

SECTION 2.1: SPECIAL CONDITIONS OF CONTRACT

- 2.3.1 Any deviations, limitations or unfamiliar conditions must be clearly stipulated in respect of each policy type.
- 2.3.2 **Premiums** must be submitted *per insurance section per year* in the format under 2.5.
- 2.3.3 Detailed information in respect of **excess fees** must be submitted *per insurance section per year*.
- 2.3.4 **The bids must be fixed for the 2022/23 financial year of the municipality and escalation for 2023/24 and 2024/25 financial years must be indicated. Notice must be taken that the items to be insured may vary for the 2023/24 and 2024/25 financial years and will be subjected to negotiations with the successful bidder.**
- 2.3.5 **A report must be provided to the Municipality on a monthly basis in respect of all claims measured against the total premiums paid. Additional to this report the insurers must provide on a monthly basis, before the 3rd working day of the following month, a report of outstanding claims inclusive of the claim number, date of incident, date reported, progress with the claim and the reason why it is not solved.**
- 2.3.6 **Any claim that is rejected by the insurance company must be supported by a motivation by the broker based on legal grounds. The Municipality reserves the right to reconsider any opinion received, to refer it back to the broker for another opinion or recommendation. The Municipality will under no circumstances communicate directly with the Insurers regarding any aspects of a claim.**
- 2.3.7 The contract will be for a period of three (3) years (1 July 2022-30 June 2025)
- 2.3.8 All the quotations obtained as per paragraph 2.3.4 must be retained and be available for inspection by the Municipality if necessary. **A summary of quotations must be included in the tender document and failure to do so, may lead to disqualification**
- 2.3.9 Once the tender is awarded to an Insurance Broker, such broker will be responsible to deal with all aspects of claims as the Municipality will not communicate directly with the legal advisor of the broker, outside bodies or the Insurance Company where the insurance is placed.
- 2.3.10 During the term of the contract, interim invoices will be paid by the municipality upon submission and credit amounts must be deposited into the bank account of the municipality by the insurer. Offsetting of credits against debits (and vice versa) is not allowed.
- 2.3.11 **The bidder must submit proof of registration as an authorized financial service provider and** must confirm the name of the service consultant and whether he/she complies with the Financial Advisory and Intermediary Services Act (Act 37 of 2002). A certified copy of the certificate must be attached to the tender submission.
- 2.3.12 **The bidder must submit proof of registration as a professional insurance broker** with the South African Financial Services Intermediaries Association (SAFSIA), and whether he/she/it is able to provide the necessary guarantees as required by SAFSIA. A certified copy of the certificate must be attached to the tender submission.
- 2.3.13 The bidder must submit a comprehensive profile, including a detailed exposition of experience / ability in respect of insurance for local authorities and a list of client municipalities, and state whether or not it has a specialist section for municipal insurance management.
- 2.3.14 The tender must indicate the compensation limit in respect of the Broker's professional accountability.
- 2.3.15 Full particulars must be provided regarding the services that will be delivered to the Hessequa Municipality. Full details must be provided of personnel (number, position, experience, etc.) that will be available to service the Municipality's account

Failure to adhere to the beforementioned may result in your tender being declared non-responsive.

DECLARATION,

I, THE UNDERSIGNED (NAME)
CERTIFY THAT THE INFORMATION FURNISHED ABOVE IS CORRECT. I ACCEPT THAT THE MUNICIPALITY MAY ACT
AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

AUTHORISED SIGNATURE:

NAME:

CAPACITY:DATE:

Initials of Service Provider's Authority: