



uPhongolo Local Municipality

SERVICES PROVIDER TO CONDUCT THE UIFWE INVESTIGATION

**TENDER NO: 693/11/22
For a period of 36 Months**

Name of Tenderer _____

Telephone Number _____

Fax Number_ _____

Address _____

CLOSING DATE

25 November 202 @ 10:00

NO LATE SUBMISSIONS WILL BE CONSIDERED

DOCUMENTS DELIVERED BY HAND MUST BE DEPOSITED IN THE TENDER BOX SITUATED AT THE RECEPTION AREA OF UPHONGOLO LOCAL MUNICIPALITY OFFICES AT 61 MARTIN STREET, UPHONGOLO 3170:

**Issued by.
UPHONGOLO MUNICIPALITY
MUNICIPAL MANAGER
P.O BOX 191
UPHONGOLO
3170
Tel: (034) 413 1223
Fax: (034) 413 1706**

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**uPHONGOLO
MUNISIPALITEIT / MUNICIPALITY**

Rig Korrespondensie aan:
DIE MUNISIPALE BESTUURDER

Address Correspondence to:
THE MUNICIPAL MANAGER

MUNISIPALE KANTOOR
MUNICIPAL OFFICE

Martinstraat/Street 61 Martin

Posbus/P.O. Box 191
Pongola 3170

Tel: (034) 413 1223
Faks/Fax: (034) 413 1706

E-mail:
records@uphongolo.gov.za

BID NUMBER	PROJECT NAME	ENQUIRIES	TENDER CLOSING DATE
693/11/22	SERVICES PROVIDER TO CONDUCT THE UIFWE INVISTIGATION	Mr S Manqele (034) 413-1223 Email: sceloma@uphongolo.gov.za	25 November 2022 at 10H00

BIDS ARE INVITED FROM SERVICE PROVIDERS – SERVICES PROVIDER TO CONDUCT THE UIFWE INVISTIGATION FOR THE PERIOD OF 36 MONTHS FOR uPHONGOLO MUNICIPALITY.

**SERVICES PROVIDER TO CONDUCT THE UIFWE INVISTIGATION uPHONGOLO MUNICIPALITY
BID NO.:693/11/22**

This request is subject to the terms and conditions of uPhongolo Municipality's Preferential Procurement Policy and will be evaluated in terms of the 80:20 methods for acquisition of goods or services for rand value equal to or above R30000.00 and up to R50 million as set out in the Preferential Procurement Policy Framework Act (No 5 of 2000). amended Preferential Procurement regulations 2017.

It is solely the responsibility of vendors, who want to make use of the preferences available under this policy to familiarise themselves of its contents, and to comply with its conditions, to be able to make a claim for preference.

Council will not accept responsibility for the late delivery of Tenders by courier services or any other means that are not **placed in the tender box on or before the date and time of closing of the tender**

Documents will be available from the **7th of November 2022**. The tender documents will be available on the municipal website www.uphongolo.gov.za

Sealed tenders, clearly endorsed " **BID NO: 693/11/22 and PROJECT NAME: FOR THE PERIOD OF 36 SERVICES PROVIDER TO CONDUCT THE UIFWE INVISTIGATION MONTHS** and must be placed in the Tender Box located at the **Reception of uPhongolo Municipality, Street 61 Martin, P.O Box 191, Pongola 3170, before 10:00 in the morning on Friday, 25th of November 2022, which thereafter tender documents will be open public.**

Returnable documents required for tender evaluation purposes:

- A valid original Tax Clearance Certificate or compliance clearance Pin must be submitted.
- A Tenderer who submitted a tender as a Joint Venture must include an acceptable Joint Venture Agreement with the tender.
- Schedule of previous similar works (experience) (attach appointment letters)
- Certificate of authority for signature
- A valid B-BBEE Certificate or Sworn Affidavit
- Certified ID copies of directors/members dated not older than 03 months
- Company registration certificate
- MBDs (1-9)
- Proof of payment for municipal services (rates or rentals) or Proof of residential address letter for BIDDERS not receiving municipal services (**directors and company**) or landlord agreement
- Proof of registration on the CSD
- Bidders financial standing (**letter of intent from the bank confirming funding**)

NB: Prices should be valid for 90 days

Bids will be evaluated and adjudicated according to the following criteria:

- 80/20 preference points system
- Council's supply chain management policy

Note: Bidders scoring less than 70% for functionality will not be evaluated further.

bids received by way of post, facsimile or e-mail will under no circumstances be considered.

Bids should be valid for a period of 90 days.

uPhongolo local municipality does not bind itself to accept the lowest or any bid, either wholly or in part, or give any reason for such action.

Technical issues can be directed to Mr S Manqele at 034 413 1223 or email scelom@uphongolo.gov.za , and supply chain management issues may be directed to Mr MS Mtshali at 034 413 1223 or email: musawenkosim@uphongolo.gov.za

.....
Mr M.B Khali
Municipal Manager
uPhongolo Municipality

PROVISION OF SECURITY IN 2 SITES

MBD 1

UPHONGOLO DITRICT MUNICIPALITY

TENDER NO: 693/11/22

SERVICES PROVIDER TO CONDUCT THE UIFWE INVISTIGATION FOR UPHONGOLO MUNICIPALITY.

**PART A
INVITATION TO BID**

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

BID NUMBER:		CLOSING DATE:		CLOSING TIME:	12pm

DESCRIPTION

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

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE
BID BOX SITUATED 61 MATRIN STREET AT UPHONGOLO
3170

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:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT		CONTACT PERSON	
CONTACT PERSON		TELEPHONE NUMBER	
TELEPHONE NUMBER		FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	
E-MAIL ADDRESS			

**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED– (NOT TO BE RE-TYPED) OR ONLINE</p> <p>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.</p>
2. TAX COMPLIANCE REQUIREMENTS
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>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.</p> <p>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.</p> <p>2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.</p> <p>2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS
<p>3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>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.</p>

**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:

NOTE TO BIDDERS ON BID CONDITIONS:

- The Supply Chain Management Policy of **uPhongolo local** Municipality will apply. The Council reserves the right not to accept the lowest bid or any bid and reserves the right to accept the whole or part of the bid, or to reject all bids and cancel the notice to bid;
- Bids that are submitted late, incomplete, unsigned or by facsimile, electronically or not completed in black ink will be rejected and not accepted for further evaluation;
- Council reserves the right to inspect the business premises to ensure that they meet with all relevant requirements of the company;
- Members or Directors of Companies or Service Providers who are state employees are not allowed to bid or quote;
- Unsuccessful bidders will be informed of the tender outcome through the Municipal website and local newspaper/s. Aggrieved unsuccessful bidders will be allowed to lodge, within fourteen (14) days of the decision or action, a written objection or complaint to the Office of the Municipal Manager through email, or fax number. Complaints or objections received after fourteen (14) days of the date of the notice **will not** be entertained; and
- Bids submitted are to be valid for a period of **90 days**.

1. DELIVERABLES

The output requirement is to provide the necessary financial management assistance in the form of meetings, practice notes, training workshops and sessions, and the provision of resources as and when required.

Although dependent on the need at the time, the deliverable per project will include:

A monthly progress report and a close out report in terms of deliverables achieved and staff that have been capacitated.

2. COMPETENCY/EXPERTISE REQUIRED

Knowledge and expertise in the application of the Generally Recognised Accounting Practices and Modified Cash Standards in the Public Sector. Thorough knowledge and understanding of the Public Sector Annual Financial Statement requirements.

Knowledge of the Municipal Standard Chart of Accounts (mSCOA) for Municipality.

Knowledge and experience in working with Municipal systems which include CCG systems and Payday.

Extensive experience in addressing audit related matters in the public sector.

Thorough knowledge of the MFMA, associated regulations and instruction notes Knowledge and expertise in movable and immovable assets management.

Ability to transfer skills and expertise Performance through training to UPhongolo Local Municipality, public entities and municipal staff.

Knowledge of the Management frameworks for UPhongolo Local Municipality and public entities.

Service providers are required to provide personnel with the required competency and skills necessary to complete the task assigned.

3. COMMUNICATION AND REPORTING

The successful bidder(s) will report to the uPhongolo local Municipality Accounting Officer in relation to assignments in accordance with agreed terms as would be documented on the subsequent service level agreements or contracts. 6.2 Particular projects will be initiated by means of written instructions to the successful bidders on competitive basis, backed by verbal briefings where necessary.

4. DETAILS OF SERVICE PROVIDER'S PROPOSAL

Prospective service provider must provide information in the under-mentioned sequence and in not more than 10 (ten) pages:

Company/Individual profile.

Similar financial management assignments undertaken, contactable references, nature of assignment, duration, value and number of persons developed as a result of assignments.

Profile of various Financial Management specialists as depicted on the scope above.

5. CONDITIONS

Proposals may be submitted for any or all of the categories indicated in the scope above. Responses should, however, clearly indicate which category the bidder is responding to and include the following:

- a. A response to each of the elements in the evaluation matrix of not more than ten (10) pages per element including annexure(s), if any.
- b. Where an entity forms a joint venture or a consortium with (an) other entities(y), the parties to this agreement must express in the bid proposal what aspect of the scope of work each party would be adding value to and what percentage each party will receive in terms of the proceeds flowing from any assignment.
- c. The bidders are required to ensure that the individual directors and technical staff/financial management specialist experience is clearly documented in the proposal.
- d. It is further imperative that the bidder ensures that the curriculum vitae of individual resources is not included in other bidder proposals. Should a duplication of curriculum vitae be identified across proposals, such curriculum vitae will be disregarded for both bidders during evaluation. "Request for permission from the resource to use their CV's"
- e. Request permission from resource for cv
- f. Proposals should also clearly indicate how bidders intend to transfer skills to the uPhongolo financial management and Municipal officials. This should particularly indicate how this was done in previous assignments.
- g. As and when assignments are agreed upon, the UPhongolo Municipality will stipulate the rates to be paid per consultant in terms of experience, preferable separate between trainee, junior, intermediate, and senior consultants. The Bidder is required to specifically indicate its acceptance of this condition.
- i. The bidder's staff complement must address the demographics of the country in line with government policies, and must provide evidence that it is complying with transformation in terms of Broad Based Black Economic Empowerment Act (B-BBEE)
- j. Payment will only be made upon approved deliverables. The Consultant should note that no payment will be made should the Municipality not be satisfied with the standard of deliverables.
- i. The successful bidder(s) will enter into a contractual agreement(s) with the UPhongolo Municipality confirming the appointment on the list of service providers.

SCOPE OF WORKS - PANEL OF ASSURANCE CONSULTANT

The scope of work includes mainly the provision of ad-hoc investigation and other reviews as and when they are needed. The projects will focus on the following functional areas/ business units amongst others:

2. EVALUATION CRITERION - PANEL OF FINANCIAL CONSULTANT

Bids that scores less than 70% of the points allocated for functionality will be eliminated from further participation in the bid evaluation process.

Allocation of work will be based on the outcome of price evaluation criteria on quotation to be submitted by each service provider on request by the municipality.

1. INVITATION FOR QUOTATION

Bids are hereby invited from suitably qualified service provider to investigate the uPhongolo Local Municipality's Unauthorised, Irregular, Fruitless and Wasteful (UIFW) expenditure for prior years in line with National Treasury MFMA Circular No 68 Municipal Finance Management Act No. 56 of 2003 and Section 32 of the MFMA.

2. INTRODUCTION

The uPhongolo Local Municipality incurred UIFW expenditure in the current and prior financial year.

The MFMA Circular No 68 provides clarity on the procedures to be followed when dealing with UIFW expenditure as defined in section 1 of the Municipal Finance Management Act (MFMA) No. 56 of 2003.

3. SCOPE OF WORK 1 SERVICE DESCRIPTION: The investigation scope of work covers the following:

- a. Investigate expenditure transactions that led to the UIFW expenditure.
- b. Determine / identify the root causes that led to the UIFW expenditure transgressions.
- c. Determine whether the Municipality has suffered any financial loss due to the IJIAA/ expenditure. d. Identify any breakdown in the designed internal controls and recommend remedial intervention.
- e. Identify the officials or councillors responsible for the UIFW expenditure.
- f. The project must to be completed by 30 May 2023.

3.1 ADDITIONAL SCOPE OF WORK.

The additional scope engagement encompasses detailed review of roots causes and deviation from the set internal control and processes that resulted to Irregular, Fruitless and Wasteful expenditure and Un-authorized expenditure for the current and previous financial year. The assessment should also include review of the adequacy and effectiveness

of the SCM policy and internal controls that were put place by management in order to ensure overall compliance with the Supply Chain Management Regulation.

The extent of review should include the following areas:

- Review of the Supply Chain Management policy for alignment with applicable laws and regulations;
- Review of the supply management processes;
- Review of irregular expenditure, fruitless and un-authorized expenditure as identified by both management and the office of the Auditor General;
- Review of specification, evaluation and adjudication processes in place to ensure compliance with the Supply Chain Management Policy and Procedures;
- Review of the bid committee reports;
- Review of all SCM supporting documents i.e. Requisitions, Quotations; Purchase orders, Internal Memos, Payment vouchers, Deviations and all BID documentation where applicable;
- Identify responsible official based on the set internal controls and SCM policy and processes;
- Discuss with responsible official in order to established whether the accounting officer or official or public office bearer that made, permitted or authorised the un-authorized or irregular or fruitless & wasteful expenditure acted deliberately or in a negligent or grossly negligent manner?
- Consideration for prevailing circumstances on each transaction and asses if:
 - the mayor, accounting officer or official was acting in the best interests of the municipality and the local community by making and permitting such expenditure;
 - the mayor, accounting officer or official was acting in good faith when making and permitting unauthorised expenditure; and
 - the municipality has not suffered any material loss as a result of the action.

4. DELIVERABLES

An investigation report with findings and recommendations to the MPAC and Council, quarterly progress reports to the management.

5. TERMS AND CONDITIONS

The following terms and conditions apply:

- a. Registered on Central Suppliers Database (CSD) attach proof of Registration.
- b. Valid BBBEE certificate with SANAS logo and verified by agencies accredited by SANAS / Commissioned SWORN Affidavit.
- c. MBD 4, 8 & 9.
- d. Municipal rates and services certificate / statement / billing for the directors, owners, shareholders of the company to confirm that Municipal rates are not in arrears for more than 90 days or; Attach valid lease agreement if the company is leasing the office space; Attach a valid lease agreement if the director is leasing accommodation
- e. Attach affidavit if the account is under your parents, siblings, grandparents and you are not paying any Municipal rates; Copy of a marriage certificate if Municipal account in under your spouse

6. EVALUATION CRITERIA FUNCTIONALITY

Minimum threshold (70% or 70 Points)

	Evaluation Matrix	Points	Means of Verification
1.	Company Experience in investigations: 3 or more investigations = 5 points 1 to 2 investigations = 3 points	5	Investigation Reference letter accompanied by Appointment Letters or Purchase Orders
2.	Team Qualifications and Public Sector Experience: Project Leader CA(SA) = 10 points 10 years in auditing investigations = 10 points Team Member 1 CGAP = 10 points 7 years in auditing/investigations = 10 points Team Member 1 CFE = 10 points 7 years in auditing/investigations = 10 points	60	Detailed CVs, Certified Copies Professional Qualifications and Membership Certificates
3.	Academic Qualifications of Personnel: Team Leader	30	Certified Copies of Academic Qualifications
	Post Grad in Accounting/Auditing = 10 points Team Member 1 Post Grad in Accounting/Auditing = 10 points Team Member 2 Post Grad in Accounting/Auditing/Forensic = 10 points		
4.	Methodology/Approach: Detailed Approach with activities and timelines	5	Written Methodology [Approach]

Only service providers scoring 70% or more will be further evaluated for price and BEE

7. PRICE AND B-BBEE

Points for this bid shall be awarded for:

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

The maximum points for this bid are allocated as follows:

- a. POINTS PRICE 80.
- b. B-BBEE STATUS LEVEL OF CONTRIBUTOR 20.
- c. Total Points 100.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS

(NOT TO BE RE-TYPED)

NB!!!! Please attach copies of the following documents. Failure to provide the following duly completed and up to date documents and certified where applicable will lead to automatic disqualification.

- Company registration documents.
- ID documents of directors/owners/members/shareholders.
- TAX/VAT pin from SARS
- BBBEE Certificate / Letter of accreditation/Affidavit from (SAPS)
- Past experience/CV Declarations.
- Joint Venture agreement if any

STANDARD FORMS

THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT THIS BID WILL BE EVALUATED AND ADJUDICATED ACCORDING TO THE FOLLOWING CRITERIA:

1. Relevant specifications
2. Value for money
3. Capability to execute the contract
4. PPPFA & associated regulations

NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE

**UPHONGOLO LOCAL MUNICIPALITY
STANDARD FORM FOR TENDERS**

TENDER NO: 693/11/22

Closing Date: 25 November 2022

Closing Time: 10h00

BIDDERS DETAILS

THE FOLLOWING PARTICULARS MUST BE FURNISHED AND SIGNED

(FAILURE TO DO SO WILL RESULT IN YOUR BID BEING DISQUALIFIED)

Name of Bidder	_____
Postal Address	_____

	_____ Postal Code
Street Address	_____

	_____ Postal Code
Telephone Number	Code ____ Number _____
Cellphone number	_____
Facsimile Number	Code ____ Number _____
Signature of bidder / authorised representative	_____

MBD6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2001

PURCHASES

This preference form must form part of all bids invited. It contains general information and serves as a claim form for Historically Disadvantaged Individual (HDI) preference points as well as a summary for preference points claimed for attainment of other specified goals

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF EQUITY OWNERSHIP BY HISTORICALLY DISADVANTAGED INDIVIDUALS (HDIs), AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2001.

GENERAL CONDITIONS

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 and
the 90/10 system for requirements with a Rand value above R50 000 000.

The value of this bid is estimated to exceed/not exceed R50 000 000 and therefore the.....system shall be

applicable.

Preference points for this bid shall be awarded for:

Price; and

Preference points as stipulated in the Supply Chain Management Policy of the Municipality

1.3.1 The points for this bid are allocated as follows:

POINTS

1.3.1.1 PRICE 80

1.3.1.2 PREFERENCE POINTS 20

Historically Disadvantaged Individuals:

Total points for Price and Preference must not exceed 100

Separate Preference Points Claim Forms will be used for the promotion of the specific goals for which points have been allocated in paragraph 1.3.1.2

1.4 Failure on the part of a bidder to fill in and/or to sign this form may be interpreted to mean that preference points are not claimed.

1.5 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. GENERAL DEFINITIONS

“Acceptable bid” means any bid which, in all respects, complies with the specifications and conditions of bid as set out in the bid document.

“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, works or services.

2.3 **“Comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration.

2.4 **“Consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.

“Contract” means the agreement that results from the acceptance of a bid by an organ of state.

2.6 **“Specific contract participation goals”** means the goals as stipulated in the Preferential Procurement Regulations 2001.

In addition to above-mentioned goals, the Regulations [12. (1)] also make provision for organs of state to give particular consideration to procuring locally manufactured products.

2.7 **“Control”** means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.

2.8 **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.

2.9 **“Equity Ownership”** means the percentage ownership and control, exercised by individuals within an enterprise.

2.10 **“Historically Disadvantaged Individual (HDI)”** means a South African citizen

who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act No 200 of 1993) (“the interim Constitution); and/or

who is a female; and/or

who has a disability:

provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be a HDI;

2.11 **“Management”** means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.

2.12 **“Owned”** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an examination of the substance, rather than the form of ownership arrangements.

“Person” includes reference to a juristic person.

2.14 **“Rand value”** means the total estimated value of a contract in Rand denomination that is calculated at the time of bid invitations and includes all applicable taxes and excise duties.

2.15 **“Small, Medium and Micro Enterprises (SMMEs)”** bears the same meaning assigned to this expression in the National Small Business Act, 1996 (No 102 of 1996).

2.16 **“Sub-contracting”** means the primary contractor’s assigning or leasing or making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

2.17 **“Trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.

2.18 **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ESTABLISHMENT OF HDI EQUITY OWNERSHIP IN AN ENTERPRISE

3.1 Equity ownership shall be equated to the percentage of an enterprise which is owned by individuals classified as HDIs, or in the case of a company, the percentage shares that are owned by individuals classified as HDIs, who are actively involved in the management and daily business operations of the enterprise and exercise control over the enterprise, commensurate with their degree of ownership.

3.2 Where individuals are not actively involved in the management and daily business operations and do not exercise control over the enterprise commensurate with their degree of ownership, equity ownership may not be claimed.

4. ADJUDICATION USING A POINT SYSTEM

4.1 The bidder obtaining the highest number of points will be awarded the contract.

4.2 Preference points shall be calculated after prices have been brought to a comparative basis.

4.3 Points scored will be rounded off to 2 decimal places.

4.4 In the event of equal points scored, the bid will be awarded to the bidder scoring the highest number of points for specified goals.

POINTS AWARDED FOR PRICE

5.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

$$Ps = 80 \left(1 - \frac{Pt - P \min}{P \min} \right)$$

Where

Ps = Points scored for price of bid under consideration

Pt = Rand value of bid under consideration

Pmin = Rand value of lowest acceptable bid

Points awarded for historically disadvantaged individuals

6.1 In terms of Regulation 13 (2) preference points for HDI's are calculated on their percentage shareholding in a business, provided that they are actively involved in and exercise control over the enterprise. The following formula is prescribed in Regulation 13 (5) (c):

$$NEP = NOP \times \frac{EP}{100}$$

Where

NEP = Points awarded for equity ownership by an HDI

NOP = The maximum number of points awarded for equity ownership by an HDI in that specific category

EP = The percentage of equity ownership by an HDI within the enterprise or business, determined in accordance with the definition of HDI's.

Equity claims for a trust will only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the trust.

Documentation to substantiate the validity of the credentials of the trustees contemplated above must be submitted.

Listed companies and tertiary institutions do not qualify for HDI preference points

A consortium or joint venture may, based on the percentage of the contract value managed or executed by their HDI-members, be entitled to preference points in respect of an HDI.

A person awarded a contract as a result of preference for contracting with, or providing equity ownership to an HDI, may not subcontract more than 25% of the value of the contract to a person who is not an HDI or does not qualify for the same number or more preference for equity ownership.

7. BID DECLARATION

7.1 Bidders who claim points in respect of equity ownership must complete the Bid Declaration at the end of this form.

8. EQUITY OWNERSHIP CLAIMED IN TERMS OF PARAGRAPH 2.10 ABOVE. POINTS TO BE CALCULATED FROM INFORMATION FURNISHED IN PARAGRAPH 9.8.

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 (80/20)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2

Non-compliant contributor	0
---------------------------	---

Notwithstanding the preference points system to be followed in terms of this policy, the Municipality may, on recommendation of the **Municipal Manager**, acting in terms of Section 2 (1)f) of the Preferential Procurement Policy Framework Act 5 of 2000 read with Regulation 9 of the Regulations made in terms thereof, on grounds which are reasonable and justifiable in order to achieve and/or maximize the procurement priorities/objectives outlined in this policy document, award the BID to the bidder other than the bidder that scored highest points.

In terms of Regulation 13 (2) preference points for HDI's are calculated on their percentage shareholding in a business, provided that they are actively involved in and exercise control over the enterprise. The following formula is prescribed in Regulation 13 (5) (c):

.....
DECLARATION WITH REGARD TO EQUITY

- 9.1 Name of firm :
- 9.2 VAT registration number :
- 9.3 Company registration number :.....

9.4 TYPE OF FIRM

- ☐ Partnership
- ☐ One person business/sole trader
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

9.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account No:

Stand No:

9.8 TOTAL NUMBER OF YEARS THE FIRM HAS BEEN IN BUSINESS?

9.9 List all Shareholders by Name, Position, Identity Number, Citizenship, HDI status and ownership, as relevant. Information to be used to calculate the points claimed in paragraph 8.

Name	Date/Position occupied in Enterprise	ID Number	Date RSA Citizenship obtained	* HDI Status			% of business / enterprise owned
				No franchise prior to elections	Women	Disabled	

*Indicate YES or NO

Consortium / Joint Venture

In the event that preference points are claimed for HDI members by consortia / joint ventures, the following information must be furnished in order to be entitled to the points claimed in respect of the HDI member:

Name of HDI member (to be consistent with paragraph 9.8)	Percentage (%) of the contract value managed or executed by the HDI member

9.10 I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm certify that points claimed, based on the equity ownership, indicated in paragraph 8 of the foregoing certificate, qualifies the firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct.
- (ii) The Equity ownership claimed is 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 paragraph 8, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
- (iv) If the claims are found to be incorrect, the purchaser may, in addition to any other remedy it may have
 -
 - (a) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct; and
 - (b) 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;

WITNESSES:

.....

.....

.....

SIGNATURE (S) OF BIDDER (S)

DATE:.....

ADDRESS:.....

.....

.....

MBD 4**DECLARATION OF INTEREST**

1. No bid will be accepted from persons in the service of the state*.
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 and/or take an oath declaring his/her interest.

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

3.1 Full Name:

3.2 Identity Number:

3.3 Company Registration Number:

3.4 Tax Reference Number:

3.5 VAT Registration Number:

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

3.6.1 If so, furnish particulars.

.....

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

* 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.

3.7.1 If so, furnish particulars.

.....
.....

3.8 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?

3.8.1 If so, furnish particulars.

.....
.....

3.9 Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?

3.9.1 If so, furnish particulars

.....
.....

YES / NO

YES / NO

3.10 Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state?

YES / NO

3.10.1 If so, furnish particulars.

.....

3.11 Are any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in service of the state?

YES / NO

3.11.1 If so, furnish particulars.

.....

CERTIFICATION

I, THE UNDERSIGNED (NAME)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

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

.....
 Signature

.....
 Date

.....
 Position

.....
 Name of Bidder

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 fulfilment 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

NAME OF FIRM

DATE

WITNESSES

1

2

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 numberdated.....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)	COMPLETION 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:

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?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <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)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <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:		
Item	Question	Yes	No
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

Js367bW

CERTIFICATE OF INDEPENDENT BID**DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 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. take all reasonable steps to prevent such abuse;
 - b. reject 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. cancel 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:

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

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

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

MBD 9

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

- (a) 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.

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

MBD 9

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

GENERAL CONDITIONS OF CONTRACT**TABLE OF CLAUSES**

1. Definitions
2. Application
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4. Standards
5. Use of contract documents and information inspection
6. Patent Rights
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General Conditions of Contract

1. **Definitions**
 - 1.1 The following terms shall be interpreted as indicated:
 - 1.2 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.3 “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.
 - 1.4 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.5 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.6 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.7 “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.
 - 1.8. “Database application form” means the application form required by the UPhongolo Local Municipality to be filled in by the successful tenderer, following the award of the contract, for inclusion on the RNM database before payment is made.
 - 1.9 “Day” means calendar day.
 - 1.10 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.11 “Delivery ex stock” means immediate delivery directly from stock actually on hand.

- 1.12 "Delivery into consignees 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.

- 1.13 "Dumping" occurs when a private enterprise abroad market its goods on 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.

- 1.14 "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.

- 1.15 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

- 1.16 "GCC" means the General Conditions of Contract.

- 1.17 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

- 1.18 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.

- 1.19 "Local content" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.

- 1.20 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.21 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.22 “Project site,” where applicable, means the place indicated in bidding documents.
- 1.23 “Purchaser” means the organization purchasing the goods.
- 1.24 “Republic” means the Republic of South Africa.
- 1.25 “SCC” means the Special Conditions of Contract.
- 1.26 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.27 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.28 “Tort” means in breach of contract.
- 1.29 “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.
- 1.30 “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 bids, contracts and orders including bids 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 bidding 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 bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a nonrefundable fee for documents may be charged.

3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

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

5. Use of contract documents and information inspection 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specifications, 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 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 municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

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 bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque.
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than 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-bidding testing will be for the account of the bidder. |
| | | 8.2 | If it is a bid 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 bidding 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 analyses 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 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 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 fulfillment 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.
- 16.5. Payment will only be made if the supplier has filled in and submitted the necessary database application form to the satisfaction of the Chief Financial Officer.
- 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 bid, with the exception of any price adjustments authorized or in the purchaser's request for bid 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 sub-contracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

- 21.2 If at any time during 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**
- 23.1 The purchaser, without prejudice to any other remedy for

for default

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.

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

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.

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

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

- (a) the name and address of the supplier and / or person restricted by the purchaser;
- (b) the date of commencement of the restriction;
- (c) the period of restriction; and
- (d) the reasons for the restriction.

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

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of amount of a provisional payment or anti-dumping 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 favorable 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.

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|-----|-----------------------------------|------|---|
| 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. |
| | | 27.3 | Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law. |
| | | 27.4 | 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.

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|------------------------------------|------|---|
| 28. Limitation of liability | 28.1 | <p>Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;</p> <ul style="list-style-type: none"> (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 | <p>Every written acceptance of a bid shall be posted to the Supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.</p> |
| | 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 | <p>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.</p> <p>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.</p> <p>32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.</p> <p>32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.</p> |
| 33. | Transfer of contracts | <p>33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser.</p> |
| 34. | Amendment of contracts | <p>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.</p> |
| 35. | Prohibition of restrictive practices | <p>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.</p> <p>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.</p> <p>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</p> |

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.

No contract will be awarded to a person who has failed to submit an original Tax Clearance Certificate from the South African Revenue Service (“SARS”) certifying that the taxes of that person to be in order or that suitable arrangements have been made with SARS.

NB!!!! Please attach copies of the following documents. Failure to provide the following duly completed and up to date documents and certified where applicable will lead to automatic disqualification.

- **Company registration documents.**
- **ID documents of directors/owners/members/shareholders.**
- **TAX/VAT pin from SARS.**
- **Past experience (1) & (2)**
- **Declarations.**
- **Joint Venture agreement**

I certify that I have the appropriate authority to furnish the above-mentioned information and that the above information is correct at the time of completion.

Name:	Signature:
Designation:	Date:

TAX CLEARANCE REQUIREMENTS

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

- 1 In order to meet the requirements bidders are required to complete in full the attached TCC1 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from date of approval / issue.
- 3 The original Tax Clearance Certificate **must** be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance certificate will not be acceptable.
- 4 In the bids where consortia / joint ventures / sub contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC "Application for a "Tax Clearance Certificate" forms are available from any SARS branch office nationally or on the website www.sars.gov.za
- 6 Applications for the Tax Clearance Certificate may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

**PRICING SCHEDULE – FIRM PRICES
(PURCHASES)**

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder.....	Bid Number.....
Closing Time	Closing Date

BIDS SUBMITTED ARE TO BE VALID FOR A PERIOD OF 120 DAYS.

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY (INCLUDING VAT)
1.			
2.			
3.			
4.			
5.			
6.			
7.			

- Required by:

- At:

- Brand and Model
- Country of Origin
- Does offer comply with specification? *YES/NO
- If not to specification, indicate deviation(s)
- Period required for delivery
*Delivery: Firm/not firm
- Delivery basis (all delivery costs must be included in the bid price)

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

***** “ all applicable taxes “ includes value added tax, pay as you earn(PAYE), income tax , unemployment insurance fund (UIF) and skills development levies.**

***Delete if not applicable**

MBD 3.2(i)

**PRICING SCHEDULE – NON-FIRM PRICES
(PURCHASES)**

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder _____	Bid number _____
Closing Time _____	Closing Date _____

BIDS SUBMITTED ARE TO BE VALID FOR A PERIOD OF 120 DAYS.

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY (INCLUDING VAT)
1.			
2.			
3.			
4.			
5.			
6.			
7.			

- Required by: _____
- _____
- At: _____

- Brand and model _____
- _____
- Country of origin _____
- Does offer comply with specification? *YES/NO
- If not to specification, indicate deviation(s)

- Period required for delivery _____ DAYS
- Delivery: *Firm/not firm

***** “ all applicable taxes “ includes value added tax, pay as you earn(PAYE), income tax , unemployment insurance fund (UIF) and skills development levies.**

***Delete if not applicable**

PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATION

1. IN CASES OF CONTRACTS, NON-FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON-FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES
2. IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

$$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{D4t}{D4o} \right) + VPt$$

Where:

Pa	=	The new escalated price to be calculated.
(1-V) Pt	=	85% of the original bid price. Note that Pt must always be the original bid price and not an escalated price.
D1, D2..	=	Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1,D2...etc. must add up to 100%.
R1t, R2t.....	=	Index figure obtained from new index (depends on the number of factors used).
R1o, R2o	=	Index figure at time of bidding.
VPt	=	15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

3. The following index/indices must be used to calculate your bid price:

Index..... Dated..... Index..... Dated..... Index..... Dated.....

Index..... Dated..... Index..... Dated..... Index..... Dated.....

4. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

M
B
D
3.3

PRICING SCHEDULE

NB: this form should be completed full if not the tender will result in disqualification
(Professional Services)

Name of Bidder:.....	Bid Number:
Closing Time:	Closing Date

BIDS SUBMITTED ARE TO BE VALID FOR A PERIOD OF 120 DAYS.

ITEM NO INCLUDED)	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES
-------------------------	-------------	--

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and

including all expenses inclusive of all applicable taxes for the project. R.....
3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
-----	R-----	-----
-----	R-----	-----
-----	R-----	-----

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

-----	R-----	-----
days		
-----	R-----	-----
days		
-----	R-----	-----
days		
-----	R-----	-----
days		

- 5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....R.....
.....R.....
.....R.....

****“all applicable taxes” includes value-added taxes, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.**

- 5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....R.....
.....R.....
.....R.....

TOTAL: R.....

6. Period required for commencement with project after acceptance of bid

.....

7. Estimated man-days for completion of project

.....

8. Are the rates quoted firm for the full period of contract? *YES/ NO.

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for,

for example consumer price index.....

.....

.....

.....

MBD 4

DECLARATION OF INTEREST

(Please circle the applicable answer)

1. No bid will be accepted from persons in the service of the state*. 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 and/or take an oath declaring his/her interest.

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

3.1 Full Name: _____

3.2 Identity Number: _____

3.3 Company Registration Number: _____

3.4 Tax Reference Number: _____

3.5 VAT Registration Number: _____

3.6 Are you presently in the service of the state*

YES / NO

* SCM Regulations: "in the service of the state" means to be –
(g) a member of –

3.6.1 If so, furnish particulars.

3.7 Have you been in the service of the state for the past twelve months?

YES / NO

3.7.2 If so, furnish particulars.

3.8 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

3.8.1 If so, furnish particulars.

3.9 Are you, aware of any relationship (family, friend, other)
between a 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

3.9.1 If so, furnish particulars

3.10 Are any of the company's directors, managers, principle shareholders or stakeholders in service of the state?

YES / NO

3.10.1 If so, furnish particulars.

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

- (h) a member of the board of directors of any municipal entity;
- (i) an official of any municipality or municipal entity;
- (j) 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);
- (k) a member of the accounting authority of any national or provincial public entity; or
- (l) an employee of Parliament or a provincial legislature.

3.12 Are any spouse, child or parent of the company's directors, managers,
principle shareholders or stakeholders in service of the state?

YES / NO

3.11.1 If so, furnish particulars.

CERTIFICATION

I, _____ THE UNDERSIGNED CERTIFY THAT THE INFORMATION FURNISHED ON
THIS DECLARATION FORM IS CORRECT.

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

SIGNATURE

DATE

POSITION

NAME OF BIDDER

MBD 5**(APPLICABLE ONLY FOR BIDS IN EXCESS OF R 10 MILLION)****DECLARATION FOR PROCUREMENT**

For all procurement bidders must complete the following questionnaire:

- 1 Are you by law required to prepare annual financial statements for auditing? 4. 5. 6. 7.
- 1.1 If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years. 8. 9. 10. 11.
- 2 Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days? 12. 13. 14. 15.
- 2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days. 16. 17. 18. 19.
- 2.2 If yes, provide particulars. 20. contract?

.....

3.1 If yes, furnish particulars

.....

3. Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such

.....

.....

.....

.....

..... ***YES / NO**

4. Will any portion of goods or services sourced from outside the Republic, if so, what portion and whether portion of payment from the municipality

/ municipal entity is expected to be transferred
out of the Republic?

***YES / NO**

4.1 If yes, furnish particulars

.....
.....

***YES / NO**

CERTIFICATION

I, THE UNDERSIGNED (NAME)

.....

CERTIFY THAT THE INFORMATION FURNISHED ON THIS
DECLARATION FORM IS CORRECT.

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

*Delete if not applicable

.....

Signature

.....

Date:

.....

Position

.....

Name of Bidder

CONTRACT FORM – PAST EXPERIENCE

Bidders must furnish hereunder details of similar works / service, which they have satisfactorily completed in the past. The information shall include a description of the works, the contract value and the name of the employer.

EMPLOYER	NATURE OF WORK	VALUE OF WORK	DURATION AND COMPLETION DATE	EMPLOYER CONTACT NO

DATE

SIGNATURE OF BIDDER

MBD 5.2**CONTRACT FORM – PAST EXPERIENCE WITH UPHONGOLO DIDTRICT MUNICIPALITY**

Bidders must furnish hereunder details of similar works / service, which they have satisfactorily completed in the past. The information shall include a description of the works, the contract value and the name of the employer.

PREVIOUS AND / OR CURRENT PROJECTS UNDERTAKEN WITH HCM

PROJECT NAME	VALUE OF WORK	CONTRACT START DATE	ANTICIPATED / ACTUAL COMPLETION DATE

DATE

SIGNATURE OF BIDDER

MBD 6.1**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017****PURCHASES**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for Historically Disadvantaged Individual (HDI) preference points as well as a summary for preference points claimed for attainment of other specified goals

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF EQUITY OWNERSHIP BY HISTORICALLY DISADVANTAGED INDIVIDUALS (HDIs), AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2001.

GENERAL CONDITIONS

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 and
the 90/10 system for requirements with a Rand value above R50 000 000.

The value of this bid is estimated to exceed/not exceed R50 000 000 and therefore the.....system shall be applicable.

Preference points for this bid shall be awarded for:

Price; and

Preference points as stipulated in the Supply Chain Management Policy of the Municipality

1.3.1 The points for this bid are allocated as follows:

POINTS

1.3.1.1 PRICE 80

1.3.1.2 PREFERENCE POINTS 20

Historically Disadvantaged Individuals:

Total points for Price and Preference must not exceed 100

Separate Preference Points Claim Forms will be used for the promotion of the specific goals for which points have been allocated in paragraph 1.3.1.2

1.4 Failure on the part of a bidder to fill in and/or to sign this form may be interpreted to mean that preference

points are not claimed.

1.5. 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. GENERAL DEFINITIONS

“Acceptable bid” means any bid which, in all respects, complies with the specifications and conditions of bid as set out in the bid document.

“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, works or services.

2.3 **“Comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration.

2.4 **“Consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.

“Contract” means the agreement that results from the acceptance of a bid by an organ of state.

2.6 **“Specific contract participation goals”** means the goals as stipulated in the Preferential Procurement Regulations 2001.

In addition to above-mentioned goals, the Regulations [12.(1)] also make provision for organs of state to give particular consideration to procuring locally manufactured products.

2.7 **“Control”** means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.

2.8 **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.

2.9 **“Equity Ownership”** means the percentage ownership and control, exercised by individuals within an enterprise.

2.10 **“Historically Disadvantaged Individual (HDI)”** means a South African citizen

who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act No 200 of 1993) (“the interim Constitution); and/or

who is a female; and/or

who has a disability:

provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be a HDI;

2.11 **“Management”** means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.

2.12 **“Owned”** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an

examination of the substance, rather than the form of ownership arrangements.

“**Person**” includes reference to a juristic person.

2.14 “**Rand value**” means the total estimated value of a contract in Rand denomination that is calculated at the time of bid invitations and includes all applicable taxes and excise duties.

2.15 “**Small, Medium and Micro Enterprises (SMMEs)**” bears the same meaning assigned to this expression in the National Small Business Act, 1996 (No 102 of 1996).

2.16 “**Sub-contracting**” means the primary contractor’s assigning or leasing or making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

2.17 “**Trust**” means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.

2.18 “**Trustee**” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ESTABLISHMENT OF HDI EQUITY OWNERSHIP IN AN ENTERPRISE

3.1 Equity ownership shall be equated to the percentage of an enterprise which is owned by individuals classified as HDIs, or in the case of a company, the percentage shares that are owned by individuals classified as HDIs, who are actively involved in the management and daily business operations of the enterprise and exercise control over the enterprise, commensurate with their degree of ownership.

3.2 Where individuals are not actively involved in the management and daily business operations and do not exercise control over the enterprise commensurate with their degree of ownership, equity ownership may not be claimed.

4. ADJUDICATION USING A POINT SYSTEM

4.1 The bidder obtaining the highest number of points will be awarded the contract.

4.2 Preference points shall be calculated after prices have been brought to a comparative basis.

4.3 Points scored will be rounded off to 2 decimal places.

4.4 In the event of equal points scored, the bid will be awarded to the bidder scoring the highest number of points for specified goals.

POINTS AWARDED FOR PRICE

5.1 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

Ps	=	Points scored for price of bid under consideration
Pt	=	Rand value of bid under consideration
Pmin	=	Rand value of lowest acceptable bid

Points awarded for historically disadvantaged individuals

6.1 In terms of Regulation 13 (2) preference points for HDI's are calculated on their percentage shareholding in a business, provided that they are actively involved in and exercise control over the enterprise. The following formula is prescribed in Regulation 13 (5) (c):

$$NEP = NOP \times \frac{EP}{100}$$

Where

NEP = Points awarded for equity ownership by an HDI

NOP = The maximum number of points awarded for equity ownership by an HDI in that specific category

EP = The percentage of equity ownership by an HDI within the enterprise or business, determined in accordance with the definition of HDI's.

Equity claims for a trust will only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the trust.

Documentation to substantiate the validity of the credentials of the trustees contemplated above must be submitted.

Listed companies and tertiary institutions do not qualify for HDI preference points

A consortium or joint venture may, based on the percentage of the contract value managed or executed by their HDI-members, be entitled to preference points in respect of an HDI.

A person awarded a contract as a result of preference for contracting with, or providing equity ownership to an HDI, may not subcontract more than 25% of the value of the contract to a person who is not an HDI or does not qualify for the same number or more preference for equity ownership.

7. BID DECLARATION

7.1 Bidders who claim points in respect of equity ownership must complete the Bid Declaration at the end of this form.

8. EQUITY OWNERSHIP CLAIMED IN TERMS OF PARAGRAPH 2.10 ABOVE. POINTS TO BE CALCULATED FROM INFORMATION FURNISHED IN PARAGRAPH 9.8.

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 (80/20)
1	20

2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

90/10 Preference point system [(for acquisition of services, works or goods with a Rand value above R50 million) (all applicable taxes included)]

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

Where

P_s = Points scored for comparative price of bid or offer under consideration

P_t = Comparative price of bid or offer under consideration

P_{\min} = Comparative price of lowest acceptable bid or offer.

Calculation of points for B-BBEE status level of contributor

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)
1	10
2	9
3	6
4	5
5	4
6	3

7	2
8	1
Non-compliant contributor	0

Notwithstanding the preference points system to be followed in terms of this policy, the Municipality may, on recommendation of the **Municipal Manager**, acting in terms of Section 2 (1)f) of the Preferential Procurement Policy Framework Act 5 of 2000 read with Regulation 9 of the Regulations made in terms thereof, on grounds which are reasonable and justifiable in order to achieve and/or maximise the procurement priorities/objectives outlined in this policy document, award the BID to the bidder other than the bidder that scored highest points.

In terms of Regulation 13 (2) preference points for HDI's are calculated on their percentage shareholding in a business, provided that they are actively involved in and exercise control over the enterprise. The following formula is prescribed in Regulation 13 (5) (c):

.....
DECLARATION WITH REGARD TO EQUITY

- 9.1 Name of firm :
- 9.2 VAT registration number :
- 9.3 Company registration number :

9.4 TYPE OF FIRM

- ☐ Partnership
- ☐ One person business/sole trader
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

9.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account No:

Stand No:

9.8 TOTAL NUMBER OF YEARS THE FIRM HAS BEEN IN BUSINESS?**9.9 List all Shareholders by Name, Position, Identity Number, Citizenship, HDI status and ownership, as relevant. Information to be used to calculate the points claimed in paragraph 8.**

Name	Date/Position occupied in Enterprise	ID Number	Date RSA Citizenship obtained	* HDI Status			% of business / enterprise owned
				No franchise prior to elections	Women	Disabled	

*Indicate YES or NO

Consortium / Joint Venture

In the event that preference points are claimed for HDI members by consortia / joint ventures, the following information must be furnished in order to be entitled to the points claimed in respect of the HDI member:

Name of HDI member (to be consistent with paragraph 9.8)	Percentage (%) of the contract value managed or executed by the HDI member

9.10 I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm certify that points claimed, based on the equity ownership, indicated in paragraph 8 of the foregoing certificate, qualifies the firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct.
- (ii) The Equity ownership claimed is 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 paragraph 8, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
- (iv) If the claims are found to be incorrect, the purchaser may, in addition to any other remedy it may have -
 - (a) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct; and
 - (b) 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;

WITNESSES:

.....

.....

SIGNATURE (S) OF BIDDER (S)

.....

DATE:.....

ADDRESS:.....

.....

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

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?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <p><input type="checkbox"/></p>	<p>No</p> <p><input type="checkbox"/></p>

4.1.1	If so, furnish particulars:		
4.2	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)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	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:		
Item	Question	Yes	No
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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
3. 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) take all reasonable steps to prevent such abuse;
 - (b) reject 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) cancel 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:

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

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

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 consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) 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

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