



NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

**BID DESCRIPTION: PROVISION OF SHORT TERM INSURANCE BROKER SERVICES
FOR A PERIOD OF 3 YEARS (36 MONTHS)**

BID NUMBER: NMMDM 21/22/09 CRSS

TENDER SUBMITTED BY:

NAME OF COMPANY:.....

ADDRESS:

.....

ISSUED BY:

Municipal Manager
Ngaka Modiri Molema District Municipality
Private Bag X 2167
Mahikeng
2745
Tel: (018) 381 9400

CLOSING DATE: 28 JANUARY 2022 @ 11H00AM

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NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY



PROVISION OF SHORT TERM INSURANCE BROKER SERVICES FOR A PERIOD OF THREE (03) YEARS (36 MONTHS)

TENDER NO: NMMDM 21/22/09 CRSS

INVITATION TO BID

Prospective service providers are hereby invited to bid for the **PROVISION OF SHORT TERM INSURANCE BROKER SERVICES FOR A PERIOD OF THREE (03) YEARS (36 MONTHS)**

Detailed bid documents are obtainable from www.nmmdm.gov.za / www.etenders.gov.za

A compulsory briefing session will be conducted on **15 December 2021** at **10:00am** at the Ngaka Modiri Molema District Municipality Dining Hall, and bidders who do not attend the briefing session will be regarded as non-responsive.

Tenders completed as prescribed shall be sealed in an envelope marked **“BID NO: NMMDM 21/22/09 CRSS – PROVISION OF SHORT TERM INSURANCE BROKER SERVICES FOR A PERIOD OF 3 YEARS (36 MONTHS)”** and deposited in the bid box at Ngaka Modiri Molema District Municipality, Cnr Carrington and 1st Avenue, Industrial Sites, Mahikeng, to reach its destination not later than **28 JANUARY 2022 AT 11H00AM** when tenders shall be opened in public.

Bids will be adjudicated based on the Preferential Procurement Regulations 2017 using compliance, functionality and 80/20 points system.

The validity period for this tender is 90 days.

Any enquiries regarding the bidding procedure may be directed to Mr P. Tauetsile / Mr P. Masumbuka (018) 381 9400, e-mail tauetsilep@nmmdm.gov.za / masumbukap@nmmdm.gov.za

Any enquiries regarding technical information may be directed to Ms S Moleko (018) 381 9400, e-mail molekos@nmmdm.gov.za

SIGNED.
O.A LOSABA
MUNICIPAL MANAGER

PART A INVITATION TO BID**MBD 1**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY					
BID NUMBER:		CLOSING DATE:		CLOSING TIME:	
DESCRIPTION					
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN					
THE BID BOX SITUATED AT (STREET ADDRESS					
TENDER/QUOTATION BOX SITUATED NEXT TO THE MAIN ENTRANCE					
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					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT ☐ Yes ☐ No		
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? ☐ Yes ☐ 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			CONTACT PERSON		
CONTACT PERSON			TELEPHONE NUMBER		
TELEPHONE NUMBER			FACSIMILE NUMBER		
FACSIMILE NUMBER			E-MAIL ADDRESS		
E-MAIL ADDRESS					

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, 2017, 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)? ☐ YES ☐ NO 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? ☐ YES ☐ 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:

LIST OF RETURNABLE DOCUMENTS

1. Proof of Central Suppliers Database (CSD) registration
 2. C.K Document
 3. Certified ID copies (of not more than three months) of company directors
 4. Original & Valid BBBEE certificate or certified copy or sworn affidavit on a form issued by Department of Trade and Industry.
 5. Joint Venture must submit valid consolidated BBBEE certificate or sworn affidavit
 6. A signed Joint Venture Agreement (In case of a Joint Venture)
 7. Recent Statement of Municipal rates and taxes or municipal service charges of every Director Listed on the C.K Document not older than three months from the date issued and not owing more than three months (90 Days)
 8. Recent Statement of Municipal rates and taxes or municipal service charges of the Company (Bidder) not older than three months from the date issued and not owing more than three months (90 Days)
 9. Should a Company (Bidder) Lease a property, the lease agreement will replace the requirement on (8).
 10. Should Directors be residing in rural areas, Letter from Tribal Authority confirming your stay in that Area
 11. Should the Director not be responsible for rates and taxes but residing in an area where there is Municipal Services offered, the director should submit the Original Affidavit from South African Police Service Confirming as such.
 12. Should the Company (Bidder) be operating from the Same Address as the Director, An affidavit confirming such should be submitted.
 13. Requirements from (7-12) should be submitted for J.V based on their applicability.
 - 14. Three Years Audited Annual Financial Statements**
 - 15. Confirmation of Professional Indemnity Cover/ Errors and Omissions policy – minimum of R10 million,**
 - 16. Proof of registration with the Financial Services Board,**
 - 17. Proof of membership with the South African Insurance Brokers Association and/ or membership to the South African Financial Services Intermediaries Association (FSIA) of Company and key personnel respectively,**
 - 18. Proof of agency agreements with underwriters** (if these cannot be provided, a letter from the underwriters confirming an agreement is in place must be provided).
 19. Soft copy of the entire document including returnables saved in a Compact Disk.
- (Failure to submit the compact disk will result in a disqualification)**

NB:

1. Certified copies must have a date of certification and should be not older than 3 months as at the close of the tender. (Should the copy not have the date of certification the tender will be regarded as non-responsive)
2. Only original stamp and signature will be accepted.
3. Copy of a certified document will be considered non responsive.
4. Should any of the returnable documents stated not be attached to this bid document, your bid will be declared invalid.

BID REQUIREMENTS

1. Late bids will not be considered. Please note that bids are late if they are received after the closing date and time.
2. Bids will be valid for 90 days.
3. All prices must be quoted in South African currency and must be VAT Inclusive.
4. All items must be priced, failure to price all items will render your bid non-responsive.
5. All relevant forms attached to this bid document must be completed and signed in black ink where applicable by a duly authorised official. Use of tipex and pencil will not be acceptable.

NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

SIGNATORY AUTHORISATION

(To be completed by the Bidder)

SIGNATORY AUTHORISATION

I/We the undersigned, am/are authorized to enter into this contract on behalf of

.....

(Name of Firm)

By virtue of resolution.....

datedday of20...

(Month)

(Insert which ever year is applicable)

The certified copy of resolution which is herewith attached to this Bid.

AS WITNESSES

1.

.....

Initials and Surname in full

.....

Signature

.....

Firm/Company's Name

.....

Physical Address

2.

.....

Initials and Surname in full

.....

Signature

.....

Firm/Company's Name

.....

Physical Address

NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

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 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

* 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.

3.6.1 If so, furnish particulars:

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 Are you connected with any persons in service of the state? **YES/NO**

3.8.1 If so, furnish particulars:
.....
.....
.....

3.9 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**

3.9.1 If so, furnish particulars:
.....
.....
.....

3.10 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**

3.10.1 If so, furnish particulars:
.....
.....
.....

3.11 Are any of the company's directors, managers, principle shareholders or stakeholders in service of the state? **YES/NO**

3.11.1 If so, furnish particulars:

3.12 Are any spouse, child or parent of the company's directors, Managers, principle shareholders or stakeholders in service of the state? **YES/NO**

3.12.1 If so, furnish particulars:
.....

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

DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED)

For all procurement expected to exceed R10 million (all applicable taxes included), bidders must complete the following questionnaire:

1. Are you by law required to prepare annual financial statements for auditing?

***YES / NO**

1.1 If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.

.....

2 Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days?

***YES / NO**

2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.

2.2 If yes, provide particulars.

.....

*** Delete if not applicable**

3. Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract?

***YES / NO**

3.1 If yes, furnish particulars

.....

4. Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic? ***YES / NO**

4.1 If yes, furnish particulars

.....
.....

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 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

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 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

- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the ...80/20.. preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

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

	POINTS
PRICE	
B-BBEE STATUS LEVEL OF CONTRIBUTOR	
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 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

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

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

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

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

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

P_{min} = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

- 5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

- 6.1 B-BBEE Status Level of Contributor:..... =(maximum of 10 or 20 points)
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

- 7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	☐	NO	☐
-----	--------------------------	----	--------------------------

- 7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	☐	NO	☐
-----	--------------------------	----	--------------------------

Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
---	----------	----------

Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account Number:

Stand Number:.....

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

8.9 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 B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 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 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (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) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

WITNESSES

1.

2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....

CONTRACT FORM - RENDERING OF SERVICES

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 fulfillment 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

2

DATE:

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity
as.....
accept your bid under reference numberdated.....for
the rendering of services indicated hereunder and/or further specified in the
annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms
and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

<u>DESCRIPTION OF SERVICE</u>	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETI ON DATE	B-BBEE STATUS LEVEL OF CONTRIBU TION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:

MBD 8

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1. This Municipal Bidding Documents 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 during the past five years;
 - d. been listed in the Register for Tender defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act(no 12 of 2004).
4. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1.	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied)	☐	☐
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)? (To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 326 5445).	☐	☐
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?	☐	☐

Item	Question	Yes	No
4.3.1	If so, furnish particulars		
4.4.	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	☐	☐
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?	☐	☐
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 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:

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

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.

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

TERMS OF REFERENCE

1. INTRODUCTION

Section 78(1) (e) of the Municipal Finance Management Act, No. 56 of 2003, states that “Each senior manager of a municipality and each official of a municipality exercising financial management responsibilities must take all reasonable steps within their respective areas of responsibility to ensure that the assets and liabilities of the municipality are managed effectively and that assets are safeguarded and maintained to the extent necessary.”

2. PURPOSE

In the normal course of business the NMMDM encounters numerous risks. NMMDM in mitigating its risks wishes to cost effectively transfer some of the risks by taking out short term insurance.

NMMDM has assets located in the following separate areas:

- a. Head Office
- b. Mahikeng Local Municipality
- c. Ramotshere Moiloa Local Municipality
- d. Ratlou Local Municipality
- e. Tswaing Local Municipality
- f. Phola Water Office

3. SCOPE OF SERVICES

To appoint a short term insurance broker for a period of three (3) years to provide Insurance brokering services for NMMDM insurance needs which in the main are the following:

3.1. Placement of the Municipality's Insurance Portfolio suitable insurance underwriters

- a. Assess the Municipality's insurance requirements as reflected in the Tender Specification;

- b. Submit the Municipality's information with regard to the latest insurance statistics to the proposed Insurance Underwriters;
- c. Negotiate with the Insurance Underwriters on suitable insurance terms and premiums based on the quotations obtained by the Service Provider
- d. Attend insurance pre-placement meeting(s) with the Municipality to discuss the underwriting terms and premiums;
- e. Advise the Municipality and provide quotations on additional insurance cover that might be necessary to take out to ensure that the Municipality's risk is minimized;
- f. Place the Municipality's insurance portfolio with the Insurance Underwriters and provide the Municipality with written confirmation thereof together with details of the insurance cover placed.

3.2. Underwriting administration

- a. Provide quotations on any additional insurance cover required by the Municipality and place the insurance cover with the Insurance Underwriters on the Municipality's instruction and provide the Municipality with written confirmation thereof together with details of the insurance cover placed;
- b. Meet with the Municipality's Officials whenever required by either party to discuss and advise on insurance cover. The Service Provider's core team for the NMMDM contract are required at these meetings will depend on the technicality of the issues to be discussed.

3.3. Claims administration services for all policies taken through the broker

- 3.3.1. The appointed Service Provider will be responsible to handle all aspects of claims as the Municipality will not communicate directly to any legal representatives of the service provider, third parties or the Underwriter where the insurance is placed. The appointed Service Provider will be required to perform at least the following:
 - a. Administer all the Municipality's insurance claims which fall under the various categories of the insurance policies;
 - b. Administer all claims received by the Municipality from third party's claiming for personal injury or damage to their property. This includes liaising with the third parties on the Municipality's behalf;
 - c. Provide a motivation, based on substantive legal grounds, for all claims that are rejected by the Insurance Company. The Municipality reserves the right to reconsider any opinion received, to refer it back to the Broker for another opinion

or recommendation.

- d. Submit monthly updated reports in respect of all of the Municipality's claims submitted, indicating the status of each claim;
- e. Meet with the Municipality's relevant officials, individually or in groups, whenever required by either party to discuss and advise on insurance claims.

3.4. Renewal / Placement of the Municipality's Insurance Portfolio

- a. The appointed Service Provider will be required to perform the following before the renewal in respect of each year:
- b. Assess the Municipality's insurance requirements as reflected in the insurance policy;
- c. Compile updated information for the Municipality with regard to the latest insurance statistics and submit this information to the Insurance Underwriters;
- d. Negotiate with the Insurance Underwriters on suitable insurance terms and premiums based on the Municipality's existing insurance cover and updated asset register;
- e. Advise the Municipality and provide quotations on additional insurance cover that could become necessary to be taken out to ensure that the Municipality's risk is minimized;

4. SPECIFICATION

A detailed specification of services will relate to the following insurance covers;

4.1. Professional indemnity and liability

- a. All Damages resulting from any Claim for any Breach of Duty of the Insured that helps to protect professional advice of NMMDM employees from bearing the full cost of defending against a negligence claim made by a client, and damages awarded in such a civil lawsuit. The coverage focuses on alleged failure to perform on the part of, financial loss caused by, and error or omission in the service or product provided by NMMDM.

4.2. Fidelity Guarantee, to cover direct financial loss due to acts of fraud, forgery, alteration, robbery and safe burglary, computer fraud or dishonesty by employees resulting in dishonest personal financial gain.

4.3. Public Liability, to protect the NMMDM against claims involving illness, injury death, damages to third party property including but not limited to; defamation, defective workmanship and products.

4.4. Group personal accident, to cover bodily injury caused by accidental, violent, external and visible means to all Permanent employees of NMMDM, Councillors , Dikgosi and any interns/ learner-ship/ students employed.

4.5. Assets

- a. To cover all assets, tangible property of every description belonging to the NMMDM or which the NMMDM has any propriety or pecuniary interest against loss or damage caused by fire or allied perils including electronic breakdown (first loss bases) including assets all risks.
- b. Electronic equipment, Including Laptops and Mobile Electronic Equipment to cover on electronic business equipment including computers, laptops, licensed software, etc.
- c. Calibration Equipment (theft and damage while not in operation)
- d. Stock, to cover on goods that forms part of the NMMDM business activity.
- e. Stock in transit.
- f. Motor fleet, fully comprehensive cover on all vehicles owned, hired, leased, borrowed or used by the insured.
- g. Money, a cover on any negotiable instrument including cash cheques, credit card vouchers etc.
- h. Commercial Property/ Building cover, SASRIA, property terrorism and sabotage, fire, explosion, earthquake, power surges, alterations and additions etc.

4.6. Business Interruption

- a. A cover for financial loss suffered following interruptions of the NMMDM business. This should include but not limited to, fixed expenses, operating expenses, additional working expenses and SASRIA.

4.7. Travel

- a. A cover for an employee and/or political office bearer of the NMMDM whilst travelling on international journeys for business incurs Medical and Related Expenses as a result of illness or injury or liability.

4.8. Ad Hoc Events

- a. A cover that indemnifies the NMMDM for damages which the event organizer be it NMMDM and/ or its delegated authority, shall become legally liable to pay

consequent upon accidental death of or bodily injury to or illness of any person or accidental loss of or physical damage to occurring within the territorial limits during the period of Insurance in the course of or in connection with the event. NMMDM shall inform the broker of the event taking place seven (7) days prior the event such as but not limited to:

- a. Annual Integrated Development Plan (IDP) Consultations
- b. Annual Municipal Public Accounts Committee (MPAC) Oversight Public Consultations
- c. Imbizo
- d. Gala dinner

5. PRICING INSTRUCTIONS

- 5.1. The tenderer must provide maximum amounts payable per line item.
- 5.2. All Brokers fees and any other administrative fees that will be payable, must be indicated as separate items from the Gross insurance premium tendered;
- 5.3. The liability for payment of Assessor Fees must be for the account of the tenderer in all instances, inclusive of alternative tenders.
- 5.4. The premium tendered must remain firm for the initial period of 12 months, thereafter the annual escalation in the Rand value of the premium for the subsequent years must not exceed the reasonably anticipated industry-related CPI+1%.
- 5.5. The evaluation of Price and B-BBEE will be as per the total premium quoted for all portfolios including VAT and commissions of the broker.
- 5.6. All items must be priced failure to do so will render the bid non-responsive.

FUNCTIONALITY

The bidder must provide all the required documentation in line with criteria specified below.

Experience/Track Record in the same line of business

The bidder must furnish reference letters of previous experience in providing Short Term Insurance Broker Services. The letter must include the following:

- Name of the Client
- Value of the Portfolio insured
- Dates when work was performed

CATEGOTY	DESCRIPTION	POINTS	MAXIMUM POINTS
Experience/Track Record in the same line of business.	Reference letter from previous clients with a minimum portfolio value of R10Million.		15
	Three (3) letters of references and more	15	
	Two (2) letters of reference	10	
	One (1) letters of reference	5	
Relevant experience of Key Personnel assigned to the NMMDM Account	Summary CV's and certified qualifications of key personnel who will directly work on the NMMDM account.		20
	<i>Ten (10) years' experience with insurance Brokerage</i>		
	Account Manager : B. Com Accounting	10	
	Claims Administrator minimum NQF Level 4	10	
	<i>Minimum five (5) years but less than ten (10) years' experience</i>		
	Account Manager with B. Com Accounting	5	
	Claims Administrator minimum NQF Level 4	5	
TOTAL			35

NOTE : The required minimum threshold is 25 points. Bidders score below the threshold will not be evaluated further on price and preference points.

PRICING SCHEDULE

Item No.	Insurance Category	Asset Value	VAT @ 15%	Net Premium
1	COMBINED (All Office Buildings)	Refer to Asset Register		
2	MOBILE HOMES	Refer to Asset Register		
3	OFFICE CONTENTS (Furniture & Fittings)	Refer to Asset Register		
4	WATER MATERIAL STOCK			
5	BUSINESS ALL RISKS : (LAPTOPS, TABLETS, CAMERAS, RECORDING DEVICE,)	Refer to Asset Register		
6	THEFT : FIRST LOSS, KEYS & LOCKS, MALICIOUS DAMAGE			
7	GLASS (WINDOW)			
8	GROUP PERSONAL ACCIDENT	R2 000 000.00		
9	ELECTRONIC EQUIPMENT :	Refer to Asset Register		
10	MOTOR FLEET	Refer to Asset Register		
11	PUBLIC LIABILITY			
12	EMPLOYERS LIABILITY			
13	CONTRACTORS INDEMNITY			
14	SASRIA NON-MOTOR : 17 COUNCILLORS & 5 DIKGOSI			
15	SASRIA MOTOR			
Total				R

ANNEXURE A

GENERAL CONDITIONS OF CONTRACT