



TENDER DOCUMENT

TENDER NO		SCMU 016/2023/2024	
TENDER DESCRIPTION		PROVISION OF MUNICIPAL SHORT-TERM INSURANCE FOR A PERIOD OF 36 MONTHS	
CLOSING TIME	12H00	CLOSING DATE	30 APRIL 2024
Tender Box: SUPPLY CHAIN MANAGEMENT UNIT MKUZE BUILDING 13433 KINGFISHER AVENUE 4965		NB: 1. All bids must be submitted on the official forms (not to be re-typed) 2. Bids must be completed in black ink in writing 3. No bids will be considered from persons in the service of the state	
Name of Bidder:			
Total Bid Price (Refer to pricing schedule)			
B-BBEE Status Level of Contributor			
Preference Points Claimed:			
B-BBEE certificates submitted with the bid document MUST be VALID ORIGINAL BBBEE CERTIFICATES or VALID CERTIFIED COPIES OF THE B-BBEE CERTIFICATES			
Prepared and issued by: Supply Chain Management Unit Umkhanyakude District Municipality PO Box 449, Mkuze, 4965		For enquiries, contact: S Mavundla at 035 573 8660 or SiphandlaM@ukdm.gov.za	

PART A – ADMINISTRATIVE REQUIREMENTS IN TERMS OF THE SUPPLY CHAIN MANAGEMENT POLICY		
1	Checklist	
2	Tender Notice and Invitation to Tender	
3	Authority to Sign a Bid	
4	General Conditions of Contract	
5	MBD 2 – Tax Clearance Certificate Requirements	
6	MBD 4 – Declaration of Interest	
7	MBD 6.1 – Procurement Regulations 2017 – Purchases / Services	
8	MBD 6.2 – Local Production and Content	n/a
9	MBD 8 – Declaration of Bidder's Past Supply Chain Management Practices	
10	MBD 9 – Certificate of Independent Bid Determination	
11	MBD 15 – Certificate of Payment of Municipal Services	
PART B – SPECIFICATIONS AND PRICING SCHEDULE		
12.1	Special Conditions	
12.2	Functionality	
12.3	Specifications	
13	Pricing	
14	MBD 7.1 – Contract Form – Purchase of Goods	
15	Declaration of Tenderer	
16	Form of Offer and Acceptance	
PART C – DATABASE REGISTRATION		

PART A - ADMINISTRATIVE REQUIREMENTS IN TERMS OF THE SUPPLY CHAIN MANAGEMENT POLICY

1. CHECKLIST

Please ensure that the following forms have been completed and signed and that all documents, as requested, are attached to the tender document:

DOCUMENT	YES	NO
Authority to Sign a Bid Is the form duly completed and is a certified copy of the resolution attached?		
MBD 2 - Tax Clearance Certificate Is an original or certified copy of a valid Tax Clearance Certificate attached?		
MBD 4 (Declaration of Interest) Is the form duly completed and signed?		
MBD 6.1 (Preference / Specific Goals Points claim form for purchases/services) Is the form duly completed and signed? Is a certified copy of the B-BBEE Certificate or the original B-BBEE Certificate attached?		
MBD 8 (Declaration of Past Supply Chain Practices) Is the form duly completed and signed?		
MBD 9 (Certificate of Independent Bid Determination) Is the form duly completed and signed?		
MBD 15 (Certificate of Payment of Municipal Accounts) Is the form duly completed and signed? Are the Identity numbers, residential addresses and municipal account numbers of ALL members, partners, directors, etc. provided on the form as requested? Or Lease Agreement		
Specifications Is the form duly completed and signed?		
Pricing Schedule Is the form duly completed and signed?		
MBD 7.1 (Contract form – Goods) Is the form duly completed and signed?		
DATA BASE REGISTRATION Is the form duly completed and signed? Are all the supporting documents attached?		
Declaration of Tenderer Is the form duly completed and signed?		

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

TENDER NOTICE

SCMU 016/2023/2024

PROVISION OF MUNICIPAL SHORT - TERM INSURANCE FOR A PERIOD OF 36 MONTHS

UMkhanyakude District Municipality invites service providers registered with the Central Suppliers Database for the following bids:

TENDER NO.	TENDER DESCRIPTION	EVALUATION CRITERIA	COMPULSORY BRIEFING	TECHNICAL ENQUIRES
SCMU 016/2023/2024	PROVISION OF MUNICIPAL SHORT – TERM INSURANCE FOR A PERIOD OF 36 MONTHS	1. Experience of the Bidder 2. Insurance Regulatory Bodies Membership 3. Capacity and Capability of the Bidder	N/A	Mr. B. Simamane (035) 573 8600

Tender documents can be downloaded from the National Treasury e – Tender Portal website: **www.etenders.gov.za on Monday, 12th of February 2024**

Completed bid documents are to be placed in a sealed envelope endorsed with the bid number, bid description and be deposited in the Bid Box, at the offices of the UMkhanyakude District Municipality, Harlingen No. 13433, Kingfisher Road, Mkuze, KwaZulu Natal, 3965 not later than **12h00 on Friday, 30th of April 2024**, at which time the bids will be opened in public.

PREFERENCE / SPECIFIC GOAL POINTS WILL BE AWARDED AS FOLLOWS:

PREFERENCE SYSTEM	
PRICE	80
SPECIFIC GOALS	20
Specific Goal	Sub-Points
Enterprise owned by Black People	4
Enterprise owned by Women	4
Enterprise owned by Youth	4
Enterprise owned by Disabled Persons	4
Enterprise owned by SMME's – QSE and EME	4

Please ensure that the following compulsory documentation are attached:

Proof of compliance with their tax obligations with the South African Revenue Service (SARS); Proof of registration with the central supplier database (CSD); Proof of Good Standing with Municipal Account / Municipal Statement or Lease Agreement; Certified B-BBEE certificate or Sworn Affidavit obtainable for DTI; MBD 4 – Declaration of Interest; MBD 6.1 – Specific Goals; MBD 8 – Declaration of bidders past SCM practices; and MBD 9 – Independent Bid Determination.

Bidders shall take note of the following bid conditions:

1. The UMkhanyakude District Municipality Supply Chain Management Policy will apply;
2. Bids which are late, incomplete, unsigned or submitted by facsimile or electronically, will not be accepted.
3. Price(s) quoted must be valid for at least ninety (90) days from date of your offer.
4. Price(s) quoted must be firm and must specify whether inclusive of VAT (if a VAT vendor).

All bid documentation must be completed in its entirety and signed. Failure to submit the above documentation will disqualify your bid. Bidders must indicate their registered business address for the municipality to validate the good standing with municipal accounts.

UMkhanyakude District Municipality does not bind itself to accept the lowest quotation and reserves the right to accept the whole or any part of the quotation. This Bid is subject to the General Conditions of Contract (GCC) 2010 and, if applicable, any other Special Conditions of Contract.

MR. W. M. NXUMALO

MUNICIPAL MANAGER

UMKHANYAKIDE DISTRICT MUNICIPALITY

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3. AUTHORITY TO SIGN A BID

1. Sole Proprietor (Single Owner Business) and Natural Person

1.1 I, _____, the undersigned, hereby confirm that I am the sole owner of the business trading as _____

OR

1.2 I, _____, the undersigned, hereby confirm that I am submitting this tender in my capacity as natural person.

SIGNATURE		DATE	
PRINT NAME			
WITNESS 1		WITNESS 2	

2. Companies and Close Corporations

- 2.1 If a Bidder is a Company, a certified copy of the resolution by the board of directors, duly signed, authorising the person who signs this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the company must be submitted with this bid, that is, before the closing time and date of the bid.
- 2.2 In the case of a Close Corporation (CC) submitting a bid, a resolution by its members authorising a member or other official of the corporation to sign the documents on their behalf, shall be included with the bid.

Date Resolution was taken			
Resolution signed by (name and surname)			
Capacity			
Name and surname of delegated Authorised Signatory			
Capacity			
Specimen Signature			
Full name and surname of all Director(s) / Member (s)			
1.		2.	
3.		4.	
5.		6.	
7.		8.	
9.		10.	
Is a certified copy of the resolution attached?		YES	NO
SIGNED ON BEHALF OF COMPANY / CC		DATE	
PRINT NAME			
WITNESS 1		WITNESS 2	

3. Partnership

We the undersigned partners in the business trading as _____ hereby authorise Mr/Mrs _____ to sign this bid as well as any contract resulting from the bid and any other documents and correspondence in connection with this bid and/or contract for and on behalf of the above mentioned partnership.

The following particulars in respect of every partner must be furnished and signed by every partner:

Full name of partner	Signature	
SIGNED ON BEHALF OF PARTNERSHIP		DATE
PRINT NAME		
WITNESS 1	WITNESS 2	

4. Consortium

We the undersigned consortium partners, hereby authorise _____ (Name of entity) to act as lead consortium partner and further authorise Mr/Ms _____ to sign this offer as well as any contract resulting from this tender and any other documents and correspondence in connection with this tender and / or contract for and on behalf of the consortium.

The following particulars in respect of each consortium member must be provided and signed by each member.

Full name of Consortium Member	Role of Consortium Member	% Participation	Signature
SIGNED ON BEHALF OF CONSORTIUM		DATE	
PRINT NAME			
WITNESS 1		WITNESS 2	

4. GENERAL CONDITIONS OF CONTRACT

1. DEFINITIONS

1.1	Closing Time	Means the date and hour specified in the bidding documents for the receipt of bids.
1.2	Chief Executive Officer	Means the CEO of the organisation or his/her duly authorised representative
1.3	Contract	means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein
1.4	Contract Price	means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
1.5	Corrupt Practice	means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
1.6	Countervailing duties	are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally
1.7	Country of origin	means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
1.8	Day	means calendar day.
1.9	Delivery	means delivery in compliance of the conditions of the contract or order.
1.10	Delivery ex stock	means immediate delivery directly from stock actually on hand
1.11	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 supplies are so delivered and a valid receipt is obtained.
1.12	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.
1.13	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.
1.14	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.
1.15	GCC	Means the General Conditions of Contract
1.16	Goods	means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
1.17	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 supplies covered by the bid will be manufactured.
1.18	Letter of Acceptance	Means the written communication by the organisation to the contractor recording the acceptance by the Municipality recording the acceptance of the contractor's tender subject to the further terms and conditions to be itemized in the contract.

1.19	Local Content	means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
1.20	Manufacture	means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
1.21	Order	means an official written order issued for the supply of goods or works or the rendering of a service.
1.22	Project Site	where applicable, means the place indicated in bidding documents.
1.23	Purchaser	means the organization purchasing the goods.
1.24	Republic	Means the Republic of South Africa
1.25	SCC	Means the Special Conditions of Contract
1.26	Services	means those functional services ancillaries to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
1.27	Signature Date	Means the date of the letter or acceptance
1.28	Tender	Means an offer to supply goods/services to the organisation at a price
1.29	Tenderer	Means any person or body corporate offering to supply goods/services to the organisation
1.30	Written or In Writing	means handwritten in ink or any form of electronic or mechanical writing.

2. APPLICATION

2.1	These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise in the bidding documents.
2.2	Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
2.3	Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. GENERAL

3.1	Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
3.2	Invitations to bid are usually published in locally distributed news media and in the institution's website.

4. STANDARDS

4.1	The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
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5. USE OF CONTRACT DOCUMENTS AND INFORMATION; INSPECTION

5.1	The provider 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 provider 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 provider shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
5.3	Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the provider's performance under the contract if so required by the purchaser.
5.4	The provider shall permit the purchaser to inspect the provider's records relating to the performance of the provider and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. PATENT RIGHTS

6.1	The provider shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of goods or any part thereof by the purchaser.
6.2	When a provider developed documentation/projects the intellectual, copy and patent rights or ownership or such documents or projects will vest in the Municipality

7. PERFORMANCE SECURITY

7.1	Within thirty (30) days of receipt of the notification of contract award, the success bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
7.2	The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the provider'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 provider not later than thirty (30) days following the date of completion of the provider's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. INSPECTIONS, TESTS AND ANALYSES

8.1	All pre-bidding testing will be for the account of the bidder.
8.2	If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the purchaser or an organization acting on behalf of the purchaser.
8.3	If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
8.4	If the inspections, tests and analyses referred to in clause 8.2 & 8.3 show the supplies 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 supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the provider.
8.6	Supplies 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 supplies 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 supplies shall be held at the cost and risk of the provider who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do not comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the providers cost and risk. Should the provider fail to provide the substitute supplies forthwith, the purchaser may, without giving the provider further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the provider.
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 23 of GCC.

9. PACKAGING

9.1	The provider shall provide such packaging of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packaging shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packaging, case size and weights shall take into consideration, where appropriate, the remoteness of the good's final destination and the absence of heavy handling facilities at all points in transit.
9.2	The packaging, marking and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

10. DELIVERY AND DOCUMENTS

10.1	Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the provider in accordance with the terms specified in the contract.
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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.
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12. TRANSPORTATION

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

13.1	The provider 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 provider of any warranty obligations under this contract; and (e) training of the purchaser's personnel, at the provider'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 provider 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 provider for similar services.

14. SPARE PARTS

14.1	As specified, the provider may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the provider: 1. such spare parts as the purchaser may elect to purchase from the provider, provided that this election shall not relieve the provider of any warranty obligations under the contract, and 2. 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.
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15. WARRANTY

15.1	The provider 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 provider 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 provider, 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 provider in writing of any claims arising under this warranty.
15.4	Upon receipt of such notice, the provider 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 provider, 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 provider's risk and expense and without prejudice to any other rights which the purchaser may have against the provider under the contract.

16. PAYMENT

16.1	The method and conditions of payment to be made to the provider under this contract shall be specified
16.2	The provider 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 provider.
16.4	Payment will be made in Rand unless otherwise stipulated.

17. PRICES

17.1	Prices charged by the provider for goods delivered and services performed under the contract shall not vary from the prices quoted by the provider 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.
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18. INCREASE / DECREASE OF QUANTITIES

18.1	In cases where the estimated value of the envisaged changes in purchase does not exceed 15% of the total value of the original contract, the contractor may be instructed to deliver the revised 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.
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19. CONTRACT AMENDMENTS

19.1	No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
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20. ASSIGNMENT

20.1	The provider shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
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21. SUBCONTRACTS

21.1	The provider 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 provider from any liability or obligation under the contract.
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22. DELAYS IN THE PROVIDER'S PERFORMANCE

22.1	Delivery of the goods and performance of services shall be made by the provider in accordance with the time schedule prescribed by the purchaser in the contract
22.2	If at any time during performance of the contract, the provider or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the provider 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 provider's notice, the purchaser shall evaluate the situation and may at his discretion extend the provider'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.
22.3	The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if any emergency arises, the provider's point of supply is not situated at or near the place where the supplies are required, or the provider's services are not readily available.
22.4	Except as provided under GCC Clause 25, a delay by the provider in the performance of its delivery obligations shall render the provider liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
22.5	Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies 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 provider'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 provider.

23. PENALTIES

23.1	Subject to GCC Clause 25, if the provider 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 good or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.
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24. TERMINATION FOR DEFAULT

24.1	The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the provider, may terminate this contract in whole or in part: <ul style="list-style-type: none"> (a) if the provider fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2; (b) if the provider fails to perform any other obligation(s) under the contract; or (c) if the provider, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
24.2	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 provider shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the provider shall continue performance of the contract to the extent not terminated.

25. ANTI-DUMPING AND COUNTER-VAILING DUTIES AND RIGHTS

25.1	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 subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the provider to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the provider in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.
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26. FORCE MAJEURE

26.1	Notwithstanding the provisions of GCC Clauses 22 and 23, the provider 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.
26.2	If a force majeure situation arises, the provider shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the provider 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.

27. TERMINATION FOR INSOLVENCY

27.1	The purchaser may at any time terminate the contract by giving written notice to the provider if the provider becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the provider, 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,
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28. SETTLEMENT OF DISPUTES

28.1	If any dispute or difference of any kind whatsoever arises between the purchaser and the provider 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.
28.2	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 provider may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
28.3	Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
28.4	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 provider any monies due to the provider for goods delivered and / or services rendered according to the prescripts of the contract

29. LIMITATION OF LIABILITY

29.1	Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6; (a) the provider 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 provider to pay penalties and / or damages to the purchaser; and (b) the aggregate liability of the provider 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.
------	---

30. GOVERNING LANGUAGE

30.1	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.
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31. APPLICABLE LAW

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

32. NOTICES

32.1	Every written acceptance of a bid shall be posted to the provider 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.
32.2	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.

33. TAXES AND DUTIES

33.1	A foreign provider shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
33.2	A local provider shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
33.3	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 bidders are in order.

34. TRANSFER OF CONTRACTS

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

35. AMENDMENT OF CONTRACTS

35.1	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
------	--

5. MBD 2 - TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

- 2.1 In order to meet this requirement bidders are required to complete in full form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally.
- 2.2 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.
- 2.3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 2.4 In bids where Consortia / Joint Ventures / Sub-contractors are involved; each party must submit a separate Tax Clearance Certificate.
- 2.5 Copies of the TCC001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za
- 2.6 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 the website www.sars.gov.za

6. MBD 4 – DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid:

3.1.	Full Name of bidder or his or her representative												
3.2.	Identity Number												
3.3.	Position occupied in the Company (director, shareholder etc.)												
3.4.	Company Registration Number												
3.5.	Tax Reference Number												

¹ MSCM Regulations: "in the service of the state" means to be –

- (a) member of –
 - i. any municipal council;
 - ii. any provincial legislature; or
 - iii. the national Assembly or the national Council of provinces;
- (b) member of the board of directors of any municipal entity;
- (c) official of any municipality or municipal entity;
- (d) employee of any national or provincial department, national or provincial public entity or constitutional institution within

3.6.	VAT Registration Number		
3.7.	Are you presently in the service of the state?	YES	NO
3.7.1	If so, furnish particulars:		
3.8	Have you been in the service of the state for the past twelve months?	YES	NO
3.8.1	If so, furnish particulars		
	Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?	e	YES NO
3.9.1	If so, furnish particulars:		
3.10	Are you aware of any relationship (family, friend, other) between a bidder and any person in the service of the state who may be involved with the evaluation and or adjudication of this bid?	f	YES NO
3.10.1	If so, furnish particulars		
3.11	Are any of the company's directors, managers, principal shareholders or stakeholders in the service of the state?		
3.11.1	If so, furnish particulars: YES NO		
3.12	Is any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in the service of the state?		
3.12.1	If so, furnish particulars: YES NO		

4. DECLARATION

I, the undersigned (name) _____, certify
furnished in paragraph 3 above is correct.

I accept that the state may act against should this declaration prove to be false.

that the information

SIGNATURE

DATE

NAME OF SIGNATORY

POSITION

NAME OF COMPANY

_____ the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
(e) member of the accounting authority of any national or provincial public entity; or
(f) employee of Parliament or a provincial legislature.

7. MBD 6.1 PROCUREMENT REGULATIONS 2022 – PURCHASES / SERVICES (80/20)

SPECIFIC GOALS

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

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS AND DEFINITIONS

GENERAL CONDITIONS

The following preference point systems are applicable to all bids:
the **80/20** system for requirements with a Rand value of up to R50 000 000 (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

The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the preference point system shall be applicable; or either the 80/20 preference point system will be applicable to this tender.

Points for this bid shall be awarded for:

Price; and

Specific goals.

The maximum points for this bid are allocated as follows:

POINTS

PRICE 80

SPECIFIC GOALS 20

Total points for Price and Specific goals must not exceed 100

Failure on the part of a bidder to submit the required documents to substantiate the points claimed with the bid, will be interpreted to mean that points for specific goals are not claimed.

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

DEFINITIONS

“B-BBEE” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act.

“Specific goals” means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development

Programme as published in Government Gazette No. 16085 dated 23 November 1994

“bid” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals.

“Broad-Based Black Economic Empowerment Act” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

“EME” means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

“functionality” means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.

“prices” includes all applicable taxes less all unconditional discounts;

“Proof of B-BBEE status level of contributor” means:

B-BBEE Status level certificate issued by an authorized body or person;

A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;

Any other requirement prescribed in terms of the B-BBEE Act;

“QSE” means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

“rand value” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

POINTS AWARDED FOR PRICE (the 80/20 or 90/10 preference point systems)

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

80/20 or 90/10

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

Where

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

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:

80/20 or 90/10

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \quad \text{or} \quad Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of bid under consideration
 Pt = Price of bid under consideration
 Pmax = Price of highest acceptable bid

POINTS AWARDED FOR SPECIFIC GOALS

In terms of Regulation 3 (1) an organ of state must, in the tender documents, stipulate the specific goal in the invitation to submit the tender for which a point may be awarded, and the number of points that will be awarded to each goal, and proof of the claim for such goal.

SPECIFIC GOAL NUMBER OF POINTS FOR (80/20 PREFERENCE SYSTEM) NUMBER OF POINTS (90/10 PREFERENCE SYSTEM)

1. Enterprise owned by Black people	4	2
2. Enterprise owned by Women	4	2
3. Enterprise owned by Youth	4	2
4. Enterprise owned by Disabled Persons	4	2
5. Enterprise owned by SMME'S – QSE and EME	4	2

B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS

1.4 AND 3.1

Specific goals: = (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 6.1 must be in accordance with the table reflected in paragraph 3.1 and must be substantiated by submitting the required documents.

DECLARATION WITH REGARD TO COMPANY/FIRM

Name of company/firm:.....

VAT registration number:.....

Company registration number:.....

TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited **[TICK APPLICABLE BOX]**

DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....
.....
.....
.....

COMPANY CLASSIFICATION

Manufacturer

Supplier

Professional service provider

Other service providers, e.g. transporter, etc. **[TICK APPLICABLE BOX]**

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

I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals indicated in paragraphs 1.4 and 5.1 of the foregoing certificates, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

The information furnished is true and correct;

The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 5.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.

If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

disqualify the person from the bidding process;

recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

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; recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and forward the matter for criminal prosecution.

8. MBD 6.2 – DECLARATION CERTIFICATE LOCAL PRODUCTION AND CONTENT

This Municipal Bidding Document (MBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2022 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x.

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2022 (Regulation 9. (1) and 9. (3) Make provision for the promotion of local production and content.
- 1.2. Regulation 9. (1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Regulation 9. (3) prescribes that where there is no designated sector, a specific bidding condition may be included, that only locally produced services, works or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.
- 1.4. Where necessary, for bids referred to in paragraphs 1.2 and 1.3 above, a two-stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.5. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.6. The local content (LC) as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 201x as follows:

$$LC = 1 - \frac{x}{y} \times 100$$

Where

x imported content
y bid price excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid as indicated in paragraph 4.1 below.

- 1.7. A bid will be disqualified if:
 - the bidder fails to achieve the stipulated minimum threshold for local production and content indicated in paragraph 3 below; and this declaration certificate is not submitted as part of the bid documentation.

2. Definitions

- 2.1. **“bid”** includes advertised competitive bids, written price quotations or proposals;
- 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).
- 2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs

abroad, plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;

- 2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

3. The stipulated minimum threshold(s) for local production and content for this bid is/are as follows:

Description of services, works or goods

Stipulated minimum threshold

_____ %

_____ %

4. Does any portion of the services, works or goods offered have any imported content?

YES / NO

- 4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.6 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za.

Indicate the rate(s) of exchange against the appropriate currency in the table below:

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON
NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT
RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

IN RESPECT OF BID No. _____

ISSUED BY: (Procurement Authority / Name of Institution): _____

NB The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

I, the undersigned, _____ (full names), do hereby declare, in my capacity as _____ of _____ (name of bidder entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286.
- (c) The local content has been calculated using the formula given in clause 3 of SATS 1286, the rates of exchange indicated in paragraph 4.1 above and the following figures:

	Bid price, excluding VAT (y)	R	
	Imported content (x)	R	
	Stipulated minimum threshold for Local content (paragraph 3 above)		
	Local content % , as calculated in terms of SATS 1286		
<p>If the bid is for more than one product, a schedule of the local content by product shall be attached.</p> <p>(d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286.</p> <p>(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2022 promulgated under the Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).</p>			
SIGNATURE			DATE:
WITNESS 1:		WITNESS 2:	
DATE:		DATE:	

9. 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.

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? <i>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the audi alteram partem rule was applied).</i>	Yes	No
4.1.1	If so, furnish particulars: <div style="border: 1px solid black; height: 150px; margin-top: 5px;"></div>		

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)? <i>(To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).</i>	Yes	No
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	No
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	No
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	No
4.7.1	If so, furnish particulars:		

5. CERTIFICATION

I, the undersigned (full name), _____, certify that the information furnished on this declaration form true and correct.

I accept that, in addition to cancellation of a contract, action may be taken against me should this declaration prove to be false.

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE:	
NAME OF FIRM:			

10. CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids² invited.
2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).³ Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
4. This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
5. In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

CERTIFICATE OF INDEPENDENT BID DETERMINATION:

In response to the invitation for the bid made by:

UMKHANYAKUDE DISTRICT MUNICIPALITY

I, the undersigned, in submitting the accompanying bid, hereby make the following statements that I certify to be true and complete in every respect:

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

² Includes price quotations, advertised competitive bids, limited bids and proposals.

³ Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium⁴ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
- prices;
 - geographical area where product or service will be rendered (market allocation)
 - methods, factors or formulas used to calculate prices;
 - the intention or decision to submit or not to submit, a bid;
 - the submission of a bid which does not meet the specifications and conditions of the bid; or
 - bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

⁴ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

11. MDB 15 – Certificate for Payment of Municipal Services

NAME OF THE BIDDER: _____

FURTHER DETAILS OF THE BIDDER'S; Director / Shareholder / Partners, etc:

NB: Please attach certified copy (ies) of ID document(s)

I, _____,

(Full name in block letters) the undersigned, certify that the information furnished on this declaration form is correct and that I / we have no undisputed commitments for municipal services towards a municipality in respect of which payment is overdue for more than 90 days.

If the value of the transaction is expected to exceed R10 million (VAT included) I certify that the bidder has no undisputed commitments for municipal services towards **a Municipality** in respect of which payment is overdue for more than 30 days;

THUS, DONE AND SIGNED for and on behalf of the Bidder, at _____, on the _____
 _____ day of _____ 20_____.

Number of sheets appended by the tenderer to this schedule (If nil, enter NIL)

		(PRINT):	
		FIRM:	

For office use (comments):

PART B – SPECIFICATIONS AND PRICING SCHEDULE

12.1 SPECIFICATIONS

12.1.1 Specifications

Background

The Municipality invites experienced and qualified service providers to tender for the Management of the Short-Term Insurance Portfolio of Umkhanyakude District Municipality for a contract period three years.

Current State

The Municipality

Project Scope

- (a) The tenderer will be responsible for the overall management of municipality's Short-Term Insurance Portfolio, which should include amongst other
- (b) Placement of the municipality's Insurance Portfolio and other Underwriting Administration processes
- (c) Claims administration
- (d) Review and renewal of the municipality's Insurance Portfolio over the term of the tender to ensure losses and/or liabilities are minimized.
- (e) Risk assessments fees included in the final price
- (f) Training of staff / capacity building
- (g) The tenderer must submit a tender for Full Insurance Cover, as per detailed schedules that are provided as part of the tender documents. It should further be noted that the insurance data/values provided, are based on the municipality's Insurance Portfolio as at 30 June 2023 which will be used for evaluation purposes.

Detailed Specifications

Placement of the municipality's Insurance Portfolio and other Underwriting Administration processes

- (a) Assess the municipality's insurance requirements as reflected in the Tender Specifications
- (b) Negotiate with Insurance Underwriters on suitable insurance terms and premiums
- (c) Meet with the municipality's officials whenever required by either party to discuss and advise on the insurance cover.
- (d) Place the municipality's insurance portfolio with insurance underwriters that are reputable, financially stable, meet all the relevant statutory requirements and provide the municipality with written confirmation thereof, together with the insurance cover placed
- (e) Any other processes required to successfully administer the underwriting procedures

Claims Administration

The appointed service provider will be responsible to handle all aspects of the claims processes, as the municipality will not communicate directly to any legal representatives of the service provider, third parties or the Underwriter where the insurance is placed. The appointed service provider will be required to perform at least the following:

- (a) Administer all the municipality's insurance claims, which fall under the various categories of the insurance policies.
- (b) Administer all claims received by the municipality from third party's claiming for personal injury or damage to their property. This includes liaising with the third parties on the municipality's behalf
- (c) Provide a motivation, based on substantive legal grounds, for all claims that were rejected by the insurance company. The municipality reserve the right to reconsider any opinion received, to refer it back to the Broker for another opinion or recommendation. The municipality will under no circumstance communicate directly with the underwriter regarding any aspects of a claim.
- (d) Notifications in respect of a) claims registrations, b) appointment of assessor and c) authorization of repairs must be submitted to the municipality.
- (e) Confirmation of settlements paid to appointed service providers or the insured must be provided to the municipality in order to ensure accuracy and completeness of insurance registers.
- (f) Submit monthly reports in respect of all of the municipality's claims submitted, indicating the status of each claim. The report must provide clear details that can identify the claim, indicating date of incident, date reported to the insurers and details of the progress with an indication of the outstanding information in order to finalise the claim.
- (f) Reports must be provided to the Municipality on a monthly basis in respect of all claims measured against the total premiums paid.
- (g) Regularly meet with the relevant municipal officials to discuss and advise on insurance claims.
- (h) The appointed service provider will remain responsible for the administration and finalisation of all outstanding claims/open claims as at the expiry of this tender (30 June 2023), including claims with a date of loss as at 30 June 2023.
- (i) Public Liability claims are dealt with on a claims-made basis, therefore any such claims received up to the expiration of the current contract/tender, will be dealt with by the current service provider Public Liability claims received on or after the commencement of this tender, will be dealt with the newly appointed service provider, even where the actual date of loss is before the commencement of this tender/contract.

Review and Renewal of municipality's Insurance Portfolio

- (a) Annually, and prior to the renewal date, meet with the relevant municipal officials in order to discuss and advise on any additional insurance cover that may be required to ensure that the municipality's risk is minimised.
- (b) Renew the municipality's insurance portfolio with the insurance underwriters at each renewal date, i.e. 01 July each year.
- (c) Asset additions submitted to the insurer during the year must immediately be added onto the insurance portfolio and confirmed via a confirmation of cover

letter. The municipality will not be held accountable for uninsured assets should the portfolio not be updated accordingly

Risk Assessments

Provide annual Risk Assessments to ensure that the municipality has sufficient insurance coverage and that all risks are minimised.

Training of Staff / Capacity Building

- (a) Provide daily assistance and guidance with administration of claims;
- (b) Provide daily assistance and guidance with general queries regarding the insurance policy conditions and wording;
- (c) Provide an annual briefing workshop to the relevant municipal officials regarding insurance policy conditions and wording, on a date agreed upon by both parties;
- (d) Provide training sessions as and when required on insurance related matters.

General

- (a) The Municipality is not bound to accept the lowest or any tender and reserve the right to accept any tender either wholly or a part thereof.
- (b) Unless otherwise specified, it is accepted that, in the case of every type of policy tendered for, the tenderer will be willing to underwrite the individual policy type at the premium tendered, without any other policies being granted to him.
- (c) The tenderer must provide amounts payable per line item, in respect of Excess Payments for each asset, as per the applicable tender schedules.
- (d) Liability for payment of Assessor Fees must be for the account of the tenderer.
- (e) The submission of a tender signifies complete acceptance of the conditions contained in these instructions, the form of tender and the annexures.
- (f) Tenders may only be submitted on the official tender document. The tender documents must be fully completed and signed.
- (g) Tenderers must submit fully completed schedules of items for insurance cover together with each tender submitted, containing the detailed premium calculations for each class of insurance, over the tender period. These calculations must be submitted on a separate spread sheet in Microsoft Excel on a CD ROM or other optical or data storage device. Tenderers must ensure that the tender submission must include a printed version of any and all of these schedules, duly signed off.
- (h) Any deviations, limitations or unfamiliar conditions must be clearly stipulated in respect of each policy type.
- (i) All Brokers fees and any other administrative fees that will be payable, must be included in the insurance premiums.
- (j) A detail description of the assets, amounts insured, et cetera, is furnished herewith per **Annexure A**, according to information currently available. However, the Municipality reserves the right to adjust details in respect of final number, description and value of individual items for insurance cover, if necessary, at the final placement of the insurance.
- (k) The Municipality reserves the right to notify the tenderer of any adjustments, additions and or disposals during the period of the contract, for which the appropriate adjustments in premium payable / refund must be effected.

- (l) Bidders must allow the municipality 30 days to pay the monthly invoices and statements in respect of premiums, from receipt thereof. The municipality will not be liable for any financial or any other damages, due to the failure of the bidder to submit the invoices within the specified timeframes
- (m) All payments due by the municipality in terms of claims and other related matters, including excess payments, will be paid over to the appointed service provider. Any payments in respect of the insurer or any other creditor, will have to be transferred from the appointed service provider's account

SASRIA

- (a) SASRIA Rates must be included as a line item wherever applicable.
- (b) In addition, Insurance cover need to be provided to all municipal councillor's, for the loss of or damage to a councillor's personal immoveable or moveable property and assets, excluding property used by such councillor for business purposes, as well as life and disability cover, for any loss or damage caused by riot, civil unrest, strike or public disorder.

Appointment of Assessors

- (a) The Service provider will appoint an assessor as recommended by the Insurer within a reasonable timeframe to investigate, evaluate, revise and authorize the quotations of vehicles involved in accidents or any other claim, as required by the insurer and/or the municipality
- (b) The Service provider will provide to the appointed assessor the available information, documentation, declared value of the vehicle and policy wording upon appointment.
- (c) The Service provider will submit the assessors report and revised quotation within 5 (five) working days after the vehicle was assessed by the assessor to the employees of the Mechanical Maintenance Division and the relevant employee of the Insurance and Insurance Management Section.
- (d) The assessor must recommend that the vehicle be either repaired by the approved panel beater or written off as per the insurance policy wording.
- (e) The Service provider must submit within 1 (one) working day after the assessor's report was received with the recommendation that the vehicle must be written off as per the insurance policy wording a formal letter requesting that the vehicle be deregistered by either the Umkhanyakude District Municipality or the lease company.
- (f) The Service provider must assist the Umkhanyakude District Municipality with the obtaining of the original deregistration certificate of the relevant authority at no additional cost to the Umkhanyakude District Municipality within 6 (six) months after the original deregistration certificate was requested from the Umkhanyakude District Municipality.
- (g) The Service provider will be responsible for the payment of Assessors to investigate, evaluate, revise and authorize the quotations of vehicles involved in accidents or any other incident which require the services of an Assessor.

Evaluation Schedule

The information requested from bidders in this tender has been identified by the Municipality as necessary so that the commitment, capability, suitability and capacity of the bidders can be evaluated.

SPECIFICATION REQUIREMENTS / INSURANCE COVERAGE / POLICIES	
Bidders must clearly provide for Excess payments for each of the below Insurance Coverage. Should no Excess be applicable, this should also be stated where and if applicable.	
COMBINED COVER	
Standard coverage, thatched roof, specified structures	This policy should provide cover against fire, lightning, explosion, earthquake, special dangers (wind, water, hail, snow etc.) malicious damage, burst and flooding of water tanks, airplanes and other flying devices or flying objects. Any other related dangers.
Insured Property	All built structures, including outbuildings thereof, the owner's loose and fixed fittings therein and thereon, boundary and other walls, gates, poles, fences, public access points, purification plants, reservoirs and sewerage plants. Debris removal to be included.
Insured amounts	Refer to Fixed Asset Register
Standard & non-standard Building Contents	R
Machinery Breakdown	R
Fencing	R
Waste Water Treatment Works	R
HOME OWNERS'S RISK COVER	
Standard	This policy should provide cover against threats of fire, lighting, explosion, earthquake, special threats (Wind, water, hail, snow etc.) malicious damage, burst and flooding of water tanks, airplanes and other flying devices or flying objects. Any other related dangers.
Insured Property	All buildings (homes, residential units, apartments), including all outbuildings, swimming pools, the landlord's loose and fixed fittings therein and thereon,

	boundary and other walls, gates, poles, enclosures and public access connections.
Insured amount	R----- Refer to FAR
BUSINESS ALL RISK	
This policy should provide coverage against all types of risk not excluded in terms of the policy and includes the below asset types, among other:	
<p>Computer equipment (excluding laptops, notebooks, tablets) UPS/CPU/Computer boxes, Monitors, Keyboards, Antennas, Cables, CCTV equipment, Docking stations, Data loggers, Switches, Modems, Tablets, Printers, Servers, Routers, Wireless equipment.</p> <p>Office Furniture & Equipment Calculators, Office decorative, Microphones, Pictures, Portraits and Paintings, Mayoral and Junior Town Council Chains, Leased Office Machines, Furniture, Office machinery, Scanning equipment, Cameras, Decoders, Televisions & recording equipment, PA Systems, Kitchen Furniture and appliances, Dictaphones, Data projectors, Cleaning equipment, Personal belongings of Employees and Councillors whilst on Council Business, Screens and cards, Cell phones, Speakers and any other miscellaneous office content.</p> <p>Machinery & Equipment Bicycles, Blowers, Lawnmowers, Chain saws, Brush cutters and any other Garden equipment, Sport equipment, Jaws of Life, Rescue and Fire Fighting equipment, Bunker suits, Laboratory equipment, Radio and Communication equipment, Survey equipment and Instruments, Traffic devices and equipment, Waste by Rail Containers, Street and house hold bins, Telemetry equipment, Compressors, Compactors, E-fuel units, Mechanical equipment, Fire Arms, Electrical Tools and Metering equipment, Scanner, GPS, Movable Pumps, Generators and any miscellaneous loose tools, machinery and equipment.</p>	
Insured amounts	
Computer equipment	R
Furniture & equipment	R
Machinery & equipment	R
OFFICE CONTENTS	
Loss or damage of office contents within property owned by the municipality or for which the Municipality is responsible.	
Insured amounts	
Loss of Rent	R
Office contents	R
Loss of documents	R
Legally Liability Documents	R

Insured amount	R refer to FAR
THEFT	
Damage to contents, the property of the insured or for which the Municipality is responsible, of any building at the insured premises, as a result of theft accompanied by forcible and violent entry into or exit from such a building or any portion thereof, or any attempt, threat or as a result of theft (or any attempted threat) following violence or threat of violence against persons lawfully on the premises.	
Insured amount	
First Loss Basis	R
Malicious Damage	R
MONEY	
Loss or damage to money. This includes money not contained in a locked safe or strong room in the custody of any authorised employee while away from the premises or at the premises outside normal working hours and also any other time from the premises.	
Insured amounts	
Mayor Limit	R
Receptacles	R
Damage to strong room	R
Crossed cheques	R
Money in custody of Authorised	R
Employees Money on Insured's Premises	R
outsideworking hours	
FIDELITY GUARANTEE	
Cover all employees - +/- 820	Loss of money and/or other property belonging to the insured or for which they are responsible, stolen by an insured employee or Councillor.
Insured amount	
Indemnity Limit (Blanket basis)	R
GLASS	
Damage to internal and external glass (including mirrors), sign writing and treatment thereon at the insured premises, the property of the insured of for which they are responsible.	
Insured amounts	
Internal & external glass	R
Squash courts	R

PUBLIC LIABILITY

All amounts for which Council becomes legally liable to pay consequent upon accidental death, of or bodily injury to or illness of any person, or accidental loss of or physical damage to tangible property.

Indemnity Limit

Medical Malpractice	R 1,000,000
Product Liability	R 1,000,000
Defamation/Wrongfully arrest	R 500,000
Legal Fees	R 2,300,000
Spread of fire	R 30,000,000
Errors & Omissions	R 1,000,000
HIV/AIDS	R 1,500,000
Fire & Explosion	R 800,000
Other 3rd Party Liability	R 1,000,000
Limit of Indemnity	R100,000,000

EMPLOYER'S LIABILITY

Damages for which Council becomes legally liable as a consequence of death or bodily harm or illness of any person employed under a contract or service or apprenticeship with the Municipality.

Insured amount**Indemnity Limit**

R25,000,000

Councillors

Coverage limited to Council activities and war/riots cover included (not active participation)
Travel
24 Hour cover
Death and / or disability as a result of violent and visible means

VEHICLE FLEET

Loss of or damage to any vehicles as indicated to the insurers and its accessories and spare parts whilst thereon. In addition, if such vehicle is disabled by reason of any loss or damage insured hereby, the insurers will pay the reasonable cost of protection and removal to the nearest repairers and the municipality may give instruction for repairs to be executed without the previous consent of the insurers to the extent of but not exceeding a specified amount, provided that a detailed estimate is first obtained and immediately forwarded to the insurers.

Cover: Fleet basis

Vehicles value below R500,000
LDV's

Quantity:
*To be
provided*

Private type & minibus Trucks Fire Engines Trailers Tractors Motor Cycles Special Type Self-propelled Plant Vehicles value above R500,000 Tools & Accessories 3 rd Party Liability Passenger Liability	 R10,000 R4,000,000 R4,000,000
ELECTRONIC EQUIPMENT	
Physical loss of or damage to the property insured described in the schedule from any cause not herein after excluded whilst: <ul style="list-style-type: none"> (a) At work or at least anywhere within the municipality's premises as specified; (b) In transit, including loading and unloading or whilst temporary stores at any premises en route; (c) Temporarily removed from the premises to any other location. 	
Insured amount	R
LAPTOPS, NOTEBOOKS, TABLETS	
Physical loss of or damage to the property insured described in the schedule from any cause not herein after excluded whilst: <ul style="list-style-type: none"> (a) At work or at least anywhere within the municipality's premises as specified; (b) In transit, including loading and unloading or whilst temporary stores at any premises en route; Temporarily removed from the premises to any other location	
Insured amount	R
SASRIA	
<ul style="list-style-type: none"> (a) SASRIA Rates must be included as a line item wherever applicable. (b) In addition, Insurance cover need to be provided to all municipal councillor's, for the loss of or damage to a councillor's personal immoveable or moveable property and assets, excluding property used by such councillor for business purposes, as well as life and disability cover, for any loss or damage caused by riot, civil unrest, strike or public disorder. 	

APPOINTMENT OF ASSESSORS

- (a) The Service provider will appoint an assessor as recommended by the Insurer within a reasonable timeframe to investigate, evaluate, revise and authorize the quotations of vehicles involved in accidents or any other claim, as required by the insurer and/or the municipality
- (b) The Service provider will provide to the appointed assessor the available information, documentation, declared value of the vehicle or any other asset and policy wording upon appointment.
- (c) The Service provider will submit the assessors report and revised quotation within 5 (five) working days after the incident was assessed by the assessor to the employees of the Mechanical Maintenance Division and the relevant employee of the Insurance and Insurance Management Section.
- (d) The assessor must recommend that the asset be either repaired or written off as per the insurance policy wording.
- (e) The Service provider must submit within 1 (one) working day after the assessor's report was received with the recommendation that the asset must be written off as per the insurance policy wording. A formal letter is requested should a vehicle be deregistered by either the Umkhanyakude District Municipality or the lease company.
- (f) The Service provider must assist the Umkhanyakude District Municipality with the obtaining of the original deregistration certificate for a vehicle of the relevant authority at no additional cost to the Umkhanyakude District Municipality within 6 (six) months after the original deregistration certificate was requested from the Umkhanyakude District Municipality.
- (g) The Service provider will be responsible for the payment of Assessors to investigate, evaluate, revise and authorize the quotations of vehicles involved in accidents or any other incident which require the services of an Assessor.

INVALID TENDERS

The Bid Evaluation Committee shall consider the bids received and shall note for inclusion in the evaluation report a tenderer who is considered by the Bid Evaluation Committee to be invalid and eliminate from further evaluation for any of the following reasons:

- (a) The tender is not submitted on the official Pricing Schedule;
- (b) The tender document is not completed in non-erasable handwritten, or printed, ink or toner;
- (c) The Form of the Offer has not been signed with the original signature;
- (d) The Form of Offer is signed, but the name of the tenderer is not stated, or is indecipherable.

NON-RESPONSIVE TENDERS

Valid tenders will be declared non-responsive and eliminated from further evaluation if:

- (a) The tenderer has been listed on the National Treasury's Register for Tender Defaulters in terms of the Prevention and combating of Corrupt Activities Act, Act 12 of 2004, or has been listed of the National Treasury's List of Restricted Suppliers and who is therefore prohibited from doing business with the public sector.

- (b) The tenderer is prohibited from doing business with the Umkhanyakude District Municipality.
- (c) The tenderer does not comply with the Specification(s).
- (d) The tenderer does not comply with the instructions as contained in the Price Schedule and/or Contract Price Adjustments and Rate of Exchange Variation (where applicable).
- (e) The tenderer has not achieved the minimum functionality scoring/points as set out in the tender document (if applicable).
- (f) The tenderer is a person, advisor or corporate entity involved with the Bid Specification Committee or director/member of such a corporate entity and is therefore prohibited tendering for any resulting contracts.
- (g) The tenderer does not comply with the production of local content (if applicable)
- (h) Tenders will be declared non-responsive if the tenderer fails to adhere to a written request (within the specified period set out in such request) to:
 - (i) Comply with the general conditions applicable to tenders as set out in the Umkhanyakude District Municipality's SCM Policy;
 - (ii) Comply with one or more of the provisions contained in the Conditions of Tender.
 - (iii) Comply with any other terms and conditions of the tender as contained in the tender documents;
 - (iv) Register on the Umkhanyakude District Municipality's Supplier Database;
 - (v) Complete and/or sign any declarations and or/authorisations;
 - (vi) Submit an original and valid tax clearance certificate from the South African Revenue Services (SARS) certifying that the taxes of the tenderer are in order;
 - (vii) Comply with any applicable Bargaining Council agreements where applicable;
 - (viii) Submit the information/complete in respects of transactions values exceeding R10 million (where applicable)

EXCESS AMOUNTS

Excess amounts are to be shown clearly, otherwise the Municipality will assume that no deductible amount will apply and this may not be rectified afterwards. The excess amounts tendered must remain firm for a period of 36 months.

PRICING REQUIREMENTS

- (a) Tender prices must be in ZAR Currency (Rand).
- (b) The premium tendered must remain firm for a period of 12 months and must include any broker fees. Tender rates must be submitted exclusive of Value - Added-Tax of 15%, but the final bid price submitted must include VAT.
- (c) Where extensions are granted free of charge, this must be stated clearly
- (d) Where a line of cover or an extension is not tendered for, please state “no tender” in the premium column.
- (e) All costs must be included in the bid price.
- (f) For evaluation purposes, the Excess Structure will be incorporated with the Price Evaluation, and will be added to the total bid price as determined in sub-paragraph (iii) above. Contribute a weighting of 10% for calculation purposes

EVALUATION

- (a) Tenders will be evaluated on a comparative basis, which is the reason for the design of the tender specification and additional schedules (if applicable).
- (b) All tenders received shall be evaluated in accordance with the Municipal Finance Management Act, Act 56 of 2003 (read with its accompanying supply chain management regulations), the Preferential Procurement Policy Framework Act, Act 5 of 2000 (read with its accompanying regulations) as well as the Umkhanyakude District SCM and Preferential Procurement Policies.
- (c) Points will be awarded to tenderers who are eligible for preferences in terms of BBD 6.1: Preference Point Claim Schedule (where preferences are granted in respect of B-BBEE contribution).
- (d) The terms and conditions of BBD 6.1 shall apply in all respects to the tender evaluation process and any subsequent contract.
- (e) The evaluation will include verifying the tenderers compliance with the specifications, a special set of Pre-Qualification criteria as well as a Functionality Evaluation related to the proposed solution as well as the service provider’s capacity to implement.

EVALUATION OF BIDS BASED ON FUNCTIONALITY

- (a) The tender will also be evaluated in terms of functionality of tender submissions.
- (b) No tender will be regarded as an acceptable tender/responsive if it fails to achieve the minimum qualifying score for functionality of 75% (**75 out of a maximum of 100**).
- (c) Tenderers shall ensure that all relevant information have been submitted with the tender submission to ensure optimal scoring of functionality points.
- (d) Tenders that have achieved the minimum qualifying score for functionality
- (e) shall be evaluated further in terms of the preference point system.
- (f) The evaluation of tenders will be done in terms of compliance to the below-mentioned criteria and bidders can potentially score a total of 86 points for the following:

EVALUATION CRITERIA				
NO	Key Aspects of Criterion	Basis for points allocation	Max Points Claimable	Verification Method
1.	Experience of the Bidder (Name of traceable reference with contact details to be included for verification)	Each completed or current contract of short-term insurance (similar nature) in the last 5 years. Each completed or current contract = 5 points No Supply contract or similar completed = 0	20	Attach appointment letter
2.	Insurance Regulatory Bodies Membership	Proof of Registration with SAFSIA Membership	20	Certified copy
		Proof of Registration with Financial Services Board	20	Certified copy
		Proof of Professional Indemnity Guarantee Cover for a minimum of R100 million	20	Certified copy
3.	Capacity and Capability of the Bidder	Methodology <ul style="list-style-type: none"> Statement of Cash Flow Management = 5 points Key personnel credentials of the business <p>A minimum requirement of National diploma in any Insurance Related qualification with 5year experience (postgrad.) in insurance industry = 5 points, 8year experience (postgrad.) in insurance industry = 7 points, 10year experience (postgrad.) and above in insurance industry = 10 points.</p> <ul style="list-style-type: none"> Number of years in the industry <p>5 – 10 years' experience = 3 points Over 10 years' experience = 5 points</p>	20	Copy of Audited Financial Statements for the past 3 years or from inception of the business Attach minimum 3 key personnel CVs and their qualifications Business Profile
		(DOCUMENTARY PROOF MUST BE ATTACHED)	100	

UMKHANYAKUDE DISTRICT MUNICIPALITY	
PRE-QUALIFICATION	
GENERAL CONDITIONS	
In addition to the basic specifications, an initial Pre-Qualification review will be performed, where bidders will be evaluated on specific tasks and outcomes which they must be able to perform or comply with. Failure to comply with ALL of the Pre-Qualification criteria or the provision of a similar proposals, will result in bidders being found non-responsive and will not be evaluated further under the Functionality phase	
Conditions/Criteria	
The bidder must be registered as an authorised financial service provider (Supply evidence)	
The bidder must have a service consultant who complies with Financial Advisory and Intermediary Services Act (Act 37 of 2002) (Supply evidence)	
The bidder must be registered as a professional insurance broker with South African Financial Services Intermediaries Association (SAFSIA) (Supply evidence)	
The bidder must have the relevant Professional Indemnity and relevant guarantees (Supply evidence)	
The independent Assessor must be registered at a body described by their profession.	
GENERAL DEFINITIONS	
<p>“Experience of Enterprise” means the number of similar projects that the firm has been involved with.</p> <p>“Highest relevant qualification” means the highest qualification relevant to the position as key personnel for who he/she is nominate for.</p> <p>“Key Personnel” means those personnel and that is on site and directly involve with the municipality and project where applicable.</p> <p>“Relevant experience” means years’ experience in a similar position which are in line with the scope (where applicable).</p> <p>“Scope” means as defined in the Terms of Reference of this particular project.</p>	
DETAILS OF BIDDIN COMPANY	
Attach a schedule with the description of the project, details of the employee r and contact details of the representative of the employer.	
METHODOLOGY AN TIME FRAME	
<p>The methodology shall be evaluated on services as indicated under the scope of works and the following norms:</p> <ul style="list-style-type: none"> (a) Project specific services methodology 8 points (b) Time frame of individual actions 7 points <p>This section will be marked negatively for specific specifications in the methodology and time frames that are not clearly stated. (Starting with full marks, and losing a point for each item that is not clearly stated.)</p>	

NOTES

- (a) Failure on the part of a bidder to fill in a part of this may be interpreted to mean that the functionality points are not claimed
- (b) Failure on the part of a bidder to sign this form will disqualify the bidder
- (c) The municipality reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim, in any manner required by the municipality.

DECLARATION WITH REGARD TO FUNCTIONALITY

I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm declare that points claimed qualifies the firm for the point(s) shown and I / we acknowledge that:

The information furnished is true and correct.

In the event of a contract being awarded as a result of points claimed, the bidder may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.

If the claims are found to be incorrect, the purchaser may, in addition to any other remedy it may have –

- (a) recover all costs, losses or damages it has incurred or suffered as a result of that person's conduct; and
- (b) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation

SIGNATURE(S) OF BIDDERS

DATE

13. PRICING

13.1 Price Requirements

PRICING SCHEDULE

All costs **MUST** be included in the bid price, for rendering of the service at the prescribed destination.

Documents **MUST** be completed in non-erasable ink.

For evaluation purposes, the Excess Structure will be incorporated with the Price Evaluation and will contribute a weighting of 10% for calculation purposes.

TYPE OF POLICY	TOTAL INSURED AMOUNT	TARIFF	PREMIUM	SASRIA	TOTAL ANNUAL PREMIUM
Combined	R				
Home Owners	R				
All Risks	R				
Office contents	R				
Accounts Receivable	R				
Theft	R				
Money	R				
Fidelity Guarantee	R				
Glass	R				
Goods in Transit	R				
Public Liability	R				
Employers Liability	R				
Directors & Officials Liability	R				
Stated Benefits	R				
Motor Fleet	R				

TYPE OF POLICY	TOTAL INSURED AMOUNT	TARIFF	PREMIUM	SASRIA	TOTAL ANNUAL PREMIUM
Electronic Equipment	R				
Laptops, Notebooks and Tablets	R				
Total Premium					
VAT at 15% =					
Total Premium (Inclusive of VAT)					
Total Bid Price (Inclusive of VAT)					
Excess Structure Calculations =					
Total Bid Price (VAT and Excess Structure Calculations Included)					

BIDDERS EXCESS STRUCTURE			
Section of Policy	Excess Payments	Number of Incidents	Excess Calculations
Combined			
All Transformers / Electrical / Reticulation claims:			
All other claims(Unless specifically defined)			
Fire directly as result of Arson			
Parked vehicles			
Storm / flood damage			
Theft Property in the Open & Malicious Damage		15	
Power station			
Buildings at distribution Centres			
Pole transformers, steel lampposts, traffic signs, robots meter & lights			
Unoccupied buildings (first 4 weeks of non-occupancy) theft malicious damage			
House Owners			
Per Structure		5	
Malicious Damage			
Unoccupied buildings (first 4 weeks of non-occupancy) theft malicious damage			
All Risks			

Section of Policy	Excess Payments	Number of Incidents	Excess Calculations
All items as per schedule			
Computer Equipment (excl laptops, notebooks & tablets)			
Furniture & Office Equipment			
Machinery & Equipment			
Locks and keys			
Office Contents			
Contents			
Personal property Employees			
Locks and keys			
Theft / Burglary			
All other claims			
Theft of cables and electrical conductors			
Theft of goods in the Open			
With burglar bars all windows and safety gates all outside doors			
Without above protection			
Locks and keys			
Money			
All other claims			
Crossed cheques			
Loss or damage to money as a result of dishonest			
Fidelity Guarantee			
Glass			
Goods in Transit			
Public Liability			
All claims			
Potholes			
Motor Third Party Liability - Any other			
Motor Third Party Liability - Private & commercial up to 3500Kg gvm			
Spread of fire			
Damage to underground cable			

Section of Policy	Excess Payments	Number of Incidents	Excess Calculations
Professional indemnity			
Motor Fleet			
Private type vehicles, LDV's (windcreens)			
Special types, Fire Engines & Commercial trucks (windcreens)			
Private type vehicles, LDV's			
Vehicle valued up to R100 000			
Vehicle valued between R100 001 and R500 000			
Vehicle valued above R500 001			
Special types, Fire Engines			
Commercial trucks			
Vehicles valued up to R200 000			
Vehicles valued between R200 000 and R499 000			
Vehicles valued between R500 000 and R1 000 000			
Vehicle valued above R1 000 000			
Special types & Fire engines			
Special types i.e. road making and construction			
Tractors			
Vehicles valued up to R200 000			
Vehicles valued above R200 000			
Trailers			
Loss of keys			
Theft/Hijack			
Group Personal Accident			
Medical Expense			
TTD			
Stated Benefits			
Medical Expense			
TTD			
Electronic Equipment			
Any other loss			
Increase in cost of working			
Reconstruction of data			
Lightning/Power surge			

Section of Policy	Excess Payments	Number of Incidents	Excess Calculations
Laptops, Notebooks & Tablets		7	
Accounts Receivable			
Business Interruption			
Directors and Officials			
Aerodrome			
Total Estimated Excess Payments =			

14. MBD 7.1 – Contract Form – Purchase of Services

NOTE:

- (a) This form must be completed 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 purchase will be in possession of originally signed contracts for their respective records.
- (b) NO correction fluid/tape may be used.
- (c) In the event of a mistake having been made, it shall be crossed out in ink and be accompanied by an initial at each and every alteration

PART 1 (To be completed by the TENDERER)

- I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to the **Umkhanyakude District Municipality** in accordance with the requirements and specifications stipulated in tender no **SCMU 016/ 2023/2024** for a contract period and the price(s) as per the pricing schedule. My offer(s) remain(s) binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
- The following documents shall be deemed to form and be read and construed as part of this agreement:
Binding documents, viz
 - Invitation to bid
 - Tax clearance certificate
 - Pricing schedule(s)
 - Technical Specification(s)
 - Preference claims in terms of the Preferential Procurement Regulations 2017
 - Declaration of Interest
 - Special Conditions of Contract; and
 - General Conditions of Contract
- 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.
- 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.
- I declare that I have no participation in any collusive practices with any bidder or any the person regarding this or any other bid.
- I confirm that I am duty authorised to sign this contract.

		(PRINT):	
CAPACITY:		DATE	
NAME OF FIRM			
WITNESS 1		WITNESS 2	
DATE		DATE	

CONTRACT FORM – PURCHASE OF SERVICES**PART 2 (To be completed by the UMKHANYAKUDE DISTRICT MUNICIPALITY)**

1. I, _____ in my capacity as _____, accept your bid under reference number _____, dated _____, for the supply of goods / works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions in 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 accompanies by the delivery note.
4. I confirm that I am duly authorised to sign this contract.

TO BE COMPLETED BY THE UMKHANYAKUDE DISTRICT MUNICIPALITY

SIGNATURE:		OFFICIAL STAMP:
NAME (PRINT)		
WITNESS 1		
WITNESS 2		

15. DECLARATION BY TENDERER

I/We acknowledge that I / we am / are fully acquainted with the contents of the conditions of tender of this tender document and that I / we accept the conditions in all respects.

I/We agree that the laws of the Republic of South Africa shall be applicable to the contract resulting from the acceptance of my / our tender and that I / we elect *domicilium citandi et executandi* (physical address at which legal proceedings may be instituted) is the Republic at:

I/We accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving in me / us under this agreement as the principal liable for the due fulfilment of this contract.

I/We furthermore confirm I / we satisfied myself / ourselves as to the corrections and validity of my / our tender; that the price quoted cover all work / items specified in the tender documents and that the price(s) cover all my / our obligations under a resulting contract and that I / we accept that any mistake (s) regarding price and calculations will be at my / our risk.

I/We furthermore confirm that my / our offer remained binding upon me / us and open for acceptance by the Purchaser / Employer during the validity period indicated and calculated from closing date of the bid.

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE	
NAME OF FIRM			
WITNESS 1		WITNESS 2	
DATE		DATE	

16. FORM OF OFFER AND ACCEPTANCE

SCMU 016/2023/2024

Name of Tender

Form of Offer and Acceptance

Offer

The employer, identified in the acceptance signature block, has solicited offers to enter into a contract for the procurement of:

SCMU 016/2023/2024: SHORT TERM INSURANCE – 36 MONTHS

The tenderer, identified in the offer signature block, has examined the documents listed in the tender data and addenda thereto as listed in the tender schedules, and by submitting this offer has accepted the conditions of tender.

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

THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE ADDED TAX IS

Rand (in words);

R_____ (in figures)

This offer may be accepted by the employer by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the tenderer before the end of the period of validity stated in the tender data, whereupon the tenderer becomes the party named as the contractor in the conditions of contract identified in the contract data.

		(PRINT):	
CAPACITY:		DATE:	

for the tenderer

(Name and address of organization)

SIGNATURE OF WITNESS:		NAME (PRINT):	
DATE:			

Acceptance

By signing this part of this form of offer and acceptance, the employer identified below accepts the tenderer's offer. In consideration thereof, the employer shall pay the contractor the amount due in accordance with the conditions of contract identified in the contract data. Acceptance of the tenderer's offer shall form an agreement between the employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

Deviations from and amendments to the documents listed in the tender data and any addenda thereto as listed in the tender schedules as well as any changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance, are contained in the schedule of deviations attached to and forming part of this agreement. No amendments to or deviations from said documents are valid unless contained in this schedule, which must be signed by the authorized representative(s) of both parties.

The tenderer shall within two weeks after receiving a completed copy of this agreement, including the schedule of deviations (if any), contact the employer's agent (whose details are given in the contract data) to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the conditions of contract identified in the contract data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

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

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE	

for the Employer

(Name and address of organization)

SIGNATURE OF WITNESS:		NAME (PRINT):	
DATE:			

Schedule of Deviations

1 Subject _____

Details _____

2 Subject _____

Details _____

3 Subject _____

Details _____

4 Subject _____

Details _____

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

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

for the tenderer

(Name and address of organization)

SIGNATURE OF WITNESS:		NAME (PRINT):	
DATE:			

for the Employer			
(Name and address of organization)			
SIGNATURE OF WITNESS:		NAME (PRINT):	
DATE:			

FOR OFFICE USE				
PBN				
FIN YEAR				

***Annexure A (Schedule of Covers, Claims History, Fixed Assets Register and Fleet List)**