



TSWELOPELE

LOCAL MUNICIPALITY

A MUNICIPALITY IN PROGRESS

RFP/TSW/04/2023-2024: PROPOSAL / TENDER FOR SHORT-TERM INSURANCE FOR UNTIL 30 JUNE 2026

NAME OF TENDERER: _____

ADDRESS: _____

TELEPHONE NO: _____

CONTACT PERSON: _____

CLOSING DATE: 12 May 2023 at 12H00

PAGE 1 OF 110

Please initial here (witnesses included)

TABLE OF CONTENTS

PART 01: ADVERTISEMENT	3
PART 02: DETAILS OF THE BIDDER	5
PART 03: SPECIAL SPECIFICATIONS OF THE PROPOSAL	9
PART 04: CONDITIONS OF TENDER AND SPECIFICATIONS AND FUNCTIONALITY	14
PART 05: FORM OF TENDER	22
PART 06: GENERAL UNDERTAKINGS BY THE TENDERER	25
PART 07: GENERAL CONDITIONS OF CONTRACT AND PROCEDURES	31
PART 08: OTHER CONDITIONS OF THE TENDER	57
PART 09: CLAIM HISTORY AND RISK MANAGEMENT	64
PART 10: SCHEDULE OF QUANTITIES AND PRICES	66
PART 11: MUNICIPAL BIDDING DOCUMENTS (MBD) FORMS	Error! Bookmark not defined.
PART 12: DECLARATION BY (ON BEHALF OF) THE BIDDER	102

PART 01: ADVERTISEMENT

REQUEST FOR PROPOSAL
RFP/TSW/04/2023-2024
PROPOSAL FOR SHORT TERM INSURANCE UNTIL 30 JUNE 2026

Proposals are hereby invited from suitably accredited short-term insurance companies / brokers registered in terms of the Short-Term Insurance Act, Act 53 of 1998 to bid/submit a proposal for the comprehensive municipal short-term Insurance for a period of three years.

Tender documents will be available from 28 April 2023 at the Tswelopele Local Municipality's website www.tswelopele.gov.za and National treasury's website [etenderportal www.etenders.gov.za](http://etenderportal.www.etenders.gov.za).

Proposals marked for the attention of the Municipal Manager must be submitted in a sealed envelope **marked "RFP/TSW/04/2023/2024 PROPOSALS FOR SHORT TERM INSURANCE FOR PERIOD ENDING 30 JUNE 2026"** and be deposited in the tender box located at Tswelopele Local Municipality no later than 12 May 2023, 12H00 at the following physical address: Tswelopele Local Municipality Offices, 01 Bosman Street, Civic Centre, Bultfontein ,9670

The proposal will be evaluated and adjudicated in line with the approved Supply Chain Management Policy of the municipality using 80/20 preference point system in line with the Preferential Procurement Policy Framework Act.

The tenders will be evaluated and adjudicated:

Returnables

Functionality

Price (80)

Specific Goals (20)

Proposals which are late or submitted by facsimile or electronically will not be accepted. The municipality does not bind itself to accept the lowest or any proposal and reserves the right to accept any proposal either wholly or a part thereof or to disclose reasons for their decision.

Technical enquiries can be directed to Manager: Asset and Payroll, Mr. Makoko and SCM related enquiries directed to Ms. P Mashiane at (051) 853 1111 during office hours.

Mr TJ Matyesini

Acting Municipal Manager

PART 02: DETAILS OF THE BIDDER

Name of the firm / entity / enterprise	
Trading name (if different from above)	
Postal address	<div style="border-bottom: 1px solid black; height: 20px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px;"></div>
Physical address (include the physical address of the offices situated in the Free State Province). If the physical address provided is outside the Free State Province the assumption will be that the entity does not have an office within the FS Province	<div style="border-bottom: 1px solid black; height: 20px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px;"></div>
Contact details of the Person Signing the Proposal	<p>Name: _____</p> <p>Tel: _____</p>

	Cell: _____ E-mail: _____
Contact Details of the Senior Manager Responsible for Overseeing Contract Performance	Name: _____ Tel: _____ Cell: _____ E-mail: _____
Contact Details of Person Responsible for Accounts / Invoices	Name: _____ Tel: _____ Cell: _____ E-mail: _____
Company Registration Number	
Company Income Tax Number	
VAT Registration Number	

Any other Registration Applicable to this Industry	
--	--

I/We hereby authorize the Employer/Client to approach all or any of the following bank/s for the purposes of obtaining a financial reference and must be accompany by Bank Confirmations:

DESCRIPTION OF BANK DETAIL	BANK DETAILS APPLICABLE TO TENDERER'S HEAD OFFICE
Name of bank	
Branch name	
Branch code	
Name of Account Holder	
Account number	
Type of Account	

NB: Please enclose an original bank confirmation letter with the bank stamp in the tender document.

Signature of Tenderer:

Date:

THE RESOLUTION TAKEN BY THE BOARD OF DIRECTORS / MEMBERS / PARTNERS

RESOLUTION of a meeting of the Board of Directors / Members / Partners of

NAME OF TENDERER

Held at _____ on

RESOLVED THAT:

1. The enterprise submits a Tender to the Tswelopele Local Municipality in respect of the following:

RFP/TSW/04/2023-2024

2. Mr/Mrs/Ms _____

In his/her capacity as _____

and who will sign as follows: _____

(SPECIMAN SIGNATURE)

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

Note: The resolution **must be signed by all the directors or members / partners** of the bidding enterprise. Should the space provided below not be sufficient for all the directors to sign, please provide a separate sheet in the same format below.

	NAME	CAPACITY	SIGNATURE
1			
2			
3			
4			
5			
6			
7			
8			
9			

PART 03: SPECIAL SPECIFICATIONS OF THE PROPOSAL

SP 01: SCOPE OF TENDER

1. The Directorate of Finance at Tswelopele Local Municipality requires the services of professional Short Term Insurance / Brokers that can review and advise the Municipal Manager in terms of the following aspects:

- a. Insurance of fixed assets.
- b. Insurance of moveable assets.
- c. Insurance of infrastructure assets.
- d. Insurance of public liability.

2. In addition to the above, the Insurers must indicate the following:

- a. Indicate the assets they insure
- b. Insurance Schedules must be available in a hard and electronic copy
- c. Claims procedures must clearly be stated.
- d. Excess payment on the claims must be clearly stated in the below tables
- e. Provide premiums as set out in the table. Estimated Premiums for the 2023-2024; 2024-2025 and 2025/2026 financial year must be included in the document.
- f. Bidders must clearly outline the finalized claims period after the registration of the claims.

3. The Bidder must provide effective training to officials regarding

- a. the reading of the insurance schedules to understand it properly
- b. the registration process of a claim
- c. the procedure to add or remove an asset from the insurance policy
- d. provide professional and technical advice to the management of the municipality on high and low risk assets

SP 02: REQUIREMENTS

4. Review the attached analysis of assets and calculate premium as well as excess payment applicable to each line item.

SP 03: FUNCTIONALITY OF THE TENDERER

Bidder must score 70 points and upwards to be advanced to the next stage.							
ITEM	CRITERIA	WEIGHT	BEC Score				
A	Experience of carrying out similar service The bidder must be licenced with FAIS The bidder must provide no less that three(3) Local Authorities that they provide Insurance services for in the past five years <ul style="list-style-type: none">• Include a brief description of each contract• The time which services were performed• Contact name, address, and contact number of the representative having knowledge of firms work• Contract value for the services NB* Appointment letters should have such information	40					
	<u>Reputable track record for carrying out similar service:</u> Rendering of services of insurance brokers 4. 6> x Appointment Letters 5. 4-6 x Purchase orders/Appointment Letters 6. 1-3 x Purchase Orders/Appointment Letters	40 30 10					
B.	Accreditation FAIS	20					
	A certified copy of the FIAS must be submitted	20					
C	References and customer satisfaction rating on the service provided in a similar environment	10					
	List of current and previous clients which whom similar services were rendered 5> Clients 3-5 0-3	10 5 3					
D	Experience of the staff to be assigned to the contract Submit a brief profile of the agent who will provide these services. This must include the agents year's of experience and registration details Year of experience	10					
	5> 3-5 0-3	10 5 3					
E	Disaster Recovery Plan The bidder must provide a copy of their disaster recovery plan indicating system back up Procedures in case of disaster	10	<table><tr><td></td><td></td></tr><tr><td></td><td></td></tr></table>				
	Plan Attached	Please initial here (witnesses included)					
	No plan attached	0					

- a. Compliance to Terms of Reference of specifications.
- b. Proof of previous experience and similar work successfully concluded

FUNCTIONALITY (bidders must score 70 points and above to be advanced to the next stage).

- c. Extensive knowledge of Legislation and Regulations.
- d. Format and quality of previous services rendered to Council.
- e. Level of expertise and qualifications of personnel.

5. Tenderers must submit all relevant information regarding the above criteria. Tenderers are to submit a full company profile, which will include, but will not be limited to the following:

- a. Registration date of company.
- b. Addresses of registered offices in RSA.
- c. Full particulars of person nominated to be in charge.
- d. Experience of person nominated.
- e. What other relevant skills are available within the company?
- f. Proof of registration as a registered Underwriter.
- g. Proof of contract with Insurance Company.
- h. How many years company has been in business?

SP 04: PRICING OF TENDER

6. The pricing of the bid must adhere to the following:

- a. Bid prices must be quoted per year.

- b. Method of payment must be stipulated.

SP 05: TENDER DOCUMENTS

7. The submission must be done on the tender document downloaded from the website which is issued by the Municipality and they must not be retyped/altered.

FUNCTIONALITY

PART 04: CONDITIONS OF TENDER AND SPECIFICATIONS

CT 1: GENERAL

1. Tswelopele Local Municipality would like to invite interested bidders / brokers to submit proposals for Short Term Insurance.

CT 2: QUALIFICATION OF TENDERERS

1. It is essential that adequate background information pertaining to the Tenderers' company structure and profile be provided.

CT 3: CONTRACT DOCUMENTS

1. Each Tenderer is required to deposit the proposal documents, duly completed, in a sealed envelope, as per the advertisement calling for proposal.
2. No late proposals or proposals in an unsealed envelope will be accepted. No email, telegraphic, telephonic, telefax or facsimile tenders will be accepted.

CT 4: ACCEPTANCE OF PROPOSAL

1. The Council does not bind itself to accept the lowest or any proposal, and reserves the right to accept any proposal in whole or in part.

CT 5: REQUEST FOR TENDER DOCUMENTS

1. Bid documents are obtainable, at Tswelopele Local Municipality's website www.tswelopele.gov.za and etender portal www.etenders.gov.za

CT 6: SUBMISSION OF PROPOSALS

1. Every proposal must be lodged in a sealed envelope which is to be endorsed as per the indication / instruction in the call for proposal.

CT 7: SUFFICIENCY OF DOCUMENTS

1. Before the submission of any proposal, the Bidders must check the documents issued and the number of pages contained in this document. If any are found to be missing or duplicated or any figure or writing indistinct, or if the Schedule of Quantities contains any obvious errors, the Bidders shall contact the official handling the enquiries to inform him/her of any errors. Each Bidders shall satisfy himself/herself that his/her set of documents is complete and no claims will be considered in this regard.

CT 8: COMPLETENESS OF DOCUMENT

1. The tender will be considered as valid only if the following conditions are met:
- a) The tender must be submitted on the Schedule of Quantities and Prices bound into the tender documents. The Schedule of quantities and prices must NOT be detached from the bound set of documents.
 - b) Tender documents shall remain intact in their original format and no pages are to be re-arranged or removed. The whole set of documents are to be submitted.
 - c) No incomplete documents will be accepted and all entries must be completed in non-erasable pen (preferably black ink) and all annexure(s) must be fully completed.
 - d) The Schedule of Quantities and Prices bound into the tender document is to be fully priced and added up accurately.
 - e) The tender must be signed by a person duly authorised thereto. A tender submitted by a Joint Venture of two or more firms must be accompanied by the document of the establishment of the joint venture, duly registered and authenticated by notary public or other official deputed to witness sworn statements, which precisely defines the conditions under which the joint venture will function, the duration period, the person authorised to represent it and who are obliged thereby, confirmation that the participation of the several firms forming the joint venture will be jointly and separately responsible to permit a full appraisal of its functioning.

CT 9: SCOPE OF TENDER / PROPOSAL

1. The Tenderer must make provision in his/her tender for all labour, materials, equipment, office overheads, profit, all statutory taxes and duties and everything else which is required to execute the work in accordance with tender documents and applicable legislation.

CT 10: OPENING OF TENDERS / PROPOSAL

1. Tenders shall be opened in public by the designated official from the municipality immediately after the closing time for the receipt of tenders. Tenders so opened shall be stamped, signed and dated by the person who opens them.
2. As the tenders are opened, the name of the Tenderer and the price where practically possible shall be read out. No further particulars will be furnished after the tenders have been opened and read out.

CT 11: VALIDITY OF TENDERS AND PERIOD

1. The period for which tenders must remain valid is calculated from the closing date for the submission of tenders. In the event of such period expiring on a Sunday, public holiday or any other day on which the municipal offices are closed, such tenders must remain valid until the closing time of the first working day of the offices following such expiry date.
2. Tenders shall remain valid for 90 days after the closing date for submission of tenders and the successful Tenderer will be advised of the acceptance of his/her tender within this period.

CT 12: WITHDRAWAL OF TENDERS

1. A Tenderer may withdraw his/her tender in writing at any time before the closing date and time for submission of tenders if a notice to this effect reaches the Municipal Manager before the closing date and time.

2. In the event of the Tender withdrawing his/her tender after the closing date and time, or failing to provide an acceptable guarantee, or failing to take up the contract when called upon to do so by the municipality, the municipality reserves the right to insist that the Tender shall pay to the municipality the cost incurred by the municipality in having to award the tender to another Tenderer.

CT 13: EVIDENCE OF PREPAREDNESS OF TENDERER

1. It is a prerequisite that the Tenderer shall show and present satisfactory evidence that he/she has the necessary credit worthiness, capital and manpower to begin the work promptly and to conduct it as required by the municipality.

CT 15: COST INCURRED BY THE TENDERER

1. The municipality will not be responsible for any expenses or losses that may be incurred by any Tenderer and/or supplier in the preparation and/or submission of the tender.

CT 16: STAMP DUTIES

1. All stamp duties and other costs in connection with the signing of the contract or surety shall be paid by the Tenderer.

CT 17: AMENDMENTS AND QUALIFICATIONS

1. No unauthorised amendment shall be made to the tender document. If any such amendment is made or if the schedule of quantities and prices is not properly completed, the tender may be invalid.
2. Points that are difficult to interpret shall be clarified by the person handling enquiries as stated in the advertisement, as early as possible during the tender stage.
3. Should a query be deemed significant, all Tenderers will be informed accordingly by the relevant official from the municipality.
4. An amendment or qualified tender must be submitted as an alternative tender together with a non-qualified tender. No qualified tender will be considered if no unqualified was submitted.

CT 18: ADDITIONAL INFORMATION

1. Each "Special Notice to Tenderers" will be deemed to form part of the tender documents and will either be included in the tender documents before issue thereof to the Tenderer or where the Tenderer has already been issued with tender documents, will be handed to the Tenderer or sent by registered post to the Tenderers address or by any means that the municipality consider appropriate.

CT 19: PRICING AND VALUE-ADDED TAX

1. Prices tendered must be valid for 90 days calculated from the closing date.

2. Prices must be completed on the schedule provided for the prices as indicated. VAT must be included in the amount tendered if bidders are registered as VAT Vendors.

3. No contract shall be awarded to a person or company who has failed to submit a Tax Pin Certificate from the South African Revenue Services giving the municipality an authority to check that the taxes of that person to be in order or that suitable arrangement have been made with the South African Revenue Services.

CT 20: PAYMENT AND CURRENCIES

1. Payment for items purchased through this tender shall be made in accordance with the supply chain management policy of the municipality and South African currency (the Rand) shall be used in making payments thereon.

CT 21: CONSIDERATION OF TENDERS

1. The Municipal Manager takes all tenders duly admitted into consideration and reserves the right not to accept the lowest or any tender received.

2. The decision by the Municipal Manager regarding the awarding of a contract shall be final and binding.

3. Where a contract has been awarded on the strength of information which, after the conclusion of the relevant agreement, is proved to have been incorrect, the Council may, in addition to any other legal remedy it may have.

- a) Recover all costs, losses or damages it has incurred or suffered as a result of the award of the contract.

- 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 cancellations.
- c) Impose a financial penalty more severe than the theoretical financial preference associated with the claim which was made in the tender.
- d) Restrict the contractor, its shareholders and directors from obtaining business from the municipality for a period not exceeding ten (10) years.

CT 22: TRANSFER OF CONTRACTS

1. The contractor shall not abandon, transfer, assign or sublet a contract or part thereof without prior written consent of the Council.

CT 23: SERVICE LEVEL AGREEMENTS

1. It is an irrefutable condition of this contract that the successful Tenderer will have to negotiate and conclude a service level agreement with the Council.

CT 24: SETTLEMENT OF DISPUTES

1. Should any dispute arise between a Tenderer/supplier and the Municipality as to an interpretation of the conditions of a tender, contract or order, the decision of the Council shall be final. The execution of a contract or order shall not be delayed pending such decision. I hereby agree to the terms and conditions stated above.

Authorised Signature: _____

Name in block letters: _____

Signed at _____ this _____ day of _____ 2023

PART 05: FORM OF TENDER

TO: Municipal Manager
Tswelopele Local Municipality
P.O. BOX 3
BULTFONTEIN
9670

Sir/Madam

I/We, the undersigned:

- a) tender for short term insurance as indicated in the advertisement subject to the conditions thereof from the Tswelopele Local Municipality;

- b) agree that the costs which are related to the preparation and submission of the tender document shall be for our own account;
- c) agree that we will be bound by the specifications, prices, terms and conditions stipulated in those schedules attached to this tender document;
- d) further agree to be bound by those conditions, set out in this tender document and any annexure attached hereto, should this tender be accepted in whole or in part;
- e) confirm that this tender may only be accepted by the Tswelopele Local Municipality by way of a duly authorised Letter of Acceptance;
- f) declare that we are fully acquainted with the Preferential Procurement Form and Schedules, and the contents thereof and that we have signed the Schedule of Quantities and Prices and completed the Procurement Form, attached hereto;
- g) declare that, the tender document and amendments thereto will be signed by the relevant authorised person in order for the document to constitute a proper contract between the Tswelopele Local Municipality and the undersigned, on acceptance of a tender by the Tswelopele Local Municipality;
- h) declare that all information provided in respect of the tenderer as well as the tender documents submitted are true and correct;
- i) declare that documentary proof regarding aspects of the tender process or accidental thereto will, when required, be submitted to the satisfaction of the municipality;

- j) declare that this tender shall be valid for the period of 90 days from the closing date;
- k) in the event of this tender being withdrawn or in the event of the undersigned failing to take up the contract or to provide an approved guarantee when called upon to do so, I/we agree to pay Tswelopele Local Municipality the cost incurred by the municipality in having to award the contract to another Tenderer;
- l) I/we understand that you are not bound to accept the lowest or any tender you may receive and that no reason will be provided by you for non-acceptance or rejection of my tender.

Yours faithfully,

Authorised Signature: _____

Name in block letters: _____

Signed at _____ this _____ Day of _____ 2023

Witness Name: _____

Signature: _____

Date: _____

PART 06: GENERAL UNDERTAKINGS BY THE TENDERER

1.1. DEFINITIONS

- 1.1.1 **“Acceptable tender”** means any tender which, in all respects, complies with conditions of tender and specifications as set out in the tender document, including conditions as specified in the Preferential Procurement Policy Framework Act (Act 5 of 2000) and related regulations.
- 1.1.2 **“Chairperson”** means the chairperson of the Tswelopele Local Municipality Bid Committee.
- 1.1.3 **“Municipal Manager”** means the Municipal Manager of the municipality.
- 1.1.4 **“Committee”** refers to the Bid Committee.
- 1.1.5 **“Council”** refers to Tswelopele Local Municipality’ council.
- 1.1.6 **“Equity Ownership”** refers to the percentage ownership and control, exercised by individuals within an enterprise.

- 1.1.7 **“HDI equity ownership”** refers to the percentage of an enterprise, which is owned by individuals, or in the case of a company, the percentage shares that are owned by individuals meeting the requirements of the definition of a HDI.
- 1.1.8 **“Member”** means a member of the Bid Committee.
- 1.1.9 **“Historically Disadvantaged Individual (HDI)”** means a South African citizen-
- (i) Who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the 1983 and 1993 Constitutions; and/or
 - (ii) Who is a female; and/or
 - (iii) Who has a disability.
- 1.1.10 **“Service providers”** refers to the Tenderers who have been successful in being awarded Council contracts.
- 1.1.11 **“SMMEs (Small, medium and Micro Enterprises)”** refers to separate and distinct business entities, including co-operative enterprises and NGOs, managed by one owner or more, as defined in the National Small Business Act 102 of 1996.
- 1.1.12 **“Contract”** refers to legally binding agreement between Tswelopele Local Municipality and the service provider.

- 1.1.13 **“Tender”** means a written offer or bid in a prescribed or stipulated form in response to an invitation by the Municipality for the provision of services or goods.
- 1.1.14 **“Contractor”** means any natural or legal person whose tender has been accepted by the Council.
- 1.1.15 **“Closing time”** means the date and hour specified in the tender documents for the receipt of tenders.
- 1.1.16 **“Order”** means an official written order issued for the supply of goods or the rendering of a service in accordance with the accepted tender or price quotation.
- 1.1.17 **“Written” or “in writing,”** means hand written in ink or any form of mechanical writing in printed form.
- 1.1.18 **“Functionality”** means technical capability, financial and other resource availability that the service provider needs, to successfully and efficiently render the service and/or deliver in accordance with the specifications.

1.2 INTERPRETATION

1.2.1 In this agreement clause headings are for convenience and shall not be used in its interpretation and, unless the context clearly indicates a contrary intention:-

1.2.2 An expression which denotes:-

- a) Any reference to any statute, regulation or other legislation or official policy shall be a reference to that statute, regulation or

other legislation or national policy as at the signature date, and as amended or re-enacted from time to time.;

- b) When any number of day is prescribed, such shall be reckoned exclusively of the first and inclusively of the last day, unless the last day falls on a day which is not a business day, in which case the last day shall be the next succeeding day which is a business day;
- b) Where any term is defined within a particular clause, other than the interpretation clause, that term shall bear the meaning ascribed to it in that clause wherever it is used in this agreement.

2.1 I/we hereby tender:

- 2.1.1 to supply all or any of the supplies and/or to render all or any of the services described in the attached documents Forms, Schedule(s) and/or Annexure(s) to the Tswelopele Local Municipality.
- 2.1.2 on the terms and conditions and accordance with the specifications stipulated in the tender documents (and which shall be taken as part of and incorporated into, this tender).
- 2.1.3 at the prices and on the terms regarding time for delivery and/or execution inserted therein.

2.2 I/we agree further that:

- 2.2.1 the offer herein shall remain binding upon me/us and open for acceptance by the Tswelopele Local Municipality during the

validity period indicated and calculated from the closing time of the tender.

2.2.2 this tender and its acceptance shall be subject to the terms and conditions contained in the Forms, Scheduled(s) and/or Annexure(s) attached hereto with which I am /we are fully acquitted.

2.2.3 notwithstanding anything to the contrary in the Form(s), Schedule(s) and /or Annexure(s) attached hereto:

2.2.3.1.1 If I/we withdraw my/our tender within the period for which I/we have agreed that the tender shall remain open for acceptance, or fail to fulfil the contract when called upon to do so, the Tswelopele Local Municipality may, without prejudice to its other rights, agree to the withdrawal of my/our tender or cancel the contract that may have been entered into between me/us and the Municipality;

2.2.3.1.2 In such event, I/we will then pay to the Municipality any additional expenses incurred by the Municipality for having either to accept any less favourable tender or, if new tenders have to be invited, the additional expenditure incurred by the invitation of new tenders and by the subsequent acceptance of any less favourable tender;

2.2.3.1.3 The Municipality shall also have the right in these circumstances, to recover such additional expenditure by set-off against monies which may be due or become due to me/us under this or any other tender or contract or against any guarantee or

deposit that may have been furnished by me/us or on my/our behalf for the due fulfilment of this or any other tender or contract;

2.2.3.1.4 Pending the ascertainment of the amount of such additional expenditure the Municipality may retain such monies, guarantee or deposit as security for any loss the Municipality may sustain, as determined hereunder, by reason of my/our default.

2.2.4 any legal proceedings arising from this tender may in all respects be launched or instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgment which may be obtained against me/us as a result of such legal proceedings and I/we undertake to pay the Tswelopele Local Municipality legal costs on an attorney and own client;

2.2.5 if my/our tender is accepted that acceptance may be communicated to me/us by letter and that proof of delivery of such acceptance to SA Post Office Ltd.

2.2.6 the law of the Republic of South Africa shall govern the contract created by the acceptance to this tender.

2.2.7 I/we have satisfied myself/ourselves as to the correctness and validity of this tender, that the price(s) and rate(s) quoted cover all the work/items(s) specified in the tender documents and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our risk.

2.2.8 I/we accept full responsibility for the proper execution of all terms and conditions of this agreement as the principal(s) liable for the fulfilment of this contract.

Authorised Signature: _____

Name in block letter: _____

Date: _____

PART 07: GENERAL CONDITIONS OF CONTRACT AND PROCEDURES

GCCP 1. DEFINITIONS

1. The following terms shall be interpreted as indicated:

1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.

1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.

1.5 “Countervailing duties” are imposed in cases where an enterprise abroad is subsidised by its government and encouraged to market its products internationally.

1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognised new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 “Day” means calendar day.

1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.

1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.

1.10 “Delivery into 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.

1.11 "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.

1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

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

1.14 "GCCP" means the General Conditions of Contract and Procedures.

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

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

charges to the factory in the Republic where the goods covered by the bid will be manufactured.

1.17 “Local content” means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.

1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 “Project site,” where applicable, means the place indicated in bidding documents.

1.21 “Purchaser” means the organisation purchasing the goods.

1.22 “Republic” means the Republic of South Africa.

1.23 “SCC” means the Special Conditions of Contract.

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

1.25 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.

1.26 “Tort” means in breach of contract.

1.27 “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.

1.28 “Written” or “in writing” means hand-written in ink or any form of electronic or mechanical writing.

GCCP 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.

GCCP 3. GENERAL

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

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

GCCP 4. STANDARDS

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

GCCP 5. USE OF CONTRACT DOCUMENTS AND INFORMATION INSPECTION

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

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

5.3 Any document, other than the contract itself mentioned in GCCP clause 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.

GCCP 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.

GCCP 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 specified.

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.

GCCP 8. INSPECTIONS AND TESTS ANALYSIS

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

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

GCCP 9. PACKING

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

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

GCCP 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.

GCCP 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.

GCCP 12. TRANSPORT

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

GCCP 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.

GCCP 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.

GCCP 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.

GCCP 16. PAYMENTS

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated.

GCCP 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.

GCCP 18. VARIATION ORDERS

18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 7% 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.

GCCP 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.

GCCP 20. SUBCONTRACTORS

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

GCCP 21. DELAYS IN 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 GCCP 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 GCCP Clause 22, unless an extension of time is agreed upon pursuant to GCCP 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.

GCCP 22. PENALTIES

22.1 Subject to GCCP 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 GCCP Clause 23.

GCCP 23. TERMINATION FOR DEFAULT

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCCP 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.

GCCP 24. ANTIDUMPING AND COUNTERVAILING DUTIES

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidised import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date,

such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the 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.

GCCP 25. FORCE MAJEURE

25.1 Notwithstanding the provisions of GCCP 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.

GCCP 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.

GCCP 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.

GCCP 28. LIMITATION OF LIABILITY

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.

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

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

GCCP 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.

GCCP 30. APPLICABLE LAW

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

GCCP 31. NOTICES

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

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

GCCP 32. TAXES AND DUTIES

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

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

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

GCCP 33. TRANSFER OF CONTRACTS

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

GCCP 34. AMENDMENTS OF CONTRACTS

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

GCCP 35: REMEDIES

35.1. In the event of the death of a contractor or the provision or final sequestration of his/her estate or of his/her cession or transfer of a contract without the approval of the Council or of the surrender of his/her estate or of his/her reaching a compromise with his/her creditors or of the provisional or final liquidation of a contractor's company or the placing of its affairs under judicial management, the Council may, without prejudice to any other rights it may have, exercise any of the following:

- I. Cancel the contract and accept any of the tenders, which were submitted originally with that of the contractor or any offer subsequently received to complete the contract. In such a case the estate of the contractor shall not be relieved from liability for any claim which has risen or may arise against the contractor in

respect of supplies not delivered or work not carried out by him/her under the contract, and the Council shall have the right to hold and retain all or any of the securities and retention moneys held by it at the date of the aforesaid occurrences until such claim has been satisfied; or

- II. Allow the executor, trustee, liquidator or judicial manager, as the case may be, for and on behalf of and at the cost and expenses of the estate of the contractor to carry on with and complete the contract.

GCCP 36: CONTRACTORS LIABILITY

36.1 In the event of the contract being cancelled by the Council in the exercise of its rights in terms of these conditions, the contractor shall be liable to pay to Council any losses sustained and/or additional costs or expenditure incurred as a result of such cancellation and Council shall have the right to recover such losses, damages or additional costs by means of set-off from moneys due or which may become due in terms of the contract or any other contract, or from a guarantee provided for the due

Fulfilment of the contract and, until such time as the amount of such losses, damages or additional costs have been determined, to retain such moneys or guarantee or any deposit as security for any loss which the Council may suffer or have suffered.

The contractor may be held responsible for any consequential damages and loss sustained which may be caused by any defect, latent or otherwise, in the supply or service rendered or if the supply or service as a result of such defect,

latent, otherwise, does not conform to any condition or requirement of the contract.

GCCP 37: PROCEDURES

1. The Municipality will adjudicate acceptable tenders using a preference point system which awards points on the basis of:
 - i. The tendered price
 - ii. Meeting specific goals
2. The Council may, in the adjudication of tenders, give particular consideration to procuring locally manufactured products. Preference in this regard may be accommodated within the ambit of the Act's 80/20 or 90/10 point system.
3. For specific industries, where the award of tenders to local manufacturers are of critical importance such tenders may be advertised with a specific tendering condition that only locally manufactured products will be considered.
4. Should preference points be awarded for locally manufacturing and/or content, the award of such points must be clearly specified in the tendering conditions.
5. Only a tenderer who has completed and signed the declaration part of the tender documentation may be considered for preference points.
6. The Council may, before a tender is adjudicated or at any time, require a Tenderer to substantiate claims it has made with regard to preference.

7. In the event that different prices are tendered for different periods of a contract, the price for each period must be regarded as a firm price if it conforms to the definition of a “firm price”.
8. Points scored will be rounded off to the nearest 2 decimal.
9. In the event that two or more tenders have scored equal total points, the successful tender must be the one scoring the highest number of preference points for specified goals. Should two or more tenders be equal in all respects, the award shall be decided by the drawing of lots.
10. Preference points stipulated in respect of a tender will include preference points for equity ownership.
11. The equity ownership will be equated to the percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of a company’s shares that are owned by individuals, who are actively involved in the management of the enterprise or business and
12. Exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.
13. In the event that the percentage of ownership contemplated in paragraph 11 above changes after the closing date of the tender, the Tenderer must notify the Municipality.
14. Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do

not exercise control over an enterprise or business commensurate with their degree of ownership.

15. All claims made for equity ownership by an HDI will be considered according to the following criteria:

- i. Equity within private companies must be based on the percentage of equity ownership.
- ii. Preference points must not be awarded to public companies and tertiary institutions.
- iii. No equity points may be claim for HDI for people who obtained RSA citizenship after 27 April 1994

16. Equity claims for a Trust shall not be allowed in respect of those persons who are both trustee and beneficiaries and who are actively involved in the management of the Trust.

17. A Consortium or Joint Venture shall, based on the percentage of the contract value managed or executed by their HDI members, be entitled to equity ownership in respect of an HDI.

18. The number of points scored for a Consortium or Joint Venture must be added to the number of points scored for achieving specified goals.

19. A person awarded a contract as a result of preference for contracting with, or providing equity ownership to an HDI, shall not sub-contract more than 25% of

the value of the contract to a person who is not an HDI or does not qualify for such preference.

20. No contract shall be awarded to a person who failed to submit a Tax Clearance Certificate from the South African Revenue Services (SARS) certifying that the taxes of that person to be in order or that suitable arrangement have been made with SARS.

21. Tenderers submitting two or more offers on the same tender without declaring interest will be disqualified.

22. No contract shall be awarded to a company that fails to submit a valid company registration certificate or identity document if one man concern.

PART 08: OTHER CONDITIONS OF THE TENDER

1. DEFINITIONS

Unless inconsistent or expressly indicated otherwise by the context

“COUNCIL” shall mean Tswelopele local municipality

“TENDER” shall mean an offer to arrange for the Council short-term insurance at a specified premium, with the insurers as stated.

“BROKER” shall mean any person or persons or anybody or anybody of persons corporate or incorporated who or which offer(s) to arrange short-term insurance and render such service to the Council.

2. PERIOD OF CONTRACT

The contract period will be as follows in line with the financial year of the municipality:

INITIAL CONTRACT 01 July 2023 TO 30 June 2026

EXTENSION (any period after the Initial contract termination date)

(Please note that the municipality is not bound to extend the contract upon expiry date and may have to undergo competitive bidding process. The contract is for three years running from 01 July 2023 till 30 June 2026).

It should be noted that should the contract be awarded after 01 July 2023, it will still run for the remaining period till 30 June 2023.

3. CLOSING DATE OF TENDER

3.1 Refer to the call for proposals for closing date and time.

3.1. The Council shall, in the following cases, have the right summarily and without recourse to law and prejudice to the right of the Council to sue the Broker for any damages sustained by it in consequence of the Broker’s breach of contract, or default as aforementioned and to terminate the contract.

3.1.1. in the event of any breach of or failure by the Broker to comply with any of the terms of this contract.

3.2.2 in the event of an order being made for the sequestration of the Broker's estate, whether provisional or final, or in the event of an application being made for such order, or in the event of the Broker making application for the surrender of his estate, or if he shall enter into, make or execute any deed of arrangement, or other composition or arrangement with, or assignment for the benefit of his creditors, or purport so to do, or, if the Broker is a company, if it shall pass a resolution, or if the Court shall make an order, for the liquidation of such company and

3.2.3 in the event of the Broker, or any person employed by him, paying or offering to pay any sum of money by way of commission or gratuity to any councillor or person in the employ of the Council or giving or offering or endeavouring to give to such councillor or other person any gift or consideration.

4. FAILURE TO DELIVER

4.1 In the event of the Broker failing to arrange short-term insurance according to the contract; or of the Council suffering damage because of the Brokers failure to deliver; it is agreed that the Broker shall pay to the Council as liquidated damages, and not by way of penalty, the following sums, to be fixed in each case by the Municipal Manager:

in case

(a), a sum equal to any excess cost incurred by the Council over the Contract Price in arranging the short-term insurance according to the Contract, in such

manner as it may deem fit, together with all charges and expenses connected therewith;

in case

(b) a sum not exceeding the actual damage so incurred by the Council.

4.2 The Municipal Manager shall also determine the manner in which and the time when such payment of excess cost or damage shall be made, the decision of the Municipal Manager to be binding in every case.

4.3 The Broker undertakes not to sublet or assign this contract, or any part thereof, or any interest therein, except with the written consent of the Council, and on such conditions as the Council may approve.

5. ACCEPTANCE

5.1 The written acceptance of this Tender shall constitute a contract binding on both parties.

5.2 This tender shall remain open for acceptance for a period of ninety (90) days from the date on which tenders are due (closing date of tenders) and during this period the tenderer shall agree not to withdraw his tender or impair or derogate from its effect.

5.3 The Council does not bind itself to accept the lowest or any tender.

6. PREMIUM

- 6.1. The premium quoted shall be for a period of one year (that is 2023/24), with effect from 01 July 2023 till 30 June 2024.
- 6.2. For the second year (2024/25), the premium of 2024/25 shall be increased in line with the inflation rate.
- 6.3. For the third year (2025/26), the premium of 2024/26 shall be increased in line with the inflation rate.
- 6.4. For the purpose of determining the point for Price, the premium for the 2023/24 shall be used.

7. ADDITIONAL CONDITIONS

- 7.1 Tenderers may approach all Insurers complying with the relevant statutory solvency and other requirements.
- 7.2 Tenderer's proposals should be accompanied by a detailed summary of the salient features of your recommended insurance structure.
- 7.3 Support for the tenderer's proposals should be evidenced by a signed participation confirmation from Insurers/Reinsurers who will support your recommended structure at the terms, conditions and exceptions proposed by yourselves.
- 7.4 All premiums are to be rounded off to the next full rand. Where extensions are granted free of charge, please state "free" in the premium column. Where a line of cover or an extension is not tendered for, please state "no tender" in the premium column. All premiums quoted are to INCLUDE VAT. Should a deposit

premium apply, it must be shown and a full explanation must be given as to how the deposit premium will operate. Nevertheless only the 100% or maximum premiums must be shown in the summary page of insurance cost. If your policy is subject to declarations, please advise how it would affect the premium.

- 7.5 Tenderer's proposals should be accompanied by a detailed premium calculation for each class of insurance submitted.
- 7.6 The tender must disclose the insurer or consortium of insurers on each policy type as well as the type of policy wording as indicated in tender documents.
- 7.7 Failure to comply with the above requirements may render the Tender invalid at the option of the Council.
- 7.8 Particulars of property, sums insured and limits of indemnity are based on the existing sums insured / limits. However, the Council reserves the right to adjust details, if necessary, at the final placement of the insurance, as well as during the period of the contract.
- 7.9 The minimum requirement in respect of policy conditions, limitations and exceptions are equal to a Multimark III policy wording. Policy wordings that are tailor made for local authorities with wider cover would be an advantage.
- 7.10 If any limitations and/or uncommon conditions and exclusions are to be imposed, this must be stated very clearly in respect of each class of insurance of the policies.
- 7.11 Deductibles are to be shown clearly, otherwise the Council will assume that no deductible will apply and this may not be rectified afterwards.

7.12 Your tender is to be valid until 30 June 2026 and Insurers will undertake not to amend their terms. The policy shall be cancelled at the discretion of the municipality upon unsatisfactory performance or upon unjustifiable/reasonable increase of the premium.

7.13 This contract will be valid from 01 July 2023 to 30 June 2026. The Council reserve the rights to review the contract annually or at any stage in the event of material breach of the service level agreement.

7.14 The premium stated will be the inclusive of VAT premium.

1.15 The premium payment for the period from 1 July 2023 must be made on or before inception of cover upon receipt of all tax invoices by Council. In the event of an increase or decrease in assets and insurable interests, the premium will be adjusted accordingly. The Council may deduct any amount owing to the Council by the short-term insurance broker under any of the provisions of this contract from any amount owing in respect of this insurance Portfolio. Cover must remain in force during the period that this requirement applies.

However, please indicate whether or not a monthly facility is available.

1.16 No tender will be considered, unless accompanied by sufficient information so as to indicate that the amount tendered will include the total cost of the insurance premium.

1.17 Insurance Markets

1.17.1 Does your proposed market have experience with Local Authorities?

1.17.2 Are your insurance policies specially designed for local authorities?

1.17.3 Please provide copies of your insurance policies

1.17.4 Please provide proof of support by the insurers or underwriters for all classes of insurance that you have tendered for

1.17.5 Provide the Solvency margin of insurers

1.17.6 Provide the empowerment status of the broker

PART 09: CLAIM HISTORY AND RISK MANAGEMENT

- 1. 4 YEARS CLAIMS EXPERIENCE
- 2. RISK MANAGEMENT AND INSURANCE NEEDS

TSWELOPELE LOCAL MUNICIPALITY

4 YEARS CLAIMS EXPERIENCE AS

PLEASE SEE THE ATTACHED POLICY DOCUMENT
AND WITH REGARD TO THE CLAIM HISTORY CONTACT THE FOLLOWING DURING
WORKING HOURS

1. TA Makoko 051 8531111 makoko@tswelopele.org
2. T Madika 051 8531111 madikat@tswelopele.org
3. Cc PJ Mashiane loapep@tswelopele.org

PART 10: SCHEDULE OF QUANTITIES AND PRICES

TABLE "A"

Description	Amount
1 Excess fee on vehicle accidents (Municipal vehicles)	
2 Excess fee on windscreens (Municipal vehicles)	
3 Excess fee on theft	
4 Excess on money	
5. Other assets (if space is limited, additional sheets may be attached)	

PREMIUMS FOR THE PERIOD 01 July 2023 – 30 June 2024

SECTION	Annual Premium
• Combined	
• House – Owners	
• Office Contents	
• Accounts Receivable	
• All Risks	
• Theft	
• Money	
• Fidelity	
• Employers Liability	
• Group Personal Accident	
• Electronic Equipment	
• Public Liability	
• Machinery Breakdown	
• Motor Own Damage	
• Motor Liabilities	
• SASRIA	
Subtotal	
Less: Long Term Agreement	
PREMIUM (VAT included)	
Total annual premium charges included)	

TABLE "B"

Financial Year	Description	Amount
01/07/2023 - 30/6/2024	Municipal Premium 1. Annual Premium 2. Monthly Premium	

The above will be used to calculate
points for price.

01/07/2024 - 30/6/2025	Municipal Premium 1. Annual Premium 2. Monthly Premium	
-------------------------------	---	--

01/7/2025 - 30/6/2026	Municipal Premium 1. Annual Premium 2. Monthly Premium	
------------------------------	---	--

DETAILS /INFORMATION REQUIRED	YES	NO
1. Are you a South African based Insurance Broking Organisation? (If yes attach valid documentary proof)		
2. Will you be outsourcing more than 25% of your services to other brokers or parties? (If yes provide equity ownership and HDI status of the beneficiary broker or partners to whom part of the contract will be outsourced)		
3. Is your service team to be utilised on this tender FAIS compliant and registered with the Financial Services Board? (If yes attach a valid certified confirmation from the Financial Services Board)		
4. Do you have a Loss Control Resource? (If yes provide details and particulars of representatives)		
5. Do you have a Risk Finance Resource? (If yes provide details and particulars of representatives)		
6. Name some local authorities where you are currently applying risk management (risk finance and risk control)		

<p>7. Can you provide formal training services in risk management, risk control and risk financing?</p> <p>(If yes, provide full details where you have done so and contact persons)</p>		
<p>8. Do you have Professional Indemnity cover to the value of R100m?</p> <p>(If yes must provide a valid certified copy of your Professional Indemnity cover)</p>		
<p>9. Do you have Fidelity Guarantee cover to the value of R60 million?</p> <p>(If yes must provide a valid certified copy of your Fidelity Guarantee cover)</p>		
<p>10. Do you have any agency with specific insurers?</p> <p>(If yes must attach valid certified correspondence from each insurers)</p>		
<p>11. Are you ISO 9000 compliant?</p> <p>(If yes must attach a valid certified compliance certificate)</p>		
<p>12. Do you have a dedicated service team whom will be allocated to Tswelopele Municipality's insurance portfolio?</p> <p>(If yes must attach an organogram of the service team and their relevant curriculum vitae. Please note that the</p>		

curriculum vitae will only be considered if the employee has at least 3 (three) years short term insurance experience).		
13. Have you been appointed in the past 3 (three) years as a short term insurance broker on an insurance portfolio in excess of R1 billion assets? (If yes must provide the names of these clients, the contact person and telephone number).		
14. Have you been appointed as a short term insurance broker on a municipal portfolio in the past 3 (three) years? (If yes must indicate the name of the municipality, the contact person and telephone number).		
15. Have you dealt with individual claims in excess of R250,000.00 in the past 3 (three) years? (If yes must list these claims by client, contact person, telephone number, claim description, claim amount and settlement amount).		
16. Do you have an electronic insurance claims administration system that will be made available to the clients? (If yes must indicate the name of the system and claims handling capacity of the system)		
17. Has this electronic insurance claims handling system been implemented with your other clients?		

(If yes must provide the name of the clients and their telephone numbers)		
18. Do you have an electronic injury on duty claims administration system that will be made available to the client? (If yes must indicate the name of the system and claims handling capacity of the system)		
19. Has this electronic injury on duty claims handling system been implemented with your other clients? (If yes must provide the names of the clients and their telephone numbers).		

SIGNATURE OF TENDERER:

DATE:



TSWELOPELE

LOCAL MUNICIPALITY
A MUNICIPALITY IN PROGRESS

MUNICIPAL BIDDING DOCUMENT (MBD) 1

MBD 1

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE TSWELOPELE
LOCAL MUNICIPALITY

BID/TENDER NUMBER:

CLOSING DATE:

CLOSING TIME:

DESCRIPTION:

The successful bidder will be required to fill in and sign a written Contract Form
(MBD 7).

DEPOSITED IN THE BID BOX SITUATED AT:

Reception Area on the Ground Floor
Tswelopele Local Municipality Offices
Bosman Street, Civic Centre;
Bultfontein
9670

Bidders/Tenderers should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration. The bid box is generally open from 07H30 till 16H00 from Monday till Friday excluding public Holidays.

**ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS
(NOT TO BE RE-TYPED)**

THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF CONTRACT (GCCP) 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 (see definition on MBD 4 attached)

THE FOLLOWING PARTICULARS MUST BE FURNISHED
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

NAME OF BIDDER: _____

POSTAL ADDRESS: _____

STREET ADDRESS: _____

TELEPHONE NUMBER:

CELLPHONE NUMBER:

FACSIMILE NUMBER:

VAT REGISTRATION NUMBER:

HAS AN ORIGINAL TAX CLEARANCE CERTIFICATE BEEN ATTACHED (MBD 2)?

YES / NO

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE
GOODS/SERVICES OFFERED BY YOU?

YES / NO (IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER:

DATE:

CAPACITY UNDER WHICH THIS BID IS SIGNED: _____

TOTAL BID PRICE: _____

TOTAL NUMBER OF ITEMS OFFERED: _____

**ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE AND TECHNICAL
INFORMATION MAY BE DIRECTED TO:**

Municipality: Tswelopele Local Municipality

Department: Budget and Treasury Office

Contact Person: Asset Management Practitioner

Mr. Makoko

Tel: (051) 853 1111



MUNICIPAL BIDDING DOCUMENT (MBD) 2

MBD 2

TAX CLEARANCE CERTIFICATE REQUIREMENTS

1. 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 African Revenue Service (SARS) to meet the bidder's tax obligations.
2. In order to meet this requirement bidders are required to complete in full the form TCC 001 "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.
3. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
4. 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.
5. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
6. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
7. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through their website www.sars.gov.za.



MUNICIPAL BIDDING DOCUMENT (MBD) 4

MBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
 - the bidder is employed by the state; and/or
 - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

2.1 Full Name of bidder or his or her representative:

.....

2.2 Identity Number:.....

2.3 Position occupied in the Company (director, trustee, shareholder², member):

.....

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:

.....

.....

2.5 Tax Reference Number:

2.6 VAT Registration Number:

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

¹“State” means –

- (a) 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);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

²“Shareholder” means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder **YES / NO**
presently employed by the state?

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

.....

Name of state institution at which you or the person connected to the bidder is employed :

.....

Position occupied in the state institution:

Any other particulars:

.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?

YES / NO

2.7.2.1.If yes, did you attach proof of such authority to the bid document?

YES/NO

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.1 If no, furnish reasons for non-submission of such proof:

.....

.....

.....

2.8. Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?

YES / NO

2.7.3 If so, furnish particulars:

.....

.....

.....

2.8 Do you, or any person connected with the bidder, have **YES / NO**
any relationship (family, friend, other) with a person
employed by the state and who may be involved with
the evaluation and or adjudication of this bid?

2.9.1 If so, furnish particulars.

.....

.....

.....

2.10 Are you, or any person connected with the bidder, **YES/NO**
aware of any relationship (family, friend, other) between
any other bidder and any person employed by the state
who may be involved with the evaluation and or adjudication
of this bid?

2.10.1 If so, furnish particulars.

.....

.....

.....

2.11 Do you or any of the directors / trustees / shareholders / members **YES/NO**
of the company have any interest in any other related companies
whether or not they are bidding for this contract?

2.11.1 If so, furnish particulars:

.....

.....

.....

2. FULL DETAILS OF DIRECTORS / TRUSTEES / MEMBERS / SHAREHOLDERS.

Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number / Persal Number

Please initial here (witnesses included)

DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3
ABOVE IS CORRECT.

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

.....

Signature

.....

Date

.....

Position

.....

Name of bidder



TSWELOPELE

LOCAL MUNICIPALITY
A MUNICIPALITY IN PROGRESS

MUNICIPAL BIDDING DOCUMENT (MBD) 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

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

1.2 To be completed by the organ of state

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the **90/10** preference point system.
- b) The applicable preference point system for this tender is the **80/20** preference point system.
- c) Either the **90/10 or 80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	
SPECIFIC GOALS	
Total points for Price and SPECIFIC GOALS	100

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \mathbf{Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)} \end{array}$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \mathbf{Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} \end{array}$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Historically Disadvantaged (women owned enterprises, youth, Black persons, Disabled		20		

owned enterprises) Copy of ID Document of the directors must be attached to be able to claim points, in-case of disabled persons medical certificate of the director must be attached.				
Business owned by either of the mentioned above		0		
Total Points		20		

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name _____ of company/firm.....

4.4. Company _____ registration _____ number: _____

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims

are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

- (a) disqualify the person from the tendering process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution, if deemed necessary.

<p>.....</p> <p>SIGNATURE(S) OF TENDERER(S)</p>	
SURNAME AND NAME:
DATE:
ADDRESS:



TSWELOPELE
LOCAL MUNICIPALITY
A MUNICIPALITY IN PROGRESS

MUNICIPAL BIDDING DOCUMENT (MBD) 7.1

MBD 7.1

CONTRACT FORM - PURCHASE OF GOODS/WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to **Tswelopele Local Municipality** in accordance with the requirements and specifications stipulated in bid : **“TENDER NUMBER – RFP/TSW/04/2023-2024 PROPOSAL FOR SHORT TERM INSURANCE UNTIL 30 JUNE 2026”** at the price/s quoted. My offer/s remain binding upon me and

PAGE 93 OF 110

Please initial here (witnesses included)

open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of 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);
- Technical Specification(s);
- Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2022;
- 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) Any other conditions entailed in this tender document

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 goods and/or works 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 authorized to sign this contract.

NAME (PRINT)	
CAPACITY	
NAME OF FIRM	
SIGNATURE	
DATE	
WITNESSES 1	

CONTRACT FORM - PURCHASE OF GOODS/WORKS

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I, _____ in my capacity as the Municipal Manager of Tswelopele Local Municipality accept your bid under reference number **“RFP/TSW/04/2023-2024 PROPOSAL FOR SHORT TERM INSURANCE UNTIL 30 JUNE 2026”**

for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).

2. An official order (Service Level Agreement) indicating delivery instruction is forthcoming.

3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED AT _____ ON _____ 2023.

NAME (PRINT)	
SIGNATURE	
WITNESSES 1	



TSWELOPELE

LOCAL MUNICIPALITY
A MUNICIPALITY IN PROGRESS

MUNICIPAL BIDDING DOCUMENT (MBD) 8

MBD 8

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	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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)?	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:		
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 IS/ARE 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

PART 12: DECLARATION BY (ON BEHALF OF) THE BIDDER

1. I, (Names and surname) _____ on behalf of

(Name of the company/cc/joint venture, etc) _____

_____ should I be the successful Tenderer, I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to Tswelopele Local Municipality in accordance with the requirements and specifications stipulated in bid document at the price/s quoted for the period indicated in this bidding document. My offer/s remains binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of 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)
- Technical Specification(s)
- Preference claims in terms of the Preferential Procurement Regulations 2011
- Declaration of interest
- 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 goods and/or works 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.

SIGNATURE: _____

CAPACITY: _____

DATE: _____

Please attach a Registration Certificate of your organisation here or identity document here if one man concern.

**Please attach a VALID PIN Certificate or SARS
pin of your organisation here**

Attach proof that your Municipal Account is not in arrears, or those of the lessor or valid rental agreement. (Municipal account of Business or that of the directors), in case of a signed lease agreement must be accompanied by lessor Municipal account.

**Attach proof that your company is registered with
centralised supplier database, or MAAA Number**

Attach your company's BBB-EE or sworn affidavit, Directors ID Copies to Claim specified goals points, Municipal account in case of Locality and Medical Certificate in case the director is disabled.

Attach any other certificate that entitles you to supply required services.

FUNCTIONALITY REQUIRED DOCUMENTS
