or advise on insurance related issues such as cover.
- To have quarterly meetings with Winnie Madikizela-Mandela municipal staff to discuss new trends, challenges and cover or premiums.

### **7.4. Claims Administration**

With regards to this, the appointed service provider will be responsible for the following:

- Administer all Winnie Madikizela-Mandela Local Municipality insurance claims (own- or Third-party Claims)
- Liaise with third party and municipal officials with regards to progress of the claim within a Thirty-day cycle from the date the claim was reported.
- Submit an updated report of all claims made by Winnie Madikizela-Mandela Local Municipality and third parties on a monthly basis by no later than the 7th of each month
- Have dedicated personnel to deal with Winnie Madikizela-Mandela municipal claims and offer business advice pertaining to insurance.

### **7.5. Premiums/ Extensions/ Performance Assessment and Renewals**

The appointed service provider will have the following responsibilities with regard to extension/ premiums.

- Assess Winnie Madikizela-Mandela Local Municipality insurance requirements as detailed in the Municipal Asset Management policy
- Collect updated information (Asset Register) from Winnie Madikizela-Mandela Local Municipality to ensure that the municipality assets are adequately insured.
- Negotiate with the insurance underwriters on suitable insurance terms and conditions
- Negotiate with the insurance underwriters on suitable premiums based on the municipal insurance claims file or experience.
- Present factors considered for change in premiums in a meeting scheduled during the time of the contract.
- Any future premium adjustments and/or escalations must be based on a pre-determined formula which must be included in the tender proposals. The bidders must also provide a scenario of how this formula through examples
- Renewal of terms and conditions that are still in line with original tender or contract for the financial years 2018/19, 2019/20 and 2020/21 as per the municipal calendar.
- Bidders should table their projections on premiums for the three-year period

### **7.6. Hand over and closure of Claims**

- Upon award of the contract the appointed service provide must with effect from 01 July 2018 take over the administration of all outstanding claims that happened after the 30<sup>th</sup> of June 2018 but not reported to the previous service provider and those that are still outstanding from the previous service provider as from 01 July 2018.
- Within 30 days after the expiry date of the contract the appointed service provider must finalize all claims reported and that occurred during their term of contract.
- By the 31<sup>st</sup> of July have a report of all claims and their status pertaining to that financial year for audit purposes.
- By 31<sup>st</sup> of July 2021 give us a detailed report of all outstanding claims apart from the above points, and a plan on how to finalize them within 30 days.

Bidders are requested to quote firm prices or premiums effective from 1 July 2018. Separated prices must be quoted for each of the identified risk areas identified above. The period for which these prices are effective, and the dates of future annual increases must be indicated. Any future increase in these prices, if applicable, during the three-year contract period should be linked to Statistics South Africa CPIX index.



The bidder must advise and clearly indicate the basis on which they will escalate prices in future.

**All prices quoted shall be VAT inclusive.**

#### **7.7. Validity period requirement**

60 Months contract, subject to the above quarterly performance regime and the general conditions of contract (including Special general conditions of contract)

#### **7.8. Special conditions of insurance**

- Insured values provided in the proposal is subject to change and cannot be used to prejudice Winnie Madikizela-Mandela Local Municipality.
- No information concerning the tender or award of the tender may be made available by the tenderer to other parties without prior consultation and written approval from Winnie Madikizela-Mandela Local Municipality
- Winnie Madikizela-Mandela Local Municipality reserves the right to terminate the appointment or any part thereof; at any stage of completion should the Municipality decide not to proceed with the project/tender process.
- Should the contract between Winnie Madikizela-Mandela Local Municipality and the service provider be terminated by either party due to reasons not attributed to the service provider, the service provider will be remunerated for the appropriate cover received for the specific months.
- The service provider will also be expected to refund the municipality any monies paid should the contract between Winnie Madikizela-Mandela Local Municipality and the service provider be terminated by either party due to reasons not attributed to Winnie Madikizela-Mandela Local Municipality.

## (8) CONDITIONS OF TENDER

**ALL TENDER CONDITIONS AND/OR INSTRUCTIONS SET OUT BELOW MUST BE STRICTLY ADHERED TO, FAILING WHICH THIS TENDER SUBMISSION WILL BE DECLARED NON-RESPONSIVE.**

- 7.1 No tender will be considered unless emailed to Winnie Madikizela Mandela Municipality on [tenders.scm@mbizana.gov.za](mailto:tenders.scm@mbizana.gov.za).
- 7.2 Any portion of the tender document not completed will be interpreted as 'not applicable'. Notwithstanding the foregoing, failure to complete any compulsory portion of the tender document may result in the tender being declared non-responsive.
- 7.3 The municipality reserves the right to accept:
- 7.3.1 the whole tender or part of a tender or any item or part of any item, or to accept more than one tender (in the event of a number of items being offered), and municipality is not obliged to accept the lowest or any tender;
- 7.3.2 a tender which is not substantially or materially different from the tender Specification.
- 7.4 The municipality shall not consider tenders that are received after the closing date and time for such a tender.
- 7.5 The municipality will not be held responsible for any expenses incurred by Tenderers in preparing and submitting tenders.
- 7.6 The municipality may, after the closing date, request additional information or clarification of tenders in writing.
- 7.7 A Tenderer may request in writing, after the closing date, that the tender offer be withdrawn. Such withdrawal will be permitted or refused at the sole discretion of the municipality after consideration of the reasons for the withdrawal.
- 7.8 The municipality reserves the right to adjust arithmetical errors in the extension of rates and totals in the quote, and the bidder will be informed of the effect of any corrections on his quotation sum prior to the award of the contract. In no case will quoted rates be adjusted when correcting such errors.
- 7.9 Telegraphic quotations or quotations by facsimile will not be accepted for consideration except for the instance as indicated above where the employer needs to have amendments to the quotation.
- 7.10 **Resolutions and Authorities**  
A tender submitted:
- 7.10.1 by a registered company may not be considered unless accompanied by a resolution by the Directors of the company authorizing the tender to be made and the signatory to sign the tender on the company's behalf **{{(16) Authority to Sign Bid Document on page 44 to be completed}}**;
- 7.10.2 by a registered close corporation may not be considered unless accompanied by written authority from all the members of the close corporation authorizing the tender to be made and the signatory to sign the tender on the close corporation's behalf **{{(16)}}**

**Authority to Sign Bid Document on page 44 to be completed};**

- 7.10.3 by a partnership/consortium/joint venture may not be considered unless accompanied by written from all parties to the partnership/consortium/joint venture authorising the tender to be made and the signatory to sign the tender on the partnership/consortium/joint venture's behalf.

**7.11 Partnerships/Consortiums/Joint Ventures**

In the case of partnerships/consortiums/joint ventures, a copy of the partnership/consortium/joint venture agreement must be submitted with the tender document.

**7.12 Validity Period**

- 7.12.1 Any tender submitted shall remain valid, irrevocable and open for written acceptance by the municipality for **a period of 90 days** from the closing date or for such extended period as may be applicable.
- 7.12.2 The tender amount will not be amended during the aforesaid validity period.
- 7.12.3 The aforesaid validity period may be extended by the municipality provided that the original validity period has not expired, and that all bidders are given an opportunity to extend such period. Any such extension shall be agreed to by a bidder in writing.
- 7.12.4 Bidders who fail to respond to such a request before the validity of their tender expires, or who decline such a request shall not be considered further in the evaluation process.
- 7.12.5 In the event that an appeal in terms of the Systems Act 32 of 2000, is received, the validity period of the tender shall be deemed to be extended until finalisation of the appeal; unless the bidder has requested in writing that its tender be withdrawn. The provisions in respect of withdrawal as set out in clause 6.8 above will apply to such withdrawal.
- 7.13** Unauthorized alterations and additions in the nature of statement of interpretation of this bid document must be avoided. If any such amendments are made or if the bid document is not properly completed, it will cause the bid to be invalid. Any point of difficulty or doubt must be cleared with the municipality. Should any query be found to be of any significance, the municipality will inform all bidders accordingly.
- 7.14 Tax clearance**
- 7.14.1 No award shall be made to a person whose tax matters have not been declared to be in order by the South African Revenue Service (SARS).
- 7.14.2 Tenderers are therefore required to obtain a valid Tax Clearance Certificate from the local SARS office where such Tenderer is registered for income tax/VAT purposes.
- 7.15** The municipality will publish the results of this bid on the municipal website.

## **(9) GENERAL CONDITIONS OF CONTRACT**

### *General Conditions of Contract*

#### **NOTES:**

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government Bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract (GCC) will form part of all Bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every Bid (if applicable) and will supplement the GCC. Whenever there is a conflict, the provisions in the SCC shall prevail.

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## General Conditions of Contract

### 1. Definitions

1. The following terms shall be interpreted as indicated:
  - 1.1 “Closing time” means the date and hour specified in the tender documents for the receipt of Tenders.
  - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 “Countervailing duties” are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 “Day” means calendar day.
  - 1.8 “Delivery” means delivery in compliance with the conditions of the contract or order.
  - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
  - 1.10 “Delivery into consignee's store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.
  - 1.11 “Dumping” occurs when a private enterprise abroad markets its goods on its own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
  - 1.12 “Force majeure” means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
  - 1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder and includes collusive practice among Bidders (prior to or after Tender submission) designed to establish Tender prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

- 1.14 “GCC” means the General Conditions of Contract.
- 1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier
- 1.16 is required to supply to the purchaser under the contract.
- 1.17 “Imported content” means that portion of the tender price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the Tender will be manufactured.
- 1.18 “Local content” means that portion of the tender price, which is not included in the imported content provided that local manufacture does take place.
- 1.19 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.20 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.21 “Project site,” where applicable, means the place indicated in tender documents.
- 1.22 “Purchaser” means the organization purchasing the goods.
- 1.23 “Republic” means the Republic of South Africa.
- 1.24 “SCC” means the Special Conditions of Contract.
- 1.25 “Services” means those functional services ancillaries to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.26 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.27 “Tort” means in breach of contract.
- 1.28 “Turnkey” means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.29 “Written” or “in writing” means hand-written in ink or any form of electronic or mechanical writing.

## 2. Application

- 2.1 These general conditions are applicable to all Tenders, contracts and orders including Tenders for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the tender documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or

works.

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

### **3. General**

- 3.1 Unless otherwise indicated in the tender documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a Tender. Where applicable a non-refundable fee for documents may be charged.
- 3.2 Invitations to Tender are usually published in locally distributed news media and on the Winnie Madikizela Mandela Municipality website.

### **4. Standards**

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

### **5. Use of contract documents and information inspection**

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

### **6. Patent Rights**

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



- 6.2 When a supplier developed documentation / projects for the Winnie Madikizela Mandela Municipality, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the Winnie Madikizela Mandela Municipality.

## **7. Performance security**

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

## **8. Inspections, tests and analyses**

- 8.1 All pre-tender testing will be for the account of the bidder.
- 8.2 If it is a Tender condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 8.3 If there are no inspection requirements indicated in the tender documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

**8.6** Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

**8.7** Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal, the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.

**8.8** The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

## **9. Packing**

**9.1** The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

**9.2** The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery and documents**

**10.1** Delivery of the goods and arrangements for shipping and clearance obligations shall be made by the supplier in accordance with the terms specified in the contract.

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental Services**

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

#### **14. Spare parts**

- 14.1.1** As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
- a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
  - b) in the event of termination of production of the spare parts:
    - i. advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
    - ii. following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

#### **15. Warranty**

- 15.1** The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2** This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.

- 15.3** The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4** Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5** If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

**16. Payment**

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

**17. Prices**

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

**18. Variation orders**

- 18.1** In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

**19. Assignment**

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

## **20. Subcontracts**

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

## **21. Delays in the supplier's performance**

- 21.1** Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2** If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3** The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.
- 21.4** Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.
- 21.5** Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

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

## **23. Termination for default**

- 23.1** The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
  - (b) if the supplier fails to perform any other obligation(s) under the contract; or
  - (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2** In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

## **24. Antidumping and countervailing duties and rights**

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

## **25. Force Majeure**

- 25.1** Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2** If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

## **26. Termination for insolvency**

- 26.1** The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without

compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

## **27. Settlement of Disputes**

- 27.1** If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2** If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

## **28. Limitation of Liability**

- 28.1** Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 28.2** Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
  - (b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.
- 28.3** except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
  - b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **29. Governing language**

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

## **30. Applicable law**

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

### **31. Notices**

- 31.1 Every written acceptance of a Tender shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his Tender or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

### **32. Taxes and duties**

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a Tender SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

### **33. Transfer of contracts**

- 33.1 The contractor shall not abandon, transfer, cede, assign or sublet a contract or part thereof without the written permission of the purchaser

### **34. Amendment of contracts**

- 34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

### **35. Prohibition of restricted practices**

- 35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were



involved in collusive bidding.

- 35.2** If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No. 89 of 1998.
- 35.3** If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

## (10) PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2

### PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

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

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

#### 1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

- a) The value of this bid is estimated to **exceed/not exceed** R50 000 000 (all applicable taxes included) and therefore the ..... preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	
B-BBEE STATUS LEVEL OF CONTRIBUTOR	
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

## 2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

## 3. POINTS AWARDED FOR PRICE

### 3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

**80/20**

**or**

**90/10**

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

Where

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

$P_t$  = Price of bid under consideration

$P_{\min}$  = Price of lowest acceptable bid

#### 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points(90/10 system)	Number of points(80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

#### 5. BID DECLARATION

- 5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

#### 6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

- 6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

#### 7. SUB-CONTRACTING

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

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

- 7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

**8.4 TYPE OF COMPANY/ FIRM**

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....

**8.6 COMPANY CLASSIFICATION**

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 **MUNICIPAL INFORMATION**

**Municipality where business is situated:** .....

**Registered Account Number:** .....

**Stand Number:**.....

8.8 Total number of years the company/firm has been in business:.....

8.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificates, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution.

**WITNESSES**

1. ....

2. ....

.....  
**SIGNATURE(S) OF BIDDERS(S)**

**DATE:** .....

**ADDRESS** .....

.....

.....

## (11) DECLARATION OF INTEREST- STATE EMPLOYEES

### MBD 4 DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.

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

3.1 Full Name of bidder or his or her representative:.....

3.2 Identity Number: .....

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

3.4 Company Registration Number: .....

3.5 Tax Reference Number:.....

3.6 VAT Registration Number: .....

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars. ....

.....

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be –

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

<sup>2</sup> Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or

business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months? .....YES / NO

3.9.1 If yes, furnish particulars.....

.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? ..... YES / NO

3.10.1 If yes, furnish particulars.

.....  
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? ..... YES / NO

3.11.1 If yes, furnish particulars

.....  
.....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? ..... YES / NO

3.12.1 If yes, furnish particulars.

.....  
.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? ..... YES / NO

3.13.1 If yes, furnish particulars.

.....  
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. .... YES / NO



3.14.1 If yes, furnish particulars:

.....  
.....

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

#### CERTIFICATION

I, THE UNDERSIGNED (NAME) .....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE MUNICIPALITY MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Capacity

.....

Name of Bidder

## (12) DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
<b>Item</b>	<b>Question</b>	<b>Yes</b>	<b>No</b>
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

## CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) .....  
 CERTIFY THAT THE INFORMATION FURNISHED ON THIS  
 DECLARATION FORM TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS  
 DECLARATION PROVE TO BE FALSE.

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

### (13) CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. takes all reasonable steps to prevent such abuse;
  - b. rejects the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancels a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

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

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

## CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

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

- (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

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

(14) TRACK RECORD OF TENDERING ENTITY
---------------------------------------

The following is a Statement of Work of similar nature recently successfully executed by myself / ourselves: previous letters of appointment need to be attached

Employer	Contact Personand Telephone Number	Nature of Work	Value of Work (inclusive of VAT)	Date Delivered Expected tobe Completed

SIGNATURE: .....

DATE: .....

*(of person authorised to sign on behalf of the Bidder)*

**(15) AUTHORITY TO SIGN BID DOCUMENT RESOLUTION BY DIRECTORS / MEMBERS:**

Resolution for completion by Directors (if the Bidder is a (Pty) Ltd or Ltd) or Members (if the Bidder is a CC)

NAME OF TENDERER: \_\_\_\_\_

Meeting held at \_\_\_\_\_

(Place)

On \_\_\_\_\_ (date)

RESOLVED THAT:

1. The Bidder submits a bid to the Winnie Madikizela Mandela Municipality in respect of Bid No: WMM LM 27/10/21/01 PIS Provision of Insurance

2. Mr/Ms \_\_\_\_\_ in his/her capacity as \_\_\_\_\_ and who will sign as follows:

\_\_\_\_\_

(SPECIMEN SIGNATURE)

be, and is hereby, authorised to sign the tender and any and all other documents and/or correspondence in connection with and relating to the tender, as well as to sign any contract and or all documentation resulting from the award of the tender.

**Note: The resolution must be signed by all the directors /members of the Tenderer. Should the space provided below not be sufficient for all directors/members to sign, please attach a separate sheet to this schedule in the same format.**



No	Name	Capacity	Signature
1			
2			
3			
4			
5			

**(16) COMPANY REGISTRATION CERTIFICATE**

**(17) TAX PIN CERTIFICATE**

**(18) COMPANY PROFILE: CIPC**

**(19) BBBEE STATUS LEVEL VERIFICATION CERTIFICATE**

**(20) RATES CLEARANCE CERTIFICATES**

**(21) RECENT REPORT OF CENTRAL SUPPLIER DATABASE**

**ANNEXURE A:****DETAILED SUMMARY OF MUNICIPAL ASSETS AS AT 30 OCTOBER 2021**

**WINNIE MADIKIZELA- MANDELA LOCAL MUNICIPALITY  
FIXED AND MOVABLE ASSET REGISTER SUMMARY  
FOR THE PERIOD ENDED 31 OCTOBER 2021**



ASSET CATEGORY	TOTAL COST AS AT 31 OCTOBER 2021	TOTAL CARRYING VALUE AS AT 31 OCTOBER 2021
INFRASTRUCTURE ASSETS	R 637,868,652.41	R 379,875,258.07
COMMUNITY ASSETS	R 100,530,878.38	R 82,717,885.32
BUILDINGS	R 29,448,969.99	R 23,551,123.49
LAND	R 3,552,989.86	R 3,552,989.86
SOLID WASTE	R 3,242,860.06	R 2,057,912.94
INVESTMENT PROPERTY	R 36,654,782.84	R 36,654,782.84
HERITAGE ASSETS	R 1,230,799.09	R 1,230,799.09
PLANT AND MACHINERY	R 25,270,153.24	R 11,287,053.44
TRANSPORT ASSETS	R 16,444,498.05	R 9,670,870.42
FURNITURE AND FITTINGS	R 24,803,387.24	R 7,701,363.50
INTANGIBLE ASSETS	R 2,230,573.00	R 34,247.02
WORK IN PROGRESS	R 181,618,096.58	R 181,618,096.58
<b>TOTALS</b>	<b>R 1,062,896,640.75</b>	<b>R 739,952,382.56</b>



**ANNEXURE B:****DETAILED SUMMARY OF MUNICIPAL LITIGATIONS AS AT 30 OCTOBER 2021**

	Case Number	Brief Synopsis/ Allegations	Progress/Status	Legal Fees	Legal Exposure	Attorneys
Ukhanyayo Infrastructure Managers vs Mbizana Local Municipality	830/2015	Tender design for construction	Plaintiff has since appointed new attorneys in Nov 2020.	Estimated legal cost: R300 000 including disbursements	None	Mtshabe Attorneys
M.M.N Investments (Pty) Ltd vs Mbizana Local Municipality	3450/2015	The Funeral Palour was discharging/spreading water on the street	Bill has been taxed to instruct the Sherrif to carry out the warrant execute	To be determined	None	Mtshabe Attorneys
Mbizana Local Municipality vs Nomonde Kwelemthini	230/2016	Default judgement against the Municipality, application to stay warrant & rescission of judgement to be argued	Summons were served through the Magistrate Court, we have filed a plea. After consultation with our Attorney it was agreed that the plea filed be augmented and that the matter is now at Discovery stage.	Estimated legal cost: R500 000 including disbursements	None	Mtshabe Attorneys
Mohamed Randareen vs Mbizana Local Municipality	13/2018	Claim of electricity costs after meter tampering and /or incorrect billing	Pursuant to consultation with the Municipal Officials requesting for further information inorder to prepare further particulars, it was discovered that records were irretrievable. Plaintiffs' Attorneys are silent as well – matter dormant	Estimated legal cost: R200 000 including disbursements	Cannot be determined at this stage	Mtshabe Attorneys

			since 2019			
Njongo Ngalonkulu vs Mbizana Local Municipality	3131/14	IOD Claim – employee injured whilst changing an electric surge arrestor	Matter was withdrawn in May 2021 subsequent to the withdrawal the the Plaintiff appointed new attorneys to represent him and resuscitated the matter.	Estimated legal cost: R200 000 including disbursements	8 440 000.00	Mtshabe Attorneys
Mfanafuthi Simon Thukwana vs Mbizana Local Municipality	2516/2016	Review Application iro dismissed Councillors	Pleas have been filed with the Magistrate	Estimated legal cost: R50 000 including disbursements	None	Mshabe Attorneys
Mbizana Local Municipality vs Andiswa Ngubo	238/2016	Review Application iro dismissed Councillors	Pleas have been filed with the Magistrate	Estimated legal cost: R500 000 including disbursement	None	Mtshabe Attorneys
Baleni vs Municipality	4593/2016	Application against the Municipality	Answering affidavit filed. The matter is ripe for Trial (Possibility to have round table discussions with the Municipality)	Estimated legal cost: R400 000 including disbursement	None	Mtshabe Attorneys
Cato Ridge vs Mbizana Local Municipality	7233/201	Overpayment in the sum of R14 773 662.58	The Defendants are under business rescue. Refund request has been made to the business rescue practitioner. No response received	Estimated legal cost: R500 000 including disbursement	None	Mtshabe Attorneys
Lungisa Patrick Teyise vs Mbizana Local Municipality and Another	347/2016	Appeal iro Default Judgement against the Municipality	Matter was heard on 22 November 2019, Appeal succeeded with costs.  Waiting for Trial date.	To be determined	None	Mtshabe Attorneys

Livingstone Damoyi vs Andile Nteyi and Mbizana Local Municipality		Claim for structural damages of a car which collided with a municipal vehicle driven by Andile Nteyi	Waiting for Trial date	To be determined	To be determined	Mtshabe Attorneys
Sostarz Construction vs Mbizana Local Municipality	79/2018	Claim iro outstanding balances not paid iro Ward 25 Sports Field Project	to finalize summary judgement application - date to be arranged by the Magistrate	Estimated Legal Costs is <b>R200 000.00</b> including disbursements	To be determined	Mtshabe Attorneys
CN Ntshebe NO vs Mbizana Local Municipality	1005/2019	Application to set aside the rezoning of Erf 126 Mbizana by removing the restriction of the use to residential purposes	Matter was set down for 20 February 2020, due to covid the matter has not been set down ever since.	Legal costs depend on duration of matter. Estimate range from <b>R200 000 to R500 000</b> including disbursements  Travelling costs excluded	To be determined	Mtshabe Attorneys
MJ Majo Business Consulting// Mbizana Local Municipality	1680/2020	Application to review and set aside the award of contract MBIZ LM 006 RPB- Supply and delivery of Black Refuse Bags	Awaiting Court Date	from <b>R200 000 to R500 000</b> including disbursements  Travelling costs excluded	None	Mtshabe Attorneys
Zwelenkosi Ngidi vs Xolile Sontsele	1670/16	Land invasion claim	Application succeeded (Application dismissed with costs) waiting for date for the taxation of the Bill from the Registrar	Estimated Legal Costs is <b>R100 000.00</b>	None	Gwebindlala Attorneys
Thembelihle Communal vs Mbizana Local Municipality	968/201	Land invasion claim	Application succeeded (application is dismissed with costs) – in the process for drawing Bill of Costs	Estimated Legal Costs is <b>R100 000.00</b>	None	Gwebindlala Attorneys

Mbizana Local Municipality vs Andiswa Rossetta Ngubo and Others	105/2017	To recover properties of the Municipality	Summons have been partially served on the defendants due to the fact that some of the defendants reside far	Estimated Legal Costs is <b>R100 000.00</b>	None	Gwebindlala Attorneys
Thunzi & modikeng JV vs Mbizna Local Municipality	3940/2018	Proceedings instituted due to allege no payment of invoices issued by them to the municipality amounting to <b>R3 569 706.84</b>	Application to strike out the claim has been filed. Plaintiffs' attorneys have not yet responded to the application	Legal Costs estimated at <b>R350 000.00</b>	<b>R 3 569 706.84</b>	Magigaba Inc Attorneys
Thunzi Consulting//WMMLM	1011/2021	Proceedings instituted due to allege no payment of invoices issued by them to the municipality amounting to <b>R3 569 706.84</b>	Matter went for mediation in April 2021 no settlement was reached by the Parties. Thunzi has since issued summons	To be determined	<b>R 9 608 732.44</b>	Magigaba Inc Attorneys
M Klaas// B Bhani & MLM	-	Alleged wrongful arrest of Plaintiff by Municipal Officials	Matter was set down for Jan, on the day the matter was not on the roll of matters to be heard. We await for the matter to be re-enrolled.	To be determined	<b>None</b>	Magigaba Inc Attorneys
Philile Vincent Hlongwe and Another vs Mbizana Local Municipality		Claim for payment of <b>R19 637 500.00</b> iro damages for injuries allegedly caused as a result of being shot by a municipal employee.	We are now at a stage of pre-trial preparations, Counsel is attending to finalising the pre-trial conference agenda and requesting for further particulars.	Legal costs depend on duration of matter. Estimate range from <b>R200 000 to R500 000</b> including disbursements  Travelling costs excluded	<b>R19 673 500</b> if municipality is unsuccessful in its defence  If court reduces damage possible reduction may range b/n R2mil and R5mil	Dr Sugugudhav Sewpersadh Attorneys
Vuyokazi Tobo vs Mbizana Local Municipality and Another	1612/2019	Claim for payment of <b>R2 5 00 000,00</b> iro damages for injuries allegedly caused	Plaintiff had made application to amend its Particulars of	Legal costs depend on duration of matter.	<b>R2 500 000,00</b> if municipality is unsuccessful in its	Dr Sugugudhav Sewpersadh Attorneys

		as a result of being shot by a municipal employee	claim. First defendant opposed the application, but the court granted the Plaintiffs order to amend its Particulars of claim where upon we will plea thereto	Estimate range from <b>R200 000 to R500 000</b> including disbursements  Travelling costs excluded	defence	
Winnie Madikizela- Mandela Municipality vs Public Protector	800/2021	The matter is as a result of the Public Protectors Report on an investigation into allegations of corruption, maladministration/ misuse of public funds by Senior and Executive government officials from the Municipality, wherein the Public Protector found that the Municipality the amount of <b>R1,1 million</b> in respect of the memorial service of the late mama Winnie Mdikizela Mandela for transportation services improperly benefited certain government officials.	Subsequent to a legal opinion sourced by Council of the report the PP, on 15 October 2021 Council took a resolution to oppose the PP's report and make an application to review/set aside the report as well as an application to suspend the remedial action proposed by the PP. The hearing of the application is scheduled to be heard on 02 November 2020	Legal costs depend on duration of matter. Estimate range from <b>R200 000 to R500 000</b> including disbursements  Travelling costs excluded	<b>None</b>	NZ Mtshabe