

" The City of Heritage "



ULUNDI LOCAL MUNICIPALITY

BID NO. 01/2024/2025

BID DESCRIPTION:
INSURANCE

Name of bidder	
Contact person	
Telephone/ Cell phone No.	
Address:	
CSD Number	MAAA
Tender sum in rands:	
Tender sum in words:	

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INVITATION TO BID

**UMASIPALA
WASOLUNDI**

Private Bag 17
Ulundi
3838

" The City of Heritage "



ULUNDI MUNICIPALITY

Tel: 035 874 5100
Fax: 035 874 5206

ULUNDI LOCAL MUNICIPALITY BID NOTICE AND INVITATION TO TENDER

Bids are hereby invited from suitable service providers of the following Ulundi Municipality projects:

Project/Bid No.	Project Description	Specific Goals	Closing Date	Functionality	Technical enquiries	Contact Number
01/2024/2025	Insurance	Black>7 Women>2 Youth>3 Disability>3 Local providers>5 Total = 20 Points	26/08/2024	Experience> 30 points Expertise> 30 points Detailed work plan with time frames> 40 points Total=100 points	Mr C N Ngubane	035 874 5100

Only service providers registered in the Ulundi Municipality suppliers' database and registered with Central Supplier Database (CSD) will be considered.

Bid documents may be obtained on the **Ulundi Municipal Website at www.ulundi.gov.za**. Bid documents must be submitted in a sealed envelope clearly marked with the bid number, closing date and, dropped off in the tender box at SCMU, Ulundi Municipality, Corner of Princess Magogo and King Zwelithini Street, Ulundi, 3838 by no later **12H00 of the above stated closing dates**. The bid box is generally open from 07h30 to 16h30 Monday to Thursday and 07h30 to 15h15 Friday. All quotes must be submitted on the official forms – (Not to be retyped). This bid is subject to the general conditions of contract (GCC) and any other special conditions of contract.

THE FOLLOWING ARE MANDATORY: CSD summary report, valid tax clearance or SARS login pin, a certified copy of the most recent municipal account in which the business is registered, copies of ID of members of the entity, CIPRO, and relevant Business certificates. Bidders are requested to sign where necessary and initial each page on the Bid Documents. **The tender is valid for 90 days.**

The Bids will be evaluated using 80/20 Preferential Procurement Point system where 80 points are for the price, and 20 are for specific goals according to the PPPFA 2000 Act no. 5 of 2000 and SCM Regulation 2022.

Where there's functionality two stage evaluation process will be followed, first evaluate functionality and only tenders that score the minimum threshold for functionality will be advancing to the second stage of evaluation on point for price and specific goal.

Late tenders will not be accepted, and the Ulundi Municipality reserved the right not to make an award. Failure to comply with the above conditions will invalidate your offer.

Kindly note that the successful bidder will be subjected to a screening process prior to the bid being awarded, should it be discovered that a successful bidder provided misleading information he/she will be disqualified with immediate effect.

SCM related enquires: Mrs N Luzipho (035 874 5100)

Mr. S.M. KHOMO

MUNICIPAL MANAGER

EVALUATION CRITERIA - FUNCTIONALITY

The bid will be evaluated in two stages, namely:

Stage 1: Functionality

Stage 2: Price and Preferential Procurement Goals

Functionality scoring

Only Bidders who score a **minimum of 70 points** on stage 1 would be evaluated further and therefore considered for the next stage.

ITEM	FUNCTIONALITY	MAXIMUM POINTS
1. Experience	Appointment letters and completion certificate/referral letter confirming previous clients/ projects in the last 5 years. 0 project = 0 points 1 to 5 projects = 10 points 6 to 10 projects = 20 points 10 or more projects = 30 points	30
2. Expertise	The insurance team should have sufficient relevant qualifications and experience. Attach qualifications and CVs. Less than 3 years = 10 points 3 to 5 years = 20 points 6 and above = 30 points	30
3. Workplan	A description of methodology and proposed approach indicating the understanding of the expected deliverables for this insurance service = 20 points Proposed project organisation and staffing = 20 points	40
TOTAL		100

Price and specific goals (80/20)

Specific goals allocated as per MBD 6.1 (Table 1)

SPECIFICATION AND SCOPE OF WORK

Ulundi Municipality hereby invites tenders from suitably qualified and experienced Insurance Brokers. The bidders should be experienced in rendering insurance services to public entities or government institutions and have a sound track record of work of a similar nature. **The contract period is three (3) years.** The scope of work includes and addresses the following:

SCHEDULE OF COVERS	ULUNDI MUNICIPALITY
SECTION	Cover as per revaluation
Combined	
- Standard Constructed Buildings	
- Escalation 10%	
- Standard Constructed Buildings (Contents) -	
- Sub-stations, mini sub-stations, transformers, circuit breakers, Ripple Control, Switchgear, Panel breaker, Feeder, Incomer and cabling	
- Traffic lights & Cameras - Street lights & High mast lights	
- Generators	
- All water purification works and pump stations	
- Cemeteries	
- Libraries	
- Non Standard - Thatch and Wood	
- Non Standard - Other	
- Sport, Recreational & Parks	
- Stadiums and Pavilions	
- Capital Additions	

Extensions

- Malicious Damage	
- Debris Removal	-
- Motor Vehicles whilst parked at Insured	
- Sum insured	
- Riot and Strike (other than RSA and Namibia)	
- Leakage of oils, chemicals or other fluids	
- Theft of immovable property	
- Malicious Damage	
- Wash basins and Sanitary Ware	
- Thatch structures unless specifically insured	
- Reasonable Precautions	
- Claims Preparation Costs	
TOTAL BUILDING COMBINED	

Office Contents

- Contents insured property	
- Theft (forcible & violent entry or exit)	
- Loss of Rent (up to 25% of sum insured)	-
- Loss of Documents	-
- Legal Liability (Documents)	-
- Increase in Cost of Working	-

- Capital Additions	
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Extensions

- Subsidence and Landslip	
- Sum insured	
- Riot and Strike (other than RSA and Namibia)	
- Leakage of Oils, Chemicals or other fluids	
- Locks and Keys	
- Reasonable precautions	
- Claims Preparation Costs	
TOTAL OFFICE CONTENTS	

Business All Risks

- All other specified items - Plant & Equipment	
- Laptops	
- Tablets/Ipads	
- Capital Additions (10%)	

Extensions

- Increase in Cost of Working	
- Sum insured	
- Riot and Strike (other than RSA and Namibia)	
- Locks and Keys	
- Claims Preparation Costs	
TOTAL BUSINESS ALL RISKS	

Theft

- First Loss Limit	
--------------------	--

Extensions

- Goods in the open (within securely fenced off area and subject to forcible and violent entry or exit from such area)	
- Malicious Damage to Buildings	
- Reasonable Precautions	
- Locks and Keys	
- Claims Preparation Costs	
TOTAL THEFT	

Glass

- All fixed internal & external glass at the premises	
---	--

Extensions

- Riot and Strike (other than RSA and Namibia)	
- Claims Preparation Costs	
TOTAL GLASS	

Money	
- Possession of Councillors/Employees away from insured premises on a business trip	
- On the premises outside business hours in locked safe	
- Loss of or damage to crossed cheques, money or postal	
- Major limit	
- Seasonal	-
- Receptacles as a result of theft of money or attempt	

Fidelity Guarantee	
- Limit any one period	

Extensions	
- Retroactive Cover	
- Superseded Policy	
- Reinstatement Amount	
- Cost of Recovery	
- Claims Preparation Costs	
TOTAL FIDELITY GUARANTEE	

Accidental Damage	
- Total value of property	-
- Limit of indemnity	

Extensions	
- First Loss Average	
- Excluded property (in addition to property excluded in policy)	
- Claims Preparation Costs	
TOTAL ACCIDENTAL DAMAGE	

Goods in Transit	
- Load Limit	

Extensions	
- Removal of Debris	
- Fire, Explosion, Collision and overturning	-
- Fire Extinguishing Expense	
- Claims Preparation Costs	
TOTAL GOODS IN TRANSIT	

Stated Benefits	
- 24 hours - Councillors	
- Business Hours Limitation	-
- Business Hours Limitation plus Commuting Limitation	-

Benefits

- Death	2 x Annual earnings
- Permanent Disability	% of Death benefit as specified for particular disability
- Temporary Total Disablement	100% of average weekly earnings max 104 weeks
- Medical Expenses	
- Additional death benefits	
- Relocation	
- Repatriation	
- Mobility	

Extensions

- War Risks	
- Claims Preparation Costs	
- Maximum Limit Any One Life	
- Maximum Limit Any One event (Accumulation Limit)	
TOTAL STATED BENEFITS	

Electronic Equipment

- Specified Equipment Including software	
- Software	
- Tablets / iPads	
- Laptops	
- Capital Additions	

Extensions

- Prevention of Access	Yes
- Increase in Cost of Working	
- Reconstruction of Data	
- Incompatibility	
- Telkom access line	
- Utilities (Failure of supply)	
- Riot and Strike (other than RSA and Namibia)	
- Claims Preparation Costs	
TOTAL ELECTRONIC EQUIPMENT	

Machinery Breakdown

- Specified Equipment - Limit	
- Expediting Costs	

Extensions

- Stock Spoilage	
- Damage to Surrounding Property	

LIABILITIES

Public Liability

- Primary Policy Limit	
- Umbrella Policy Limit	
TOTAL Public Liability	

Sub-limits

- Wrongful Arrest and defamation	
- Errors & omissions	
- Products liability and defective workmanship	
- Pedal Cycles	
- Legal Defence costs	
- Professional Liability in respect of Medical Practitioners or other Medical officials	
- Spread of fire	
- Municipal Police liability	
- Sub-limit use of firearms	
- Sub-limit wrongful arrest & defamation	

Employers Liability

- Limit	
TOTAL Employers Liability	

Motor Third party Liability

- Limit	
- Number of vehicles	1 x Fire Engine
TOTAL Motor Third Party Liability	

SPECIAL RISK COVER

COUNCILLORS PROPERTY - AS PER GOVERNMENT GAZETTE (Sasria)

Councillors Property - Cars and Private Dwelling Houses & contents Limit R750000/ R1.5 million

70 Councillors

SASRIA COVER

SASRIA Riot Strike and Political Damage as defined on the policy.

Non-Motor -On all material damage sections

Motor - On all vehicles owned/hired by the Municipality.

INVENTORY

Store items (Stationery, Cleaning materials and Electrical materials)

“ The City of Heritage ”



PRICING SCHEDULE	
DESCRIPTION	Amount (R)
Building combined	
Office contents	
Business all risks	
Theft	
Glass	
Fidelity guarantee	
Accidental damage	
Goods in transit	
Stated benefits	
Electronic equipment	
Inventory	
Public liability	
Employer's liability	
Motor third party liability	
Special risk cover	
SASRIA	
SUBTOTAL	
VAT (Only if registered as a VAT vendor)	
TOTAL (year 1)	

Escalation %

Special note: Tender is valid for 90 days from the advert closing date.

Bidder's Signature

COMPANY STAMP

MBD 2: TAX CLEARANCE CERTIFICATE

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

- 1 To meet this requirement bidders are required to complete in full form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 3 Applications for the Tax Clearance Certificates may also be made via eFiling. To use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.
- 4 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 5 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 6 In bids where Consortia / Joint Ventures / Sub-contractors are involved; each party must submit a separate Tax Clearance Certificate.
- 7 Copies of the TCC 001 "Application for a Tax Clearance" form are available from any SARS branch office nationally or on the website: www.sars.gov.za.

MBD 4: DECLARATION OF INTEREST

1.	No bid will be accepted from persons in the service of the state*.	
2.	Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in the service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.	
3.	To give effect to the above, the following questionnaire must be completed and submitted with the bid.	
3.1	Full Name of bidder or his / her representative:	
3.2	Identity number:	
3.3	Position occupied in the Company (director, trustee, shareholder ²):	
3.4	Company Registration Number:	
3.5	Tax Reference Number:	
3.6	VAT Registration Number:	
3.7	The names of all directors / trustees / shareholders / members, their individual identity numbers, and state employee numbers (where applicable) must be indicated in paragraph 4 below.	
3.8	Are you presently in the service of the state? *	YES / NO
3.8.1	If yes, furnish the following particulars: Name of person / director / trustee / shareholder member: Name of state institution at which you or the person connected to the bidder is employed: Position occupied in the state institution: Any other particulars:	

3.9	Have you been in the service of the state for the past twelve months?	YES / NO
3.9.1	If so, furnish particulars.	
3.10	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
3.10.1	If yes, furnish the following particulars: Name of person: Name of state institution at which you or the person connected to the bidder is employed: Position occupied in the state institution: Any other particulars:	
3.11	Are you aware of any relationship (family, friend, other) between the bidder and any person in the service of the state who may be involved with the evaluation and or adjudication of this bid?	YES / NO
3.11.1	If yes, furnish the following particulars: Name of person: Name of state institution at which you or the person connected to the bidder is employed: Position occupied in the state institution: Any other particulars:	
3.12	Are any of the company's directors, managers, principal shareholders, or stakeholders in the service of the state?	YES / NO
3.12.1	If yes, furnish the following particulars:	

	Name of person / director / trustee / shareholder / member: Name of state institution at which you or the person connected to the bidder is employed: Position occupied in the state institution: Any other particulars:	
3.13 3.13.1	Is any spouse, child or parent of the company's directors, trustees, managers, principal shareholders, or stakeholders in the service of the state? If yes, furnish the following particulars: Name of person / director / trustee / shareholder / member: Name of state institution at which you or the person connected to the bidder is employed: Position occupied in the state institution: Any other particulars:	YES / NO
3.14 3.14.1	Do you or any of the directors, trustees, managers, principal shareholders, or stakeholders of this company have any interest in any other related companies or business whether they are bidding for this contract? If yes, furnish particulars: 	YES / NO

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

THE FOLLOWING INFORMATION IS COMPULSORY TO COMPLETE:

Full Name	Identity Number	Individual Tax Number for each Director	State Employee Number (where applicable)

5. The contract will be automatically cancelled if there is a conflict of interest which is not disclosed by the bidder.

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

¹MSCM 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 or 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 entity; or
- (f) an employee of Parliament or a provincial legislature.

² "Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercise control over the company.

MBD 6.1: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

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

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the municipality

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

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim regarding preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation.
- (b) **“price”** means an amount of money tendered for goods or services and includes all applicable taxes less all unconditional discounts.

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

$P_{\min}$ = Price of lowest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system: or
- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Black ownership with at least 51%	7	
Disabilities as defined by Empowerment Equity Act (attach certificate)	3	
Women	2	
Youth	3	
Local provider (office and team based in Ulundi – attach proof of address)	5	
Total points for specific goals	20	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

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

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

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

.....	
SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:	
DATE:	
ADDRESS:	
	
	
	

MBD 7.1 CONTRACT FORM - PURCHASE OF GOODS/WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (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, viz - Invitation to bid; - Tax clearance certificate; - Pricing schedule(s); - Technical Specification(s); - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011; - Declaration of interest; - Declaration of bidder's past SCM practices; - Certificate of Independent Bid Determination; - Special Conditions of Contract; (ii) General Conditions of Contract; and (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the 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

NAME OF FIRM

DATE

WITNESSES

1

DATE:

2.

DATE:

MBD 7.1

**CONTRACT FORM - PURCHASE OF GOODS/WORKS
PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity
as..... accept your bid under reference
numberdated.....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

B-BBEE STATUS LEVEL OF CONTRIBUTION

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

A large, empty rectangular box with a thin black border, intended for an official stamp or seal.

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

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution) in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.

2. The following documents shall be deemed to form and be read and construed as part of this agreement:

(i) Bidding documents, viz - Invitation to bid; - Tax clearance certificate; - Pricing schedule(s); - Filled in task directive/proposal; - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011; - Declaration of interest; - Declaration of Bidder's past SCM practices; - Certificate of Independent Bid Determination; - Special Conditions of Contract; (ii) General Conditions of Contract; and (iii) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilments 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) SIGNATURE

CAPACITY

NAME OF FIRM

DATE

MBD 8 : DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system.
 - b. been convicted for fraud or corruption during the past five years.
 - c. wilfully 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 **To give effect to the above, the following questionnaire must be completed and submitted with the bid.**

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

4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		
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 ☐	No ☐
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.5.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)
 CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS
 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

.....

Position

.....

Date

.....

Name of Bidder

MBD 9 : 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 To give effect to the above, the attached Certificate of Bid Determination (MBD9) must be completed and submitted with the bid:

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by: **ULUNDI LOCAL MUNICIPALITY**

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 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. 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 bids 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

CHECKLIST

No	Description	Ticked by Bidder	Ticked by Municipal Representative
1	Initialled/ Signed all pages		
2	Form of bid completed		
3	Functionality documents attached, where applicable		
4	Original Tax Clearance Certificate attached		
5	MBD 6.1 Preferential Points Claimed including required supporting documents		
6	All witnesses signed where required		
7	Particulars of Bidders Completed		
8	Bid Declaration of interest MBD 4 Completed		
9	MBD 7.1 contract form completed		
10	Declaration of Bidders Past SCM Practice MBD Form 8 completed		
11	Certificate of Independent Bid Determination MBD Form 9 completed		