

APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE FOR A PERIOD OF 3 YEARS



uMSHWATHI MUNICIPALITY

BID DOCUMENT
BID NUMBER: T2022/23/23

TENDER FOR THE APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE SERVICES FOR A PERIOD OF 3 YEARS

| | |
|--|--------------------------------|
| CLOSING TIME: | 12H00 |
| CLOSING DATE: | 26 July 2023, Wednesday |
| Bid Document Fee (none refundable Cash Only): | R350.00 |

Bids must be properly received and deposited in the Bid box on or before the closing date and before the closing time. No late Bids will be accepted under any circumstances. Bids must be submitted in a sealed envelope properly marked in terms of the Bid number and Bid description as indicated above, at the Municipal Office situated at New Hanover, Main Road Opposite the SAPS. No Bids will be accepted via facsimile, email or telegram.

SERVICE PROVIDER'S DETAILS

| | |
|---------------------------|----------------|
| Name of Service Provider: | |
| Contact Person: | |
| Telephone Number: | () Code |
| Fax Number: | () Code |
| Physical Address: | |
| Postal Address: | |
| Quoted Amount | |

NOTE:

The Service Provider shall be deemed to have satisfied himself/herself/themselves as to all the conditions and circumstances affecting this Bid, including the physical aspects of working areas, and by the submission of a Bid, will confirm acceptance of the conditions and circumstances applicable to any subsequent contract.

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Service Providers are advised to check the number of pages and, should any be missing, duplicated, reproduction indistinct, description is ambiguous, or this document contain any obvious errors, they shall inform the Supply Chain Management Unit of uMshwathi Municipality at once, and have the same rectified. No liability whatsoever will be incurred in respect of errors in any Bid document due to the service provider’s failure to observe this requirement.

APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE FOR A PERIOD OF 3 YEARS



BID NUMBER: T2022/23/23

uMshwathi Municipality invites prospective Supplier to submit their proposals for the Appointment of Service Provider for Short Term Insurance for a period of 3 years.

There will be no briefing session. Bid documents will be available from the 23rd of June 2023, Friday to the 24th of July 2023, Monday upon payment of a non-refundable fee of R350.00 only or document can be downloaded for free on the government eTender portal by visiting <https://www.etenders.gov.za/>

Bid documents must be submitted in a sealed envelope marked “**Appointment of Service Provider for Short Term Insurance for a period of 3 years.**” and deposited in the municipality’s Tender Box located at New Hanover Municipality’s main office no later than 12h00 on Wednesday, 26 July 2023. Incomplete, faxed, emailed and late proposal documents will not be considered.

Enquiries should be addressed to Mr. EV. Mdlalose, on 033 816 6800 or email: vusumuzim@umshwathi.gov.za. Bid document will be evaluated using Responsiveness/Administrative Compliance (list of returnable documents is detailed in the tender document), Functionality (where a minimum of 60% is required for further evaluation) and 80/20 of the PPPFA with its 2022 Regulations. The Municipality reserves the right not to accept the lowest or any Bid. Bid Validity period:- 120 days

Claim for Specific Goals for 20 Points Allocation

To claim 20 points for specific goals, the company must have the following ownership:

| <u>GOALS</u> | <u>POINTS</u> | <u>Verification Method</u> |
|---|----------------------|-----------------------------------|
| Historical Disadvantaged Black Person | 10 | CIPC/ CSD |
| Historical Disadvantaged Women | 5 | CSD |
| Historical Disadvantaged Disabled Person | 5 | CSD |

.....
MR. NM MABASO
MUNICIPAL MANAGER

CONDITIONS OF BID

PLEASE NOTE THAT THIS BID IS SUBJECT TO SCM REGULATIONS ISSUED AND SUPPLY CHAIN MANAGEMENT POLICY AND THE GENERAL CONDITIONS OF CONTRACT.

1. Any alteration made by the Service Provider must be initialled.
2. Use of correcting fluid is prohibited
3. Bids will be opened in public as soon as possible after the closing time of quote.
4. Where practical, prices are made public at the time of opening Bids.
5. This Bid is subject to the Preferential Procurement Policy Framework Act and the Preferential Procurement Regulations, 2022; the General Conditions of Contract (GCC) and if applicable any other Special Conditions of Contract.
6. Suppliers are advised that the 80/20 preference points system shall be applied in the evaluation of this Bid. To qualify for preference points suppliers are required to submit CIPC registration document in order to claim for HDP points.
7. Suppliers must complete the attached MBD 4 -Declaration of interest form, the MBD 8 - Declaration of Suppliers past performance form and the MBD 9 - Certificate of Independent Bid Determination. Failure to complete these documents may result in your Bid being invalid.
8. Bids must be in accordance with the specifications, unless otherwise stipulated.
9. The official Bid form must be used. Should the allocated pricing page/information be insufficient, you may include an additional copy of the price page.
10. If it is desired to make more than one offer against any individual item, such offers should be given on a photocopy of the page in question. Clear indication thereof must be stated on the schedules attached.
11. Tenders documents must be deposited in TENDER BOX situated as indicated on the Bid request form. Suppliers should ensure that Bids are delivered timeously to the correct address. If the Bid/offer is late, it will not be accepted for consideration.
- 1.1. UMshwathi Municipality is under no obligation to accept the lowest or any bid. Further, the municipality reserves the right not to appoint or to appoint one service provider or more than one service providers.
12. The financial standing of Service Providers and their ability to manufacture or to supply goods or render services may be examined before their bids are considered for acceptance.
13. Pricing on the form of offer must be written same amount both in figures and words, failing of which your proposal shall be disqualified with an indication of “no offer” on the Bid closing (if applicable).
14. **Registration on National Treasury’s Central Supplier Database (CSD) is compulsory.** For more information on how to register go to www.csd.gov.za . Failure to submit a CSD supplier registration number **will** result in the disqualification of proposals.

SPECIAL TENDER CONDITIONS

- This tender and its acceptance will be subject to the terms and conditions described below. uMshwathi Municipality is/will not be liable for any costs incurred in preparation and delivery of tenders.
- All documents, samples and materials submitted as part of a tender becomes the property of the Municipality, and yet in any event uMshwathi Municipality will not be liable for loss or damage to any documents, samples and materials submitted.
- **CLOSING DATE**
 - The closing date for the submission of proposals is 12h00 on Wednesday, 26 July 2023. No late submissions will be accepted
- **TENDER DOCUMENTS MARKING**
 - a. Failure on the part of the tenderer to sign/mark this tender form and thus to acknowledge and accept the conditions in writing or to complete the attached forms, questionnaires and specifications in all respects, may invalidate the tender.
 - b. Tenders must be completed in black ink where mechanical devices are not used, such as typewriters and printers.
 - c. Tenderers will check the numbers of the pages and satisfy themselves that none are missing or duplicated. No liability will be accepted with regard to claims arising from the fact that pages are missing or duplicated.
 - d. Tenders should be hand delivered to the address provided on the Invitation to Bid above so as to reach the destination no later than the closing date and time.
 - e. No tenders transmitted by telegram, telex, facsimile, E-mail or similar apparatus will be considered.
- **VAT, DUTIES AND OTHER TAXES**
 - a. Prices and must be quoted inclusive of VAT and all other relevant taxes and duties (where applicable) should be shown separately.
 - b. The full price under this tender must be quoted in South African Rand (ZAR).
- **TENDER DEFAULTERS AND RESTRICTED SUPPLIERS**
 - a. No tender shall be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. uMshwathi Municipality reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been blacklisted with National Treasury by another government institution.
- **TAX COMPLIANCE**
 - a. No tender shall be awarded to a bidder who is not tax compliant. UMshwathi Municipality reserves the right to withdraw an award made, or cancel a contract concluded with a successful bidder in the event that it is established that such bidder was in fact not tax compliant at the time of the award, or has submitted a fraudulent Tax Clearance Certificate to the Municipality, or whose verification against the Central Supplier Database (CSD) proves non-compliant. UMshwathi Municipality further reserves the right to cancel a contract with a successful bidder in the event that such bidder does not remain tax compliant for the full term of the contract.

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- b. The Central Supplier Database (CSD) and the tax compliance status PIN are the approved methods of verifying the tax compliance of a bidder. The South African Revenues Services (SARS) does not issued Tax Clearance Certificates anymore but has introduces an online provision via eFiling, for bidders to print their own Tax Clearance Certificates which they can submit with their bids or price Bids.
- c. UMshwathi Municipality will therefore accept printed or copies of Tax Clearance Certificates submitted by bidders but will verify their authenticity on SARS eFiling or Central Supplier Database (CSD).

➤ PRECEDENCE

This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this document by reference.

➤ INDEMNITY

If a bidder breaches the conditions of this bid and, as a result of that breach, uMshwathi Municipality incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds the Municipality harmless from any and all such costs which the Municipality may incur and for any damages or losses uMshwathi Municipality may suffer.

➤ CONFLICT OF INTEREST, CORRUPTION AND FRAUD

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- a. uMshwathi Municipality** reserves its right to disqualify any bidder who either itself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of uMshwathi Municipality or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity")
- b.** engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
- c.** seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- d.** makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of uMshwathi Municipality officers, directors, employees, advisors or other representatives;
- e.** makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- f.** accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- g.** pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- h.** has in the past engaged in any matter referred to above; or (h) has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

➤ CONDITIONS OF PAYMENT

- a.** No service should be provided to the Municipality in terms of this tender and no amount will become due and payable by the uMshwathi Municipality;
- b.** an official purchase order or similar written instruction has been issued to the supplier where service delivery will be within the specified time scale after the receipt of the official purchase order or similar written instruction; and unless otherwise determined in the contract or other agreement, all payments due to creditors will be settled within 30 days from receipt of a proper invoice or, in the case of civil claims, from the date of settlement or court judgment. This implies that amounts owing will be paid within 30 days from receipt of invoice if the goods, works or services were delivered to the satisfaction of the Municipality.

➤ CONTRACTUAL IMPLICATIONS

- a.** The tenderer must complete all documents in full and submit these with the proposal. Failure to comply with these requirements may invalidate the tenderer or disqualify the proposal.

- a. Upon submission of the tender response, the Tenderer is unconditionally bound by the terms and conditions of the Request for Proposal (RFP) and the tender response. In the event of any conflict or confusion arising between the terms and conditions of the RFP and the tender response, the RFP shall prevail.
- b. The Tenderer acknowledges that awarding of the Tender is based solely on the information supplied in the tender response, accordingly the relevant Terms and Conditions of the Request for Proposal and the tender response will be incorporated in the subsequent written agreement, unless otherwise provided by the uMshwathi Municipality.
- c. Other than providing rights to uMshwathi Municipality, nothing in this Tender Request and tender response should be construed to give rise to the Municipality having any obligations or liabilities whatsoever, express or implied.
- d. The successful Tenderer shall only be entitled to render services and/or provide goods to the uMshwathi Municipality once a separate written contract, which should be aligned to "GOVERNMENT PROCUREMENT GENERAL CONDITIONS OF CONTRACT" (Please visit <http://www.treasury.gov.za/divisions/ocpo/sc/GeneralConditions/default.aspx>) for further information issued in 2010 in this respect) and a service level agreement, has been signed by both the Tenderer and uMshwathi Municipality, whereupon the Request for Proposal and tender response will cease to have force and effect.

Full Names of a Bidder's Representative

Signature of a Bidder's Representative (Accepting all the above listed conditions of tender)

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APPOINTMENT OF SERVICE PROVIDER FOR SHORT TERM INSURANCE FOR A PERIOD OF 3 YEARS.

Bid Number: T2022/23/23

GENERAL CONDITIONS OF CONTRACT

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1. Definitions

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The following terms shall be interpreted as indicated:

- 1.1 "Closing time" means the date and hour specified in the tendering documents for the receipt of tenders.
- 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 "Day" means calendar day.
- 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
- 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
- 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.
- 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any tenderer, and includes collusive practice among tenderers (prior to or after tender submission) designed to establish tender prices at artificial non-competitive levels and to deprive the tenderer of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the tendering price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the tender will be manufactured.
- 1.17 "Local content" means that portion of the tendering price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manager's Representative" shall mean the Special projects Manager of uMshwathi Municipality.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Municipality" shall mean the uMshwathi Municipality.

- 1.20 "Municipal Manager" Or "Manager" shall mean the Municipal Manager of uMshwathi Municipality.
- 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 tendering documents.
- 1.23 "Purchaser" means the organization purchasing the goods.
- 1.24 "Republic" means the Republic of South Africa.
- 1.25 "SCC" means the Special Conditions of Contract.
- 1.26 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.27 "Supplier" means the successful tenderer who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.28 "Tenderer" shall mean the person or persons undertaking to supply the respective Services specified herein and shall include the legal personal representative, successors and assigns of the Supplier.
- 1.29 "Tort" means in breach of contract.
- 1.30 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.31 "Written" or "in writing" means hand-written in ink or any form of electronic or mechanical writing.

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information inspection

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

6. Patent Rights

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

6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful tenderer shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

- (a) a bank guarantee located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the tendering documents or another form acceptable to the purchaser; or
- (b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. Inspections, tests and analyses

8.1 All pre-tendering testing will be for the account of the tenderer.

8.2 If it is a tender condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the tenderer or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.

8.3 If there are no inspection requirements indicated in the tendering documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

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

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

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

9. Packing

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

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental Services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

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(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) in the event of termination of production of the spare parts:

(i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

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

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

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

16.4 Payment will be made in Rand unless otherwise stipulated.

17. Prices

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

18. Variation orders

APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE FOR A PERIOD OF 3 YEARS

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.

21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

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

APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE FOR A PERIOD OF 3 YEARS

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) If the supplier fails to perform any other obligation(s) under the contract; or
- (c) If the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

24. Antidumping and countervailing duties and rights

24.1 When, after the date of tender, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or 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 supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

28. Limitation of Liability

APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE FOR A PERIOD OF 3 YEARS

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

28.2 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) The parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) The purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

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

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

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

29. Governing language

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

30. Applicable law

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

31. Notices

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

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

32. Taxes and duties

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

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

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

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

33. Transfer of contracts

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

APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE FOR A PERIOD OF 3 YEARS

of the purchaser

34. Amendment of contracts

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

35. Prohibition of restrictive practices

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

35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.

35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE FOR A PERIOD OF 3 YEARS

1. BACKGROUND

The UMshwathi Local Municipality (ULM) it's a local government under UMgungundlovu District established in terms of the Municipal Systems Act (MSA) No. 32 of 2000 and regulated in terms of the Municipal Finance Management Act (MFMA) 56 of 2003.

UMshwathi Local Municipality would like to establish a 36 months agreement with a reputable insurance firm for provision of short term insurance service on assets included in our fixed assets register.

2. PURPOSE AND OBJECTIVES OF THE PROJECT

The purpose of this document is to invite proposals from service providers who can provide a reasonable but competitive risk cover in the form of a concise, readable explanation of various insurance covers. The proposed insurance covers must assist UMshwathi local Municipality in handling and managing the various risk exposures. The UMshwathi Local Municipality would therefore like to appoint a competent service provider for the provision of short term insurance services for a period of 36 months.

3. SPECIFICATION

UMshwathi local Municipality invites all interested Service Providers to submit bids for the provision of short term Insurance Services.

SCOPE OF WORK

The scope of work for the project will entail the following:

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

4. Risk Areas

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

- a. Office contents** - Comprehensive cover for our furniture and fittings
- b. Business All Risk**- Comprehensive cover of assets as per the Entity's Fixed Asset Register (FAR)
- c. Theft** - Damage to contents of our properties and vehicles, cash and of loss of our properties and vehicles, as a result of theft accompanied by forceful entry or exit.
- d. Electronic equipment** - Physical loss or damage to property belonging to the Entity or held by the Entity in trust or on commission for which they are responsible (*including wear and tear*)
- e. Motor** • Comprehensive cover for natural disaster, damage/ loss of the Entity's motor vehicles
- f. Glass** - Internal and External Glass (including mirrors and windows).
- g. Public Liability** - Loss or damage to third party property/ injury or death to third parties due to our negligence (the entity and employees)
 - o Probable events (any one period)

APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE FOR A PERIOD OF 3 YEARS

- o Defamation and wrongful arrest
 - o Errors and Omissions
 - o Products liability
 - o Legal Defence Costs
 - o Personal injury
 - o Advertising Liability
 - o Spread of Fire

h. Employer's Liability- Death or bodily injury (Disable) to any person employed under a contract of service and which occurs during hours of work or while he/she is driving for Entity's duty in connection with such person's employment.

➤ In the Event of death or permanent injury/disability of the employee while travelling on an official business, insurance must be covered with at least R1 500 000.00

➤ **SASRIA** - Riot and strike, and political riot

a. Fidelity Guarantee - Cover against commercial crime / fraud caused by hackers or Municipal employees

b. Combined Risk - Cover against all property constructed of Brick, Stone, Concrete or Metal on Metal Framework and Roofed with Slate, Tiles, Metal, Concrete, Asbestos or Thatch

- Cover against fire, lightning, thunderbolts, subterranean fire, explosions, implosions, spontaneous combustion, fermentation, charring, smoke, storm, wind, water, hail or snow, earthquake, earth tremor, aircraft, impact, theft, and accidental damage due to sanitary ware

c. Support - One-on-one dedicated Claims Consultant

d. Claims - 30 calendar days turn-around time for outcome of claim from the date of submission of the claim.

4.2 Insurance Portfolio

Concerning placement of UMshwathi Local Municipality insurance portfolio the appointed service provider will be required to perform the following:

- Advise UMshwathi Local Municipality and provide quotations on additional insurance cover that could be reasonable and necessary for UMshwathi Local Municipality to take out in an attempt to minimize risks.
- Place UMshwathi Local Municipality insurance portfolio with the Insurance underwriters not later than the (date) and forward a written confirmation together with details.

4.3 Underwriting Administration

The appointed service provider will have the following responsibilities concerning underwriting administration.

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

4.4

Claims Administration

Concerning this, the appointed service provider will be responsible for the following:

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

4.5 Premiums/ Extensions/ Performance Assessment and Renewals

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

- Assess UMshwathi Local Municipality insurance requirements as detailed in the UMshwathi Asset Management policy
- Collect updated information (Asset Register) from UMshwathi Local Municipality to ensure that the UMshwathi assets are adequately insured.
- Negotiate with the insurance underwriters on suitable insurance terms and conditions
- Negotiate with the insurance underwriters on suitable premiums based on the UMshwathi insurance claims file or experience.
- Present factors considered for change in premiums in a meeting scheduled during the time of the contract.
- Any future premium adjustments and/or escalations must be based on a pre-determined formula, which must be included in the tender proposals. The bidders must also provide a scenario of how this formula works through examples.

APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE FOR A PERIOD OF 3 YEARS

- Bidders should table their projections on premiums for the three-year period.

4.6 Hand over and closure of Claims

- Upon award of the contract the appointed service, provide must with effect from the award date take over the administration of all outstanding claims that happened after the (date) but not reported to the previous service provider and those that are still outstanding from the previous service provider as from the award date.
- Within 30 days after the expiry, date of the contract the appointed service provider must finalize all claims reported and that occurred during their term of contract.
- By 30 June have a report of all claims and their status pertaining to that financial year for audit purposes.

5 INSURANCE FOR UMSHWATHI ASSETS

Insurance policy to cover all UMshwathi Assets and Public Liability

1. Movable Assets:

- Computer Equipment, Furniture and Office Equipment, Machinery and Equipment, Transport Assets and

2. Buildings

3. Electricity

4. Investment

5. Community Assets

6. Heritage Assets

6 TERM OF APPOINTMENT

36 months contract, subject to the above quarterly performance regime and the general conditions of contract (including Special General Conditions of Contract)

7 SPECIAL CONDITIONS OF INSURANCE

Insured values provided in the proposal is subject to change and cannot be used to prejudice UMshwathi Local Municipality.

- No information concerning the tender or award of the tender may be made available by the tenderer to other parties without prior consultation and written approval from UMshwathi Local Municipality
- UMshwathi Local Municipality reserves the right to terminate the appointment or any part thereof; at any stage of completion should the Agency decide not to proceed with the project/tender process.
- Should the contract between UMshwathi Local Municipality and the service provider be terminated by either party due to reasons not attributed to the service provider, the

APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE FOR A PERIOD OF 3 YEARS

service provider will be remunerated for the appropriate cover received for the specific months.

- The service provider will also be expected to refund the UMshwathi any monies paid should the contract between UMshwathi Local Municipality and the service provider be terminated by either party due to reasons not attributed to UMshwathi Local Municipality.

8.DELIVERABLES/ KEY OUTPUTS

- Pay-outs of claims(Replacement of an assets or Cash)
- Signing of Service Level Agreements (S.L.A)
- Reports of Additions and Claims Quarterly from service provider appointed
- Reconciliation between insured assets and the fixed assets register.

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

SCHEDULE OF QUANTITIES

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
(COMPLETE/ ATTACH THE QUOTATION ON YOUR COMPANY LETTERHEAD)**

| Item | Description | Unit Price | Amount |
|----------------------|-------------|------------|--------|
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |
| 8 | | | |
| 9 | | | |
| 10 | | | |
| 11 | | | |
| 12 | | | |
| 13 | | | |
| 14 | | | |
| 15 | | | |
| 16 | | | |
| 17 | | | |
| 18 | | | |
| 19 | | | |
| Sub Total | | | |
| Add VAT 15% | | | |
| Total tendered price | | | |

POSTAL ADDRESS: _____

CONTACT DETAILS: _____

RESPONSIVENESS AND EVALUATION CRITERIA

NB: uMshwathi Municipality may verify any information submitted in terms of this bid and any information that is incorrect may result in that bid being automatically disqualified and not considered further.

RESPONSIVENESS CRITERIA

No bid will be considered by uMshwathi Municipality unless it meets the following responsiveness criteria (for the bid to be considered responsive, the bid **must** meet the following requirements amongst others):

COMPULSORY RETURNABLE DOCUMENTS:

- The **official Bid document** must be fully completed in indelible black ink. Where information requested does not apply to the Bidder and the space is left blank, it will be deemed to be not applicable.
- The Bidder must be in **good standing** to do business with the public sector (not listed in the database of tender defaulters)
- The bidder must adhere to the **Pricing Instructions**,
- The necessary document **authorizing the Representative to sign** and submit the bid on the bidder's behalf must be completed and signed.
- The **Municipal Bid Documents (MBDs) 1, 3, 4, 6.1, 8, 9** by the bidder must be completed and signed.
- Central Supply Database Certificate (CSD) Number & CSD Report
- Valid Tax Clearance Certificate/ Verification PIN,
- ID certificate(s) of all directors, members and/or shareholders,
- Certificate of Authority for Signatory and Registration
- Certified copies of directors ID
- Copy of company registration documents.
- Utility Bill not in arrears for more than three (3) months, in case where bidder is renting, a lease agreement must be attached in addition to landlord's utility bill (both the signed lease agreement and the utility bill must be submitted). In a case company is operating in areas where municipal charges are not applicable, both Proof of Resident (POR) and Affidavit must be submitted.
- Record of addendum (if applicable)

APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE FOR A PERIOD OF 3 YEARS

EVALUATION CRITERIA:

The evaluation of this tender for the **Appointment of a Service Provider for the Short Term Insurance** shall include functionality whereby the bids will be evaluated in terms of the evaluation criteria below:

- The minimum qualifying score for the functionality will be **70%** and the bids that fail to achieve the minimum qualifying score will not be considered for further evaluation. Only bids that achieved the minimum qualifying score for functionality will be evaluated further in accordance with the 80/20 principles of the PPPFA, No.5, 2000 with its 2022 Regulations.
- Points will not be given for non-submission of documents and poor response(s).
- Allocation of work will be based on the outcome of price evaluation criteria on bid to be submitted by each service provider on request by the municipality.

| | CRITERIA | WEIGHTS |
|---|--|---------|
| 1 | <p>Company Experience with respect to similar projects - Traceable record for successful completion of a minimum of 10 projects of insurance services in a municipal environment.</p> <p>(Attach appointment letters of references for a company)</p> <ul style="list-style-type: none"> • Completed or current services for 5 to 10 institutions-15 • Completed or current services for 3 to 4 institutions-10 | 15 |
| 2 | <p>Traceable record for successful completion of a minimum of 10 projects of insurance services in a municipal environment.</p> <p>(Provide CV for the project leader with a minimum 3 years' experience and relevant qualifications equivalent to degree or diploma)</p> <ul style="list-style-type: none"> • Above 10 years- 15 • 05 to 10 years- 10 • 03 to 05 years- 5 | 15 |
| 3 | <p>Banking rating</p> <p>A-10 POINTS B-8 POINTS C-6 POINTS D-6 POINTS E-2 POINTS O-NO BANK RATING</p> | 10 |

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

| | | |
|---|--|------------|
| 4 | Submission of a Client Portfolio, wherein, the tenderer is required to include at least two {2} lowest client profiles and two {2} highest client profiles(Regarding claims) | 10 |
| 5 | <p>Expertise - The Service Provider must be accredited with</p> <ul style="list-style-type: none"> • Fellow-status/Fellowship {FIISA} - 5 • Associates Insurance Institute of South Africa (AIISA) -4 • Licentiate (LIISA) Certificate of Competence to practice Insurance services. - 3 • Membership {MISA} -2 • Grade 12 - 1 <p>Qualifications of key personnel to be involved in the administration and management of the Agency Insurance</p> <p>(Provide CV and Qualifications)</p> | 15 |
| 6 | <p>Tenderer must submit Financial Services Board (FSB) License Certificate</p> <p>Finance or equivalent qualification coupled with a minimum of 5 years practical experience insuring other companies in local government sphere. Attach CV in order to claim points.</p> | |
| 7 | <p>Methodology - Previous Processes followed when processing claim from the reporting of the incident, documents required, accessing the claim, total reasonable turnaround time of the claim and pay-out etc. (no points will be awarded if the minimum require as detailed above are not included in the proposal)</p> | 20 |
| | TOTAL SCORE | 100 |

uMshwathi Municipality

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

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

BID DOCUMENTS MUST BE HAND DELIVERED IN A SEALED ENVELOP TO THE SUPPLY CHAIN MANAGEMENT UNIT AT NEW HANOVER OFFICES OPPOSITE POLICE STATION.

Bidders should ensure that bids are delivered on time to the correct address. If the bid is late, it will not be accepted for consideration.

ALL QUOTES MUST BE SUBMITTED ON YOUR COMPANY
LETTER HEADS

| |
|--|
| THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT |
|--|

NB: NO QUOTES WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)

VALIDITY OF PROPOSAL

The proposal must be valid for at least thirty (120) days for the closing date.

uMshwathi Municipality

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

MBD 1

**PART A
INVITATION TO BID**

| | | | | | |
|--|---|---------------|--------------|--------------|----------|
| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY) | | | | | |
| BID NUMBER: | T2022/23/23 | CLOSING DATE: | 26 JULY 2023 | CLOSING TIME | 12H00 PM |
| DESCRIPTION | APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE | | | | |
| THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7). | | | | | |

BID RESPONSE DOCUMENTS SHALL BE DEPOSITED IN THE TENDER
BOX SITUATED AT (STREET ADDRESS

New Hanover (R33) Opposite New Hanover SAPS and be deposited in the municipality's **tender box** located at New Hanover Municipality's main office no later than **12h00 on Wednesday, 26 July 2023**. Incomplete, emailed, faxed and late proposal documents will not be considered.

SUPPLIER INFORMATION

| | | | | |
|-------------------------|---|--|---------|--|
| NAME OF BIDDER | | | | |
| POSTAL ADDRESS | | | | |
| STREET ADDRESS | | | | |
| TELEPHONE NUMBER | CODE | | NUMBER | |
| CELLPHONE NUMBER | | | | |
| FACSIMILE NUMBER | CODE | | NUMBER | |
| E-MAIL ADDRESS | | | | |
| VAT REGISTRATION NUMBER | | | | |
| | | | CSD No: | |
| CIPC REGISTRATION | <input type="checkbox"/> Yes <input type="checkbox"/> No | | | |

In order to claim 20 points for specific goals, the company must have the following ownership

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

| BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO: | | TECHNICAL INFORMATION MAY BE DIRECTED TO: | |
|---|-----------------------------|---|----------------------------|
| DEPARTMENT | Finance/ SCM Unit | CONTACT PERSON | Mr. EV. Mdlalose |
| CONTACT PERSON | Mrs. B. Ntinga | TELEPHONE NUMBER | 033 816 6800 |
| TELEPHONE NUMBER | 033 816 6800 | FACSIMILE NUMBER | 033 502 0286 |
| FACSIMILE NUMBER | 033 502 0286 | E-MAIL ADDRESS | vusumuzim@umshwathi.gov.za |
| E-MAIL ADDRESS | bongisiwen@umshwathi.gov.za | | |

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

**PART B
TERMS AND CONDITIONS FOR BIDDING**

| |
|--|
| 1. BID SUBMISSION: |
| 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION. |
| 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE |
| 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT. |
| 2. TAX COMPLIANCE REQUIREMENTS |
| 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS. |
| 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS. |
| 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA. |
| 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3. |
| 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID. |
| 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER. |
| 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED. |
| 3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS |
| 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <input type="checkbox"/> YES <input type="checkbox"/> NO |
| IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE. |

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

uMshwathi Municipality

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

FORM OF OFFER AND ACCEPTANCE

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE FOR A
PERIOD OF 3 YEARS**

AGREEMENT AND CONTRACT DATA

i. Offer

**Bid No.: T2022/23/23 – Appointment of a Suitable Service Provider for Short Term
Insurance**

The Bidder, identified in the Offer signature block, has examined the documents listed in the Bid Data and addenda thereto, and by submitting this offer has accepted the conditions of bid.

By the representative of bidder, deemed to be duly authorized, signing this part of this form of offer and acceptance, the bidder 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 price inclusive of Value Added Tax (VAT) is

Year 1: _____

Year 2: _____

Year 3: _____

R_____ (Words) _____

Or such other sum as may be ascertained in accordance with the contract.

I/we are registered VAT vendors and the above price INCLUDES VAT.

I/we acknowledge that the VAT vending status as disclosed on this tender form shall remain constant for all purposes under this contract and no claim for adjustment will be entertained for any such claim.

uMshwathi Municipality

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

In the event of there being any errors of extension or addition in the priced schedule of quantities (and/or specification), I/we agree to their being corrected, the rates being taken as correct.

I/we undertake to complete and deliver the whole of the works comprised in the contract within the time stated.

I/we are formally associated by written agreement with the following firms, corporations or companies:

(Enter Nil if no affiliations)

I/we are fully paid up members in good standing of the following organisation(s):

(Enter Nil if no affiliations)

My/Our VAT vendor registration number is: _____

I/We bank at the _____ branch of

_____ where I/we have a _____

Account (no. _____)

Bankers contact name _____ & tel no. _____

I/we acknowledge that proof of the information entered in this offer required in terms of this document and/or provisional Letter of Acceptance, will be submitted and that the absence of such information or the failure to comply will render this offer unresponsive (invalid).

It is agreed and understood that this tender is valid for 3 months from the date hereof and that it, together with your final letter of acceptance, shall constitute a binding contract between us.

I/We understand that uMshwathi Municipality is not bound to accept the lowest or any tender and acknowledge that the uMshwathi Municipality may, if in its absolute discretion good and sufficient grounds are brought to its attention in writing within 5 working days from date hereof, decline to consider my/our offer.

Yours faithfully

SIGNATURE: _____

NAME & CAPACITY
ON BEHALF OF: _____

ADDRESS: _____

uMshwathi Municipality

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

Name of Witness

Signature of Witness

DATE:

uMshwathi Municipality

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

AUTHORITY OF SIGNATORY TO SIGN

(To be completed when the Tender is submitted by a Company, Corporation or Firm)

I, the undersigned, hereby declare that I am authorized to enter into this Contract on behalf
of

.....
...

by virtue of resolution/letter dated, a certified copy of which
is attached.

Signature:

Name (in capital letters) :

In his/her capacity as :

Date :

As Witnesses:

1. Signature: Name:

2. Signature: Name:

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

MBD 3.3

PRICING SCHEDULE

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

| | |
|-----------------------|--------------------|
| Name of Bidder: | Bid Number: |
| Closing Time: | Closing Date |

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

| ITEM NO | DESCRIPTION | BID | PRICE | IN | RSA |
|----------|-------------|-----|-------|----|-----|
| CURRENCY | | | | | |

**(ALL APPLICABLE TAXES INCLUDED)

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

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE
(CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

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

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

----- R-----

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

| | | |
|------------|-------|--------|
| ----- days | ----- | R----- |
| ----- days | ----- | R----- |
| ----- days | ----- | R----- |
| ----- days | ----- | R----- |

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

| DESCRIPTION OF EXPENSE TO BE INCURRED | RATE | QUANTITY | AMOUNT |
|---------------------------------------|-------|----------|--------|
| ----- | ----- | ----- | R----- |
| ----- | ----- | ----- | R----- |
| ----- | ----- | ----- | R----- |

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

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

uMshwathi Municipality

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

| DESCRIPTION OF EXPENSE TO BE INCURRED | RATE | QUANTITY | AMOUNT |
|---------------------------------------|------|----------|--------|
|---------------------------------------|------|----------|--------|

| | | | |
|-------|-------|-------|---------|
| | | | .R..... |
|-------|-------|-------|---------|

| | | | |
|-------|-------|-------|--------|
| | | | R..... |
|-------|-------|-------|--------|

| | | | |
|-------|-------|-------|--------|
| | | | R..... |
|-------|-------|-------|--------|

TOTAL: R.....

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

.....

7. Estimated man-days for completion of project

.....

8. Are the rates quoted firm for the full period of contract?

..... *YES/ NO.

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

For example consumer price index.....

.....

.....

.....

uMshwathi Municipality

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

SIGNATURE: _____

DATE: _____

POSTAL ADDRESS: _____

CONTACT DETAILS: _____

DECLARATION OF INTEREST

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

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

3.1 Full Name:

3.2 Identity Number:

3.3 Company Registration Number:

3.4 Tax Reference Number:

3.5 VAT Registration Number:

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

3.6.1 If so, furnish particulars.

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

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR SHORT TERM INSURANCE
FOR A PERIOD OF 3 YEARS**

.....
.....

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

3.7.1 If so, furnish particulars.

.....
.....

3.8 Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?

YES/NO

3.8.1 If so, furnish particulars.

.....
.....

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

YES / NO

3.9.1 If so, furnish particulars

.....
.....

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

YES / NO

3.10.1 If so, furnish particulars.

.....
.....

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

YES / NO

3.11.1 If so, furnish particulars.

.....

.....

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

YES / NO

3.12.1 If yes, furnish particulars.

.....

.....

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

YES / NO

3.13.1 If yes, furnish particulars.

.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract.

YES / NO

3.14.1 If yes, furnish particulars:

.....

.....

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

| Full Name | Identity Number | State Employee Number |
|-----------|-----------------|-----------------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

CERTIFICATION

I, THE UNDERSIGNED (NAME)

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

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

FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

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

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**.

1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of R30 000.00 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 80/20 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

| | POINTS |
|--|---------------|
| 1.3.1.1 PRICE | 80 |
| 1.3.1.2 SPECIFIC GOALS | 20 |
| Total points for Price and Specific Goals | 100 |

1.4 Failure to submit CIPC Registration document and/or Central Data Base Report.

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

2. DEFINITIONS

- 2.1 **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 **“Highest acceptable tender”** means a tender that complies with all specifications and conditions of tender and that has the highest price compared to the other tenders;
- 2.3 **“lowest acceptable tender”** means a tender that complies with all the specifications and conditions of tender and has lowest price compared to the other tenders;
- 2.4 **“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 services, works or goods, through price Bids, advertised competitive bidding processes or proposals;
- 2.5 **“price”** means an amount of money tendered for goods or services and includes all applicable taxes less all unconditional discounts;
- 2.6 **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 **“consortium or joint venture”** 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;
- 2.8 **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.10 **“functionality”** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.11 **“non-firm prices”** means all prices other than “firm” prices;
- 2.12 **“person”** includes a juristic person;
- 2.13 **“rand value”** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.14 **“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;
- 2.15 **“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;

- 2.16 **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.17 **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for specific goals.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for specific goals, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

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

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

80/20 or 90/10

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

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

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

5. Points awarded for a Specific Goals

- 5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for a specific goals stated in the tender advert in accordance with the table below:

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

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

| Specific Goals allocated points in terms of this tender | Number of points allocated (80/20 system) | Number of points allocated (80/20 system) To be completed by the bidder |
|---|---|--|
| Race HDP (Black Equity Ownership) | 10 | |
| Gender HDP (HDP Women Equity Ownership) | 5 | |
| Disability HDP | 5 | |
| | | |
| | | |

6 DECLARATION WITH REGARD TO COMPANY/FIRM

6.1 Name of firm :

6.2 VAT registration number :

6.3 Company registration number :

6.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

6.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

6.6 COMPANY CLASSIFICATION

- ☐ Manufacturer

- ☐ Supplier
 - ☐ Professional service provider
 - ☐ Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

6.7 MUNICIPAL INFORMATION

Municipality where business is situated

Registered Account Number

Stand Number

6.8 TOTAL NUMBER OF YEARS THE COMPANY/FIRM HAS BEEN IN BUSINESS.

6.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the Specific Goals indicated in paragraph 5 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 5, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the Specific Goals has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution

WITNESSES:



1.

.....
SIGNATURE(S) OF BIDDER(S)

2.

DATE:.....

ADDRESS:.....

.....

.....

.....

CONTRACT FORM – RENDERING OF SERVICES

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution)..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents,
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Preference claims for specific goals in terms of the Preferential Procurement Regulations 2022;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

WITNESSES

1

2.

DATE:

NAME OF FIRM

DATE

MBD 7.1

CONTRACT FORM – RENDERING OF SERVICE**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I **NHLANHLA M. MABASO** in my capacity as **MUNICIPAL MANAGER** accept your bid under reference number **T2022/23/23** dated.....for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

| ITEM NO. | PRICE (ALL APPLICABLE TAXES INCLUDED) | BRAND | DELIVERY PERIOD | SPECIFIC GOALS POINTS | MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable) |
|----------|---------------------------------------|-------|-----------------|-----------------------|--|
| | | | | | |

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

2.

DATE

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

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

| | | | |
|-------------|---|---------------------------------|--------------------------------|
| 4.2 | Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4.2.1 | If so, furnish particulars: | | |
| 4.3 | Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4.3.1 | If so, furnish particulars: | | |
| Item | Question | Yes | No |
| 4.4 | Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4.4.1 | If so, furnish particulars: | | |
| 4.5 | Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4.7.1 | If so, furnish particulars: | | |

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.

- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

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

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder