



PRINCE ALBERT MUNICIPALITY

Notice No. 68/2018

PROPOSAL TITLE:

**PROFESSIONAL SERVICES:
SHORT TERM INSURANCE PORTFOLIO
FOR PERIOD OF 3 YEARS**

SUBMIT TENDER DOCUMENTS

TO / OR

POSTAL ADDRESS: Municipal Manager <i>Private Bag X53</i> PRINCE ALBERT, 6930 (Ensure tender number and title are on envelope)	TO BE DEPOSITED IN: The tender box at the Municipal Offices 33 Church Street PRINCE ALBERT, 6930
<i>ATTENTION: Municipal Manager Private Bag X53 PRINCE ALBERT, 6930</i>	
CONTACT DETAILS FOR:	
Tender document details: Mrs. C. Baadjies Tel: 023 541 1036 Fax: 023 541 1035 E-mail: cgb@pamun.gov.za	Tender scope or specifications details: Mr. JD Neethling Tel: 023 541 1036 Fax: 023 541 1035 Email: jneethling@pamun.gov.za
Closing date & Time: Friday 18 May 2018 at 12h00	
BIDDER :	_____
PRICE :	_____
BBBEE LEVEL :	_____

PRINCE ALBERT MUNICIPALITY

NOTICE NO. 68/2018

**PROFESSIONAL SERVICES:
SHORT TERM INSURANCE PORTFOLIO
FOR PERIOD OF 3 YEARS**

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PRINCE ALBERT MUNICIPALITY

Evaluation Criteria for the Bid

Only bids which are completely responsive to the terms of the bid documents will qualify for evaluation. The following tests for responsiveness shall be performed:

#	Item	Responsiveness Test	Attached Yes/No	Official Purposes
PAMUN 1	Centralised Suppliers Database Registration	MAAA.....Number or Centralised Suppliers Database Registration report		
PAMUN 3.3	Pricing Schedule	Completion Compulsory		
PAMUN 8	Bidder's Original Tax Clearance Certificate	Original, Certified copy of Tax Clearance Certificate or Alternatively, bidders may supply their Tax Compliance Status electronic access PIN to view compliance status online		
PAMUN 15	Proof of Payment of Municipal Rates And Taxes	Copy of latest Municipal Rates & Taxes account attached.		
PAMUN 17	Amendments or Qualifications by the Bidder	Completion Compulsory for Every Option or Amendment		
PAMUN 6	Preference Point Claim Form	Completion and Authorized Signature Compulsory if bidder wants to claim points.		
	Valid Original or Certified BEE Certificate or EME Certificate	Attachment Compulsory if bidder wants to claim points.		
PAMUN 3	Tender Form	Completion Compulsory		
PAMUN 6.12	Functionality Points Claim Form	Completion and Authorized Signature Compulsory if bidder wants to claim points. A minimum of 70% must be obtained for functionality in order for a bid to be responsive.		
MBD 8	Declaration i.t.o Bidder Past SCM Practices	Completion Compulsory		
MBD4	Declaration of Interest	Completion Compulsory		
Form B	Certificate of Authority for Signatory	Attachment of Resolution Compulsory		
	Proof of Qualifications	Attachment Compulsory		
MBD 9	Certificate of Independent Bid Determination	Completion Compulsory		
	Proof of Previous Experience	Attachment Compulsory		
	Authorized Service Provider	<ul style="list-style-type: none"> (a) Compliance with the Financial Advisory and Intermediary Services Act, 2002 (b) Indemnity Cover for Professional Liability (c) Registration as a professional broker by South African Financial Services Intermediaries Association (SAFSIA) (d) The guarantee as required by SAFSIA 		

Non-Compliance with any one of these minimum requirements will lead to immediate disqualification.

Official Use			
Non-Responsive		Responsive	

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE PRINCE ALBERT MUNICIPALITY					
BID NUMBER:	68/2018	CLOSING DATE:	18 MAY 2018	CLOSING TIME:	12:00
DESCRIPTION	PROFESSIONAL SERVICES: SHORT TERM INSURANCE PORTFOLIO FOR PERIOD OF 3 YEARS				
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 33 Church Street, Prince Albert, 6930

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]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<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		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:
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE</p> <p>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.</p>
2. TAX COMPLIANCE REQUIREMENTS
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>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.</p> <p>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.</p> <p>2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.</p> <p>2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS
<p>3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>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.</p>

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:



PRINCE ALBERT MUNICIPALITY
TAX CLEARANCE REQUIREMENTS

IT IS A CONDITION OF BIDDING THAT -

- 1. The taxes of the applicant must be in order, or that satisfactory arrangements have been made with the Receiver of Revenue to meet his / her tax obligations.
- 2. The South African Revenue Services will provide the applicant with a Tax Clearance Certificate that will be valid for a period of twelve (12) months from date of issue.
- 3. This Tax Clearance Certificate must be submitted in the original together with the application.
- 4. No award above R30 000 may be made to a person whose tax matters have not been declared by the South African Revenue Service (SARS) to be in order.

SIGNED ON BEHALF OF BIDDER:

MUNISIPALITEIT
VAN
PRINS ALBERT



MUNICIPALITY
OF
PRINCE ALBERT

Rig alle korrespondensie aan:
DIE MUNISIPALE BESTUURDER
Privaatsak X53, Prins Albert, 6930

Address all correspondence to:
THE MUNICIPAL MANAGER
Private Bag X53, Prince Albert, 6930

E-Pos / E-Mail: pamun@xsinet.co.za

Tel: 023-541 1320, Fax: 023-541 1321

**TENDER 68/2018:
MANAGEMENT OF SHORT-TERM INSURANCE PORTFOLIO**

Tenders are hereby invited from insurance brokers to manage the short-term insurance portfolio of the Prince Albert Municipality for a period of three years commencing from 1 July 2018.

Tenders must be submitted on the original documents and remain valid for sixty (60) days after the closing date of the tender. Enquiries about the portfolio as well as the completion of the document can be addressed to Mrs C Baadjies at telephone (023) 541 1036/014 or by e-mail to cgb@pamun.gov.za.

Fully completed tender documents must be placed in a sealed envelope and placed in the **tender box at 33 Church Street, Prince Albert, 6930 at the Municipality by not later than 12:00 on Friday, 18 May 2018** or be mailed to reach the **Municipal Manager, Private Bag X53, Prince Albert 6930** before the specified closing date and time. The envelopes must be endorsed clearly with the number, title and closing date of the tender as above.

The tender box will be emptied just after 12:00 on the closing date where after all bids will be opened in public. Late tenders or tenders submitted by e-mail or fax will under no circumstances be accepted.

Tenders will be evaluated according to the Council's Supply Chain Management Policy and the 80/20 point system will be applied.

The Municipality reserves the right to withdraw any invitation to tender and/or to readvertise or to reject any tender or to accept a part of it. The Municipality does not bind itself to accepting the lowest tender or award a contract to the bidder scoring the highest number of points.

**HFW METTLER
MUNICIPAL MANAGER**

**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 favoritism, 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 authorized representative declare their position in relation to the evaluating/adjudicating authority.

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 of 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

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

3. PERSONAL DETAILS

3.1. Name of bidder/representative:

3.2. ID Number:

3.3. Position in Company:

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 must be indicated in paragraph 4 below.

QUESTIONNAIRE

3.8. Are you presently in service of the state?

YES

NO

3.8.1. If YES, please furnish particulars:

3.9. Have you been in service of the state for the past 12 months?

YES

NO

3.9.1. If YES, please furnish particulars:

3.10. Do you have any relationship (family, friend, other) with persons in service of the state, who may be involved with the

YES

NO

evaluation/adjudication of this bid?		
3.10.1. If YES, please furnish particulars:		
3.11. Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation /adjudication of this bid?	YES	NO
3.11.1. If YES, please furnish particulars:		
3.12. Any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state?	YES	NO
3.12.1. If YES, please 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, please 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 his contract?	YES	NO
3.14.1. If YES, please furnish particulars:		
4. DETAILS OF DIRECTORS/TRUSTEES/MEMBERS/SHAREHOLDERS		
FULL NAME	ID NUMBER	STATE EMPLOYEE NUMBER
_____	_____	_____
Signature	Date	
_____	_____	
Position:	Name of Bidder:	
_____	_____	

MBD 6.1 PROCUREMENT REGULATIONS 2017 – PURCHASES / SERVICES (80/20)

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 MBD6.1 – PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL 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 not to 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) B-BBEE Status Level of Contribution.

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

	POINTS
1.3.1.1. Price	80
1.3.1.2. B-BBEE status level of contribution	20
Total points for Price and B-BBEE must not exceed	100

1.4 Failure on the part of a bidder to fill in and/or to sign this form will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.5 Failure on the part of a bidder to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) 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 Municipality reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the Municipality.

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

2.3 *“B-BBEE status level of contributor”* means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

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 quotations, advertised competitive bidding processes or proposals;

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

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, skills 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 *“EME”* means any enterprise with an annual total revenue of R5 million or less (except where Sector Charter Thresholds apply);

2.10 *“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;

- 2.11 “*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;
- 2.12 “*Non-firm Prices*” means all prices other than “firm” prices;
- 2.13 “*Person*” includes a juristic person;
- 2.14 “*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;
- 2.15 “*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;
- 2.16 “*Total Revenue*” bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the Government Gazette on 9 February 2007;
- 2.17 “*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
- 2.18 “*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 B-BBEE.
- 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 B-BBEE, 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:

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

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 B-BBEE STATUS LEVEL OF CONTRIBUTION

- 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 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

- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6 BID DECLARATION

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

6.1.2. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1	
6.1.2.1. B-BBEE Status Level of Contribution as reflected on the B-BBEE Certificate	
6.1.2.2. Points claimed in respect of Level of Contribution (maximum of 10 or 20 points)	

(Points claimed in respect of paragraph 6.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

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:				
7.1.1.1. what percentage of the contract will be subcontracted?				%
7.1.1.2. the name of the sub-contractor?				
7.1.1.3. the B-BBEE status level of the sub-contractor?				
7.1.1.4. whether the sub-contractor is an EME? (Tick applicable box)	YES		NO	

8. DECLARATION WITH REGARD TO COMPANY/FIRM

Name of Enterprise			
VAT registration number			
Company registration number			
TYPE OF ENTERPRISE	Partnership / Joint Venture / Consortium		

(Tick applicable box)	One person business / sole proprietor	
	Company	
	Close Corporation	
Describe principal business activities		
Company Classification (Tick applicable box)	Manufacturer	
	Supplier	
	Professional service provider	
	Other service providers, e.g. transporter, etc.	
TOTAL NUMBER OF YEARS THE ENTERPRISE HAS BEEN IN BUSINESS		

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 contribution indicated in paragraph 7 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 paragraph 7, 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 contribution 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

SIGNATURE OF BIDDER(S):			
WITNESS 1:		WITNESS 2:	
DATE:			
ADDRESS:			

MBD 8 – DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

4.1	Is the bidder or any of its directors listed on the National Treasury’s database as a company or person prohibited from doing business with the public sector? <i>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the audi alteram partem rule was applied).</i>	Yes	No
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <i>(To access this Register enter the National Treasury’s website, www.treasury.gov.za, click on the icon “Register for Tender Defaulters” or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).</i>	Yes	No
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes	No
4.3.1	If so, furnish particulars:		
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes	No

4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes	No
4.7.1	If so, furnish particulars:		

5. CERTIFICATION

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

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

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

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 *per se* prohibition meaning that it cannot be justified under any grounds.
3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
4. This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
5. In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

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:

In response to the invitation for the bid made by:

PRINCE ALBERT MUNICIPALITY

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

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

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.

MBD 15 – Certificate for Payment of Municipal Services

NAME OF THE BIDDER: _____

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

Director / Shareholder / partner	Physical address of the Business	Municipal Account number(s)	Physical residential address of the Director / shareholder / partner	Municipal Account number(s)

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

I, _____,

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

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

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

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

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

For office use (comments):

FORM B- AUTHORITY TO SIGN A BID

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

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

OR

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

SIGNATURE		DATE	
PRINT NAME			
WITNESS 1		WITNESS 2	

2. Companies and Close Corporations

2.1 If a Bidder is a Company, a certified copy of the resolution by the board of directors, duly signed, authorising the person who signs this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the company must be submitted with this bid, that is, before the closing time and date of the bid.

2.2 In the case of a Close Corporation (CC) submitting a bid, a resolution by its members authorising a member or other official of the corporation to sign the documents on their behalf, shall be included with the bid.

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

PRINCE ALBERT MUNICIPALITY

TERMS OF REFERENCE (TOR)

NOTICE NO. 68/2018

PROFESSIONAL SERVICES: SHORT TERM INSURANCE PORTFOLIO FOR PERIOD OF 3 YEARS

BACKGROUND

The Municipal Manager of the PRINCE ALBERT MUNICIPALITY hereby invites suitably qualified bidders to tender for the underwriting of the municipality's **Short Term Insurance Portfolio for a 3 year period.**

INTRODUCTION

- 1.1. 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."
- 1.2. In order to comply with the above Act and to ensure that the Municipality's assets are adequately insured and any risk exposure is minimized, the Municipality needs to appoint a Service Provider to perform the following functions:
 - 1.2.1. Negotiate and place the Municipality's insurance portfolio with insurance underwriters and present the underwriting terms to the Municipality for acceptance each year;
 - 1.2.2. Administer the Municipality's short-term insurance portfolio; and
 - 1.2.3. Assess the Municipality's insurance cover and provide advice on adequate cover to be taken out.
- 1.3. The renewal of the insurance portfolio falls in line with the Municipality's financial year-end and therefore has to be renewed by 30 June each year to ensure that the Municipal assets are insured and the liabilities are minimized.
- 1.4. The current contract for a Short-term Insurance Intermediary will expire on 30 June 2018. The insurance portfolio will then be placed with the successful Bidder as from 01 July 2018, or as soon as possible thereafter.
- 1.5. Therefore, the Municipality hereby invites tenders from reputable Short-term Insurance Intermediaries, who are members of the Financial Intermediaries Association (F.I.A.) and who comply with the Financial Advisory and Intermediary Services (F.A.I.S.) Act, for the Management of the Short-term Insurance Portfolio of the Municipality for a contract period ending 30 June 2021.

2. REQUIREMENTS

- 2.1. In order to ensure that the Municipality's assets are adequately insured and any risk exposure is minimized, including keeping abreast with the latest insurance developments, it is imperative that the relevant industry related administrative assistance is provided in order to support the existing capacity that the Municipality has.
- 2.2. The municipality expects the following minimum requirements from the Service Provider:

- 2.2.1. The tenderer **must** be a member of the Financial Intermediaries Association (F.I.A.). Proof of such membership **must** be submitted with the tender. **Failure to do so WILL result in disqualification.** The tenderer must provide details of their Financial Advisory and Intermediary Services (F.A.I.S.) Act compliancy; i.e. a copy of the F.A.I.S. Certificate. A copy of the F.A.I.S. certificate **must** be submitted with the tender. **Failure to do so WILL result in disqualification.**
- 2.2.2. The tenderer must have a minimum limit of R100,000,000 (100 million rand) Professional Indemnity insurance. A copy of the insurance policy schedule reflecting the limit, excess, Insurers and renewal date **must** be submitted with the tender. **Failure to do so WILL result in disqualification.**
- 2.2.3. The tenderer must have a minimum limit of R50,000,000 (50 million rand) Fidelity Guarantee insurance. A copy of the insurance policy schedule reflecting the limit, excess, Insurers and renewal date **must** be submitted with the tender. **Failure to do so WILL result in disqualification.**
- 2.3. Bidders must obtain a minimum of two quotations, from the different companies offering insurance to Local Authorities, on each of the policies included in this document and must give clear motivation on the quotes recommended and substantive reasons where the lowest quotes were not recommended in full or for a certain policy type.
- 2.3.1. A summary of quotations **must** be included in the tender document. **Failure to do so WILL result in disqualification.**
- 2.3.2. Any other quotations obtained over and above the minimum required as per paragraph 2.3, must be retained and be available for reference and inspection by the officials of the Municipality if necessary.
- 2.4. Notwithstanding the aforementioned, the following documentation **must** also be submitted as part of the tender:
- 2.4.1. Proof of Insurers Solvency Margin
- 2.4.2. Letter of Authority
- 2.4.3. Company Registration Certificate
- 2.4.4. Ownership Certificate & Change of Name Certificate
- 2.4.5. Latest Audited Financial Statements (Broker AND Underwriter)
- PLEASE NOTE: The tender will be regarded as non-responsive if any of the abovementioned original documents, or certified copies thereof, are not attached to the tender document.**
- 2.5. The tenderer must submit a tender for **Full Insurance Cover** as per detailed schedules that are provided as part of the tender documents.
- 2.6. The tenderer may submit additional alternative tenders for **Partial Self Insurance** as per detailed schedules that are provided as part of the tender documents. The tenderer's proposal in this regard should be accompanied by a detailed summary of the relevant features of before-mentioned insurance structure.
- 2.7. The Municipality reserves the right to accept alternative tenders. The Municipality is not bound to accept the lowest or any tender and reserves the right to accept any tender either wholly or a part thereof.
- 2.8. Unless otherwise specified, it is accepted that, in the case of every type of policy tendered for, the tenderer will be willing to underwrite any individual policy type at the premium tendered, without any other individual policies being awarded to him.
- 2.9. The submission of a tender signifies complete acceptance of the conditions contained in these instructions, the Form of Tender and the annexures.
- 2.10. Tenderers must submit fully completed schedules of items for insurance cover together with each tender submitted, containing the detailed premium calculations for each class of insurance. It is compulsory that these calculations be submitted on a CD in a Microsoft Excel spreadsheet. Tenderers must ensure that the tender submission include a printed version of all the relevant schedules, duly signed off.
- 2.11. Any deviations, limitations or unfamiliar conditions in respect of each policy type must be clearly stipulated and highlighted in the tender submission.
- 2.12. The tenderer **must** disclose the insurer or consortium of insurers on each policy type.
- 2.13. The tenderer **must** submit the draft proposed Policy Documents on each policy type.
- 2.14. A detail description of the assets, amounts insured, et cetera, is furnished herewith according to information currently available. However, the Municipality reserves the right to adjust details in respect of final number, description and value of individual items for insurance cover, if necessary, at the final placement of the insurance.

- 2.15. The Municipality reserves the right to notify the tenderer of any adjustments, additions and or disposals during the period of the contract, for which the appropriate adjustments in premium payable / refundable must be effected.
- 2.16. Qualified tenders, contradicting any of the standard specifications, will be disregarded at the discretion of the Municipality.

3. SCOPE OF WORK

The scope of work will be as follows:

3.1. Placement of the Municipality's Insurance Portfolio – Effective for first period up to 30 June 2021

The appointed Service Provider will be required to perform the following:

- 3.1.1. Assess the Municipality's insurance requirements as reflected in the Tender Specification;
- 3.1.2. Submit the Municipality's information with regard to the latest insurance statistics to the Insurance Underwriters;
- 3.1.3. Negotiate with the Insurance Underwriters on suitable insurance terms and premiums based on the quotations obtained by the Service Provider as set out in paragraph 2.3;
- 3.1.4. Attend insurance pre-placement meeting(s) with the Municipality to discuss the underwriting terms and premiums;
- 3.1.5. 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;
- 3.1.6. 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

The appointed Service Provider will be required to perform the following:

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; Meet with the Municipality's Officials whenever required by either party to discuss and advise on insurance cover. The Service Provider's staff members required at these meetings will depend on the technicality of the issues to be discussed.

3.3. Claims Administration

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:

- 3.3.1. Administer all the Municipality's insurance claims which fall under the various categories of the insurance policies;
- 3.3.2. 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;
- 3.3.3. 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. The Municipality will under no circumstances communicate directly with the Underwriter regarding any aspects of a claim;
- 3.3.4. Submit monthly updated reports in respect of all of the Municipality's claims submitted, indicating the status of each claim;
- 3.3.5. Meet with the Municipality's relevant officials, individually or in groups, whenever required by either party to discuss and advice on insurance claims.

3.4. Renewal / Placement of the Municipality's Insurance Portfolio – Effective from 01 July 2018 and 01 July 2019 respectively

The appointed Service Provider will be required to perform the following before the start of each financial year:

- 3.4.1. Assess the Municipality's insurance requirements as reflected in the insurance policy;
- 3.4.2. Compile updated information for the Municipality with regard to the latest insurance statistics and

submit this information to the Insurance Underwriters;

- 3.4.3. Negotiate with the Insurance Underwriters on suitable insurance terms and premiums based on the Municipality's existing insurance cover and updated claim experience;
- 3.4.4. Attend insurance pre-renewal meeting(s) with the Municipality in May/June 2018 and in May/June 2019 respectively to discuss the underwriting terms and premiums;
- 3.4.5. 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;
- 3.4.6. Renew the Municipality's insurance portfolio with the Insurance Underwriters by no later than 30 June 2019 and 30 June 2020 respectively and provide the Municipality with written confirmation thereof, together with details of the insurance cover placed by 30 June 2018 and 30 June 2019.

3.5. Handling of Outstanding Claims

- 3.5.1. The current Service Provider will remain responsible for the administration and finalisation of all existing outstanding / open claims as at 30 June 2018, including claims with date of loss up to 30 June 2018 but only discovered and submitted on or after 01 July 2018;
- 3.5.2. Public Liability claims are dealt with on a claims-made basis, therefore any Public Liability claims received up to 30 June 2018 will be dealt with by the current Service Provider. Public Liability claims received on or after the commencement date of the contract with the newly appointed Service Provider will be dealt with by the newly appointed Service Provider, even where the actual date of loss is before said date.

3.6. Training of staff and active skills transfer / capacity building

- 3.6.1. Provide daily assistance and guidance with administration of claims;
- 3.6.2. Provide daily assistance and guidance with general enquiries regarding insurance policy conditions and wordings;
- 3.6.3. Provide an annual briefing workshop to relevant municipal officials regarding the insurance policy conditions and wording, within 30 (thirty) working days after the Municipality's insurance portfolio has been placed in the insurance market;
- 3.6.4. Provide training sessions as and when required on insurance related matters.

4. REMUNERATION

Remuneration will be as follows:

- 4.1. The services of the successful tenderer will be for a contract period ending 30 June 2021. The Short Term Insurance Cover of the Municipality is due for placing effective from 01 July 2018 (or as soon as possible thereafter) and then for renewal / re-structuring by the appointed Service Provider effective from 01 July 2019 and 01 July 2020.
- 4.2. The Broker Fee and Underwriting Premium as detailed in the Pricing Schedule are payable monthly by the Municipality.

5. PRICING REQUIREMENTS

- 5.1. Tender prices must be in ZAR Currency (Rand);
- 5.2. Tender rates must be submitted exclusive of VAT, but the final bid price submitted must include VAT;
- 5.3. The tenderer must provide **maximum amounts** payable per line item, in respect of Excess Payments for each asset, as per applicable column in the detailed tender schedules. In these instances where maximum amounts will not be tendered on any specific asset, this should be stated clearly as such next to the particular line item, and the applicable rate must then be stated for these exceptions;
- 5.4. **All Brokers fees and any other administrative fees that will be payable, must be indicated as separate items in the Gross insurance premium tendered;**
- 5.5. Where extensions are granted free of charge, please state "free" in the premium column;
- 5.6. Where a line of cover or an extension is not tendered for, please state "No Tender" in the premium column;
- 5.7. **The liability for payment of Assessor Fees must be for the account of the tenderer in all instances, inclusive of alternative tenders.**
- 5.8. The premium tendered must remain firm for a period of 12 months, thereafter the annual escalation rate of the premium for year 2 and 3 must not exceed the reasonably anticipated industry-related CPI as at 30 April of each year;
- 5.9. The annual renewal premium for the outer two years will be based on the escalated premiums quoted as per paragraph 5.8, subject to any additions and / or reductions required as per the updated information supplied by the Municipality.
- 5.10. The tenderer may submit tenders with Fixed Premiums for the full duration of approximately 3 (three) years of the tender as per detailed schedules that are provided as part of the tender documents.

6. FAILURE TO PERFORM

The following special conditions will apply:

6.1. If:

- 6.1.1. the tenderer should fail to arrange the short-term insurance with the insurer/consortium stated in the contract; or
- 6.1.2. the Municipality should suffer damage as a result of the tenderer's failure to perform,
- 6.1.3. it is agreed that the tenderer will pay to the Municipality the following amounts, in each case to be determined by the Municipal Manager, as liquidated damages and not as a penalty:
 - 6.1.3.1. in the event of 6.1.1, an amount equal to any additional costs over and above the tender price incurred by the Municipality to arrange the short-term insurance in terms of the contract in a manner deemed fit by the Municipality, together with all costs and expenses involved. or
 - 6.1.3.2. in the event of 6.1.2, an amount not exceeding the actual damage sustained by the Municipality.

6.2. The Municipal Manager will also determine the manner in which and the time when such payment of additional costs or damages are to be paid to the Municipality and the decision of the Municipal Manager will be binding in each case.

6.3. The Municipality will have the right, without prejudice to the rights of the Municipality, to summarily sue the tenderer for any damage suffered by the Municipality as a result of breach of contract by the tenderer or failure as stated and to terminate the contract without any compensation to the tenderer in the following instances:

- 6.3.1. In the event of any breach of or failure by the tenderer to comply with any of the provisions of this contract;
- 6.3.2. In the event of an order, provisional or final, for the sequestration of the estate of the tenderer or, if an application is made for such order or, if the tenderer should make an application for the surrender of his estate or, if he should enter into, make or execute, a deed of settlement for, or compound or otherwise agree to such surrender of his estate for the benefit of his creditors or proposes to do so or, where the tenderer is a company, make a decision or, where the court issues an order for the liquidation of such company; and
- 6.3.3. In the event of the tenderer or any person employed by the tenderer paying or offering to pay any amount of money by way of a commission or fee to any councilor or person in the employ of the Municipality or giving or attempting to give to any such councilor or person any gift or compensation.

7. DEDUCTIONS (EXCESS)

Deductions (Excess) are to be shown clearly, otherwise the Municipality will accept that no deductible will apply and this may not be rectified afterwards.

8. ESTIMATED QUANTITIES REQUIRED

- 8.1. The values and amounts indicated in the tender document fairly represent the value of assets and / or cover required by the Municipality, but will inevitably be amended upon conclusion of the final contract as the Asset Register is continuously updated and new budgets considered.
- 8.2. These are the values to be applied for the purpose of this tender assessment, based on the assumption that the portfolio will remain unchanged.

9. PRE-QUALIFICATION EVALUATION CRITERIA

The purpose of this bid is to procure a Short Term Insurance service provider to place the insurance portfolio of the municipality in the insurance market in order to maintain effective risk management and reducing the exposure of the municipality to adverse financial impact.

The evaluation criteria are set out on page 23- MBD 6.1. A prerequisite of 70% is determined for functionality in order to be evaluated on price-PAMUN 6.12.

Please note that bidders must submit original or certified EME Certificate or BEE Scorecard as stated in MBD 6.1 and

complete form in order to claim points. The points for Functionality and Price will be calculated as indicated in: FORM PAMUN 6.12

The evaluation will be performed applying an average increase of 10% per annum in order to calculate the premiums for the two outer years, unless the bidder can provide a fixed contractual amount over the three years of the contract or an increase which is less than 10% as mentioned above.

The bidder must unambiguously provide evidence of his ability to render the service as per the tender and the proposal must include details of the following:

1. A draft of the policy wording must be attached to the bid documents.
2. A draft Service Level Agreement must be attached to the bid documents.
The draft Service Level Agreement must address the following:
 - i. A review of the cover, limits, uninsured risks, exposure and sums insured
 - ii. Confirmation of placement of cover
 - iii. Confirmation of credit rating of insurer
 - iv. Compilation of an insurance manual detailing the cover, limits, conditions and exclusions
 - v. A claims procedure
 - vi. A detailed proposal in respect of claims administration and maintenance
 - vii. Regular claim audits and recommendations
 - viii. The alignment with Council’s Risk Management Plan
 - ix. An organogram of the service team allocated to the portfolio of the municipality
 - x. The provision of training to Council officials
3. The bidder must disclose the insurer on each policy type.
4. A detailed summary of the salient features of the recommended insurance structure must be addressed.

10. EVALUATION

- 10.1. Tenders will be evaluated on a comparative basis, which is the reason for the design of the tender specification and additional schedules containing the detail information for inclusion on the insurance portfolio;
- 10.2. All tenders received shall be evaluated in accordance with the Municipal Finance Management Act, Act 56 of 2003 (read with its accompanying Supply Chain Management Regulations), PRINCE ALBERT Municipality’s Supply Chain Management Policy and the Preferential Procurement Policy Framework Act, Act 5 of 2000 (read with its accompanying regulations).

11. VALIDITY PERIOD OF BID

The proposal must be valid for a period of 90 (ninety) days after the closing date.

11. DETAILS OF COVER

DETAILS OF COVER		
11.1	COMBINED COVER STANDARD COVERAGE THATCHED ROOF SPECIFIED STRUCTURES INSURED PROPERTY	This policy should provide cover against fire, lightning, explosion, earthquake, special dangers (wind, water, hail, snow, etc.) malicious damage accident damage, burglary damage, burst and flooding of water tanks, airplanes and other flying devices or flying objects. All built structures, including outbuildings thereof, the owner’s loose and fixed fittings therein and thereon, boundary and other walls, gates, poles, fences, public access points, purification plants, reservoirs and sewage plants.
11.2	HOME OWNER’S RISK COVER Standard	This policy should provide cover against threats of fire, lightning, explosion, earthquake, special threats (wind, water, hail, snow, etc.) malicious damage, collision damage, burglary damage, bursting and flooding of water tanks, airplanes other flying device or objects falling from it.

	INSURED PROPERTY:	All buildings (homes, residential units, hostels and apartments), including all outbuildings, swimming pools, the landlord's loose and fixed fittings therein and thereon, boundary and other walls, gates, poles, enclosures and public access connections.
11.3	OFFICE CONTENTS	Comprehensive cover, including theft.
11.4.	ALL RISK – Worldwide	This policy should provide coverage against all types of risk not excluded in terms of the policy. All the contents of any building including goods in the open within fenced property, Council's property or for which Council is accountable or has assumed accountability. Forced access or exit is required. Theft by personnel excluded
11.5.	BURGLARY	
	Coverage	
11.6.	CASH-IN-TRANSIT	
a) b) c) d) e)	Cash not in safe after hours Cheques and warrants Money other than (b) Cashboxes Clothes and personal belongings in cases of theft and robbery – per capita	
		Personal Injury included – R25 000
11.7.	FIDELITY GUARANTEE	Loss and or damage as a result of dishonesty of employees or Councillors. Loss of property included.
	Indemnity Limit	
11.8.	GLASS	Internal and External Plate Glass
11.9.	GOODS-IN-TRANSIT	
11.10.	PUBLIC LIABILITY	Uneven pavements, open manholes and potholes.
a)	Indemnity Limit General	Unlimited
b)	Wrongful arrest and libel	Limited to R5 000 000
c)	Product Liability and defective workmanship	Limited to R5 000 000
d)	Legal Fees	Limited to R5 000 000
e)	Professional Liability: Medical Officers	Limited to R5 000 000
f)	Errors and Omissions	Limited to R5 000 000
g)	Vibrations, removal or depletion of trusses	Limited to R100 000 per annum
h)	Third Party Liability (Vehicle) Fire and Explosion Passenger's Liability	COVERAGE: All amounts for which Council becomes legally liable Retro-active date: 01 July 2015
i)	Salaries and Wages	Limited to R 5 000 000
11.11.	EMPLOYERS LIABILITY	Damages for which Council becomes legally liable as a consequence of death or bodily harm or illness of any person employed under a contract of service or apprenticeship with the Municipality.
	Indemnity Limit	
11.12.	PERSONAL ACCIDENT	24 hour cover Death and/or disability as a result of violent and visible means Coverage limited to Council activities and travel
A.	INSURED INDIVIDUALS 13 Unnamed Councillors	
	Coverage	

1. 2. 3. 4. 5.	BENEFITS Death Permanent Disability Temporary disability for 104 weeks Medical Expenses Funeral Expenses	War cover included (not active participation)
11.13. B. 1. 2. 3. 4. 5. 6.	PERSONAL ACCIDENT INSURED INDIVIDUALS 13 Unnamed partners of Councillors Coverage BENEFITS Death Permanent Disability Temporary disability for 104 weeks Medical Expenses Funeral Expenses CLAIMS PREPARATION CHARGE	24 hour cover Death and/or disability as a result of violent and visible means Coverage limited to Council activities and travel War cover included (not active participation)
11.14. C. 1. 2. 3. 4. 5.	PERSONAL ACCIDENT INSURED INDIVIDUALS 5 Partners of Department heads Coverage BENEFITS Death Permanent Disability Temporary disability for 104 weeks Medical Expenses Funeral Expenses	24 hour cover Death and/or disability as a result of violent and visible means Coverage limited to Council activities and travel War cover included (not active participation)
11.15. D. a) b) c) d) e) f)	STATED BENEFITS INSURED INDIVIDUALS All Employees COVERAGE BENEFITS Death Permanent Disability Temporary disability for 104 weeks Medical Expenses Funeral Expenses Mobility	This policy type must cover all permanent Council employees following death and/or disability as a result of violent and visible means Coverage limited to Council activities and travel War cover included (not active participation) Total Remuneration R7 million excluding Councillors and R4 million for Councillors
11.16.	VEHICLE FLEET Insured Property Coverage	See Attachment A asset All vehicles owned by Council are insured as well as vehicles privately owned by personnel used by Council.
11.17.	COMPUTERS Insured Amount / Property Portable Computers Increased operating cost Recovery of Data Software	All risks covered including sudden, unforeseen, mechanical and electrical defects.
11.18.	MANAGEMENT LIABILITY INSURED: Indemnity Limit	Local Authority, Elected or Nominated Council- or Committee members, employees and temporary employees. R 1 000 000

	Special Remarks	Cover should include the following: Claim against an insured individual, where Council is not a claimant and where there is no indemnity for Council. Claim against insured individual by Council. Claim against an individual where Council has indemnified the individual.
	Coverage	Losses and/or expenses incurred as a result of Councils, councillors or official's actions because of error or omission.
11.19	Accounts Receivables	Outstanding Debtors balance - R
11.20	Loss of Income (Business Interruption)	Water Sales -R Sewerage Sales -R Removal of Refuse - R Loss of Rental - R Electricity Sales - R Claims Preparation Costs - R
11.21	MACHINERY BREAKDOWN	Specified Machinery

- The detailed schedules will be included in electronic format as an MS Excel document, which may be completed electronically.
- The electronic copy must be printed out and signed and dated and included with the bid submission and also submitted on a CD.

PRINCE ALBERT MUNICIPALITY

PROFESSIONAL SERVICES: SHORT TERM INSURANCE PORTFOLIO FOR PERIOD OF 3 YEARS

TENDER FORM

1. I / We _____ (full name of tenderer) the undersigned in my capacity as _____ of the firm _____ hereby offer to PRINCE ALBERT Municipality herein represented by the Director: Financial Services (hereafter referred to as the DFS), to supply and install the equipment described in accordance with the specification and conditions of contract to the entire satisfaction of the DFS and subject to the conditions of tender, for the amount indicated hereunder:

Type of Risk Cover	PREMIUM			TOTAL
	Year 1	Year 2 Increase equal to 10% or less if fixed amount	Year 3 Increase equal to 10% or less if fixed amount	
3.1 Combined Cover				
3.2 Homeowners				
3.3 Office Contents				
3.4 Accounts Receivable				
3.5 All Risks				
3.6 Burglary				
3.7 Cash-in-transit				
3.8 Fidelity Guarantee				
3.9 Glass				
3.10 Goods-in-Transit				
3.11 Public Liability				
3.12 Employer's Liability				
3.13 Personal Accident: Councilors				
3.14 Personal Accident: Partners of Councilors				
3.15 Personal Accident: Partners of Heads				
3.16 Stated Benefits				
3.17 Vehicle Fleet				
3.18 Computers				
3.19 Management Liability				
SASRIA				
Combined				
Home Owner's				
Office Contents				
All Risks				
Cash-in-transit				
Goods-in-Transit				
Vehicle Fleet				
SUB TOTAL				
PREMIUM TOTAL				

Total bid price for the three years (Including value added tax and commission): R_____

Amount in words : _____

Address of bidder : _____

Telephone no. : _____

Fax no. : _____

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

3. I / We agree that the laws of the Republic of South Africa shall be applicable to the contract resulting from the acceptance of my / our tender and that I / We elect domicillium citandi et executandi in the Republic at:

.....

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

DATE

SIGNATURE OF BIDDER

SIGNATURE OF WITNESSES

1 _____

2 _____

PRINCE ALBERT MUNICIPALITY

FUNCTIONALITY AND PRICE POINTS CLAIM FORM

**PROFESSIONAL SERVICES:
SHORT TERM INSURANCE PORTFOLIO
FOR PERIOD OF 3 YEARS**

1. GENERAL CONDITIONS

The functionality points are allocated as follow:

- 60 Points for Functionality, and

A prerequisite of 70% must be obtained for functionality, in order to be evaluated on price and preference point.

The functionality points for this bid are allocated as indicated in table below:

Evaluation Criteria		Maximum Points Allocated	Points Claimed	Points Awarded
1.3.1. Experience of Firm	1 point for every successfully completed local government project	10		
1.3.2 Experience of the tenderer (enterprise) in years of operation as Short-Term Insurance Portfolio Manager / Broker	1 Point for every year of experience	10		
1.3.3. Experience of key personnel:		10		
1.3.3.1 Project Manager	1 point for every 2 years of relevant experience	4		
1.3.3.2 Assistant	2 points for every 2 years of relevant experience	4		
1.3.3.2 Assistant	2 points for every 2 years of relevant experience	2		
1.3.4. Qualifications of key personnel:		10		
1.3.4.1 Project Manager, the highest of:	Points for practical insurance portfolio management execution exceeding 2 years and FAIS compliant and registered with the FSB	3		
	3 year financial degree or better and FAIS compliant and registered with the FSB	4		
1.3.4.2 Assistant	FAIS compliant and registered with the FSB	4		
1.3.4..3 Assistant, the highest of:	2 years or more practical experience	1		
	FAIS compliant and/or registered with the FSB	2		
	FAIS compliant and or registered with the FSB	2		
1.3.5 Methodology and Time Frame (See criteria description in T.O.R)		20		
TOTAL POINTS		60		

Bidders must submit a thorough methodology, with time frame and estimated cost of the project. The methodology shall be evaluated on services as indicated under the scope of the project and the following norms:

- i) Project specific services methodology
- ii) Itemised description of the portfolio considerations, practices and services.
- iii) Approaches to:
 - Problem solving and liaison with Officials
 - High level schedule of activities

Failure on the part of a bidder to fill in a part of this may be interpreted to mean that the functionality points are not claimed

Failure on the part of a bidder to sign this form will disqualify the bidder

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

1. FUNCTIONALITY POINTS CLAIMED IN TERMS OF PARAGRAPH 1 AND 2 ABOVE. POINTS TO BE CALCULATED FROM INFORMATION FURNISHED IN PARAGRAPH 4.

Functionality Criteria claimed	Existence/Experience	Points
Experience of Firm	.....projects	.....
Experience of key personnel:		
i) Project Manager	.....years	.....
ii) Assistant	.....years	.....
iii) Assistant	.....years	.....
Qualifications of key personnel:	Highest Qualification	
i) Project Manager	.....	.....
ii) Assistant	.....	.....
iii) Assistant	.....	.....

2. DECLARATION WITH REGARD TO FUNCTIONALITY

Details of Bidding Firm

- i) Number of local government projects that were successfully dealt with:.....
(List of similar successfully completed projects must be attached.)

Details of key personnel on the Project

- i) Name _____ of _____ Project Manager:.....
- Highest _____ relevant _____ qualification:.....
- Obtained _____ at:.....
- Obtained _____ in _____ which year:.....
- Experience: Attach a short CV not longer than 1 page, concentrating on relevant experience with specific reference to experience in line with the scope of this project. It must clearly state the number of year’s experience.
- Proof of the Qualification in the form of certified copy must be attached, as well as

- ii) professional registration, where applicable
- Name of Assistant:..... of
- Highest relevant qualification:.....
 - Obtained at:.....
 - Obtained in which year:.....
 - Experience: Attach a short CV not longer than 1 page, concentrating on relevant experience with specific reference to experience in line with the scope of this project. It must clearly state the number of year's experience.
 - Proof of the Qualification in the form of certified copy must be attached, as well as professional registration, where applicable

- iii) Name of Assistant:.....
- Highest relevant qualification:.....
 - Obtained at:.....
 - Obtained in which year:.....
 - Experience: Attach a short CV not longer than 1 page, concentrating on relevant experience with specific reference to experience in line with the scope of this project. It must clearly state the number of year's experience.
 - Proof of the Qualification in the form of certified copy must be attached, as well as professional registration, where applicable

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

- (i) The information furnished is true and correct.
- (ii) In the event of a contract being awarded as a result of points claimed, the bidder may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
- (iii) If the claims are found to be incorrect, the purchaser may, in addition to any other remedy it may have -
 - (a) recover all costs, losses or damages it has incurred or suffered as a result of that person's conduct; and
 - (a) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

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

WITNESSES:

1.....

2.....

DATE:

ADDRESS:

.....

.....

.....

1. SCHEDULE OF WORK EXPERIENCE OF THE TENDERER – CURRENT CONTRACTS

CURRENT CONTRACTS						
EMPLOYER (Name, Tel, Fax, Email)		Contract Person (Name, Tel, Fax, Email)		NATURE OF WORK	VALUE OF WORK (INCL. VAT)	DATE COMPLETED
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				

Attach additional pages if more space is required.

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

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

2. SCHEDULE OF WORK EXPERIENCE OF THE TENDERER – COMPLETED CONTRACTS

The following is a statement of similar work successfully executed by myself / ourselves:

COMPLETED CONTRACTS						
EMPLOYER (Name, Tel, Fax, Email)		Contact Person (Name, Tel, Fax, Email)		NATURE OF WORK	VALUE OF WORK (INCL. VAT)	DATE COMPLETED
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				

Attach additional pages if mores space is required.

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

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

FORM C

List of recent previous work of a similar nature undertaken by the firm to government institutions and corporates.

Description of Project	Client contact details			Value of Contract	Year Completed
	Name of Client	Name of Responsible Official	Telephone no		

PAMUN 17

AMENDMENTS, QUALIFICATIONS OR ALTERNATIVE OFFERS BY THE BIDDER

PAGE	DESCRIPTION

SIGNED ON BEHALF OF BIDDER:

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 **PRINCE ALBERT Municipality** in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number **SCM 17/2018** 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 Amended Preferential Procurement Regulations 2017;
 - 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 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	.....

2	.....

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)

7. I hereby undertake to render services described in the attached bidding documents to (name of the institution) **PRINCE ALBERT Municipality** in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number **68/2018** 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.
8. The following documents shall be deemed to form and be read and construed as part of this agreement:
- (iv) 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 Amended Preferential Procurement Regulations 2017;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (v) General Conditions of Contract; and
 - (vi) Other (specify)
9. 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.
10. 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.
11. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
12. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
3	.....
4	.....

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.

<i>DESCRIPTION OF SERVICE</i>	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	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

....

PRINCE ALBERT MUNICIPALITY

**PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information inspection
6. Patent Rights
7. Performance security
8. Inspections, tests and analyses
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental Services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Variation orders
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Anti-dumping and countervailing duties and rights
25. Force Majeure
26. Termination for insolvency
27. Settlement of Disputes
28. Limitation of Liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. Transfer of contracts
34. Amendments of contracts
35. Prohibition of Restrictive Practices

General Conditions of Contract (GCC)

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 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 bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
 - 1.14 “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 bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of

entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.

- 1.17 “Local content” means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 “Project site,” where applicable, means the place indicated in bidding documents.
- 1.21 “Purchaser” means the organization purchasing the goods.
- 1.22 “Republic” means the Republic of South Africa.
- 1.23 “SCC” means the Special Conditions of Contract.
- 1.24 “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.
- 1.25 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 “Tort” means in breach of contract.
- 1.27 “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.
- 1.28 “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 bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding 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 bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non refundable fee for documents may be charged.
- 3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

4. Standards

- 4.1 The goods supplied shall conform to the standards mentioned in the bidding 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

- 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 bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the 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 or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque.
- 7.4 The performance security will be discharged by the purchaser and returned to the 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-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder 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 bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

- 8.4 If the inspections, tests and analyses referred to in 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.
- 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 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:

- (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 fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the 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 bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

- 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 bid. Such notification, in the original bid 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:
- (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 judgement 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.
- 23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.
- 23.5 Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
 - (ii) the date of commencement of the restriction
 - (iii) the period of restriction; and
 - (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

- 23.7 If a court of law convicts a person of an offence as contemplated in Schedules 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to Schedule 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website

24. Anti-dumping and countervailing duties and rights

- 24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the 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.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of Liability

- 28.1 Except in cases of criminal negligence or wilful 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 bid 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 bid 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 bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder 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 of the purchaser

34. Amendment

- 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, shall also be in writing.

35. Prohibition of restrictive practices

- 35.1 In terms of Schedule 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 Schedule 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.