

# GREATER GIYANI MUNICIPALITY



**CONTRACT NUMBER: G/G/M/6114/001/2026**

## REQUEST FOR PROPOSAL (RFP)

FOR THE

APPOINTMENT OF A SERVICE PROVIDER FOR SHORT-TERM INSURANCE BROKERING FOR A PERIOD 36 MONTHS

|                |   |  |
|----------------|---|--|
| NAME OF BIDDER | : |  |
| CONTACT PERSON | : |  |
| TEL NUMBER     | : |  |
| FAX NUMBER     | : |  |
| CSD REF NO     | : |  |
| TOTAL PRICE    | : |  |

THE MUNICIPAL MANAGER

GREATER GIYANI MUNICIPALITY

PRIVATE BAG X 9559

GIYANI

0826

CLOSING DATE:

19/11/2025 @12H00 PM

R780.00

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## INVITATION TO BID



## GREATER GIYANI MUNICIPALITY

RFP NO: G/G/M/6114/001/2026

CLOSING DATE: 19 November 2025

## REQUEST FOR PROPOSAL FOR THE

## APPOINTMENT OF A SERVICE PROVIDER FOR SHORT-TERM INSURANCE BROKERING FOR A PERIOD 36 MONTHS.

The Greater Giyani Local Municipality hereby invites bids from experienced and suitably qualified service provider for APPOINTMENT OF A SERVICE PROVIDER FOR SHORT-TERM INSURANCE BROKERING FOR A PERIOD 36 MONTHS.

Bid documents may be collected from 24 October 2025 at Greater Giyani Municipal Offices during working hours from 07H00 to 15H15, Ground floor, Civic Centre, Giyani Main Road (Opposite old Nkhensani Hospital) upon payment of a non-refundable bid amount of R 780.00. Only cash or EFT will be accepted.

Compulsory Briefing Session: None.

Telegraphic, telephonic, telex, facsimile, e-mail and late bids will not be accepted.

Duly fully completed bids enclosed in a sealed envelope marked "Tender No. G/G/M/6114/001/2026: APPOINTMENT OF A SERVICE PROVIDER FOR SHORT-TERM INSURANCE BROKERING FOR A PERIOD 36 MONTHS with the name of the bidder shall be deposited in the bid box at the foyer provided at the Civic Centre. The bids will be opened in public. Bids may only be submitted on the bid documentation that is issued. The closing date is the 19 November 2025 at 12H00 PM.

A preferential point system shall apply whereby a contract will be allocated to a bidder in accordance with the Preferential Procurement Policy Framework Act, Act No 5 of 2000 and as defined in the Conditions of Bid in the bid document.

Enquiries related to this bid must be addressed to Ms Maluleke GP at 015 811 5702, email: [malulekegp@greatergiyani.gov.za](mailto:malulekegp@greatergiyani.gov.za)

**Employer:** The Municipal Manager  
Greater Giyani Municipality  
PRIVATE BAG X 9559  
GIYANI  
0826

Bidders should take note of following conditions:

- Bid will be evaluated / adjudicated in term of Greater Giyani Municipality's SCM policy; Preferential Procurement regulation 2022; MFMA: SCM regulations & other Applicable legislations
- Greater Giyani Municipality does not bind itself to accept the lowest or any bid; reserves right to appoint / cancel or accept whole or part of a bid or to negotiate further condition in terms of MFMA: SCM regulation 24, The valid period of the submitted bids is 90 days counting from opening/closing date,
- Bidders shall complete & sign all Forms of Bid and initial each page; Agree/Accept General Conditions of Contracts, Special Conditions; Term of references, Specifications and any attachments which deemed to be condition of Contract between the parties.
- Failure to complete all blank spaces in the forms and to attend to the other details mentioned herein will results into bid rejection/disqualified
- Council will not appoint service providers that are not registered on the CSD.
- Contract period: 36 months
- Bids which are late, incomplete, unsigned, faxed or emailed will not be accepted

## ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

**Contact Person :** Mr Baloyi M.S  
**Contact Number :** (015) 811 5500  
**Fax :** (015) 812 1683

## ANY ENQUIRIES REGARDING BIDDING PROCESSES MAY BE DIRECTED TO:

**Contact Person :** Ms Maluleke GP  
**TEL NUMBER :** (015) 811 5702  
**Fax :** (015) 812 1683

## 1. BIDDER PARTICULARS

**THE FOLLOWING PARTICULARS MUST BE FURNISHED**  
**(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)**

NAME OF BIDDER : \_\_\_\_\_

POSTAL ADDRESS : \_\_\_\_\_

STREET ADDRESS : \_\_\_\_\_

CONTACT NUMBER Office: \_\_\_\_\_  
Mobile: \_\_\_\_\_

FACSIMILE NUMBER : CODE \_\_\_\_\_ NUMBER \_\_\_\_\_

E-MAIL ADDRESS : \_\_\_\_\_

VAT REGISTRATION NUMBER: \_\_\_\_\_

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED? (MBD 2) YES / NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1) YES / NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY? (Tick applicable box)

|                                                                                             |  |
|---------------------------------------------------------------------------------------------|--|
| AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)                    |  |
| A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS) |  |
| A REGISTERED AUDITOR                                                                        |  |

ARE YOU THE ACCREDITED REPRESENTATIVE? YES / NO  
IN SOUTH AFRICA FOR THE GOODS/SERVICES/WORKS OFFERED? (IF YES ENCLOSE PROOF) YES / NO

SIGNATURE OF BIDDER : \_\_\_\_\_

DATE : \_\_\_\_\_

CAPACITY UNDER WHICH THIS BID IS SIGNED :

\_\_\_\_\_

TOTAL BID PRICE:

\_\_\_\_\_

\_\_\_\_\_

TOTAL NUMBER OF ITEMS  
OFFERED: \_\_\_\_\_

\_\_\_\_\_

## 2. RETURNABLE DOCUMENTS

### List of Returnable Documents and Returnable Schedules Required for Bid Evaluation Purposes

- a. Resolution of Board of Directors
- b. The Bidder(s) must attach the Central Supplier Database (CSD) detailed/full report printed within the advertised bid period (between advertised date and closing date).
- c. Bidder(s) must attach copy of Company registration / CK Registration Certificate.
- d. Valid company SARS tax clearance certificate / or tax pin number.
- e. Certified ID copies of Director(s) / Member(s) of the company valid at the time of closure.
- f. (i) Recent copy of statement of municipal rates and taxes for the company (which correspond with CSD / CK address) and of its director(s) (from the billing municipality) which are not in arrears for more than three (03) months in line with regulation no. 38 of Municipal Supply Chain Management Regulations or (ii) Recent and original stamped proof of residence from Traditional Authority or Induna only if the business is located in a non-rateable area or (iii) Copy of the valid lease agreement if rented, accompanied by three (3) months proof of payments for the lease before the closing date of the advert.
- g. Joint venture agreements(s) only in the case of two or more companies doing business together, formal contract agreement must be attached.
- h. If joint venture, each party/company must attach information required in a-f above.
- i. The bid document must be properly completed in black ink and every page must be initialled (all MBD forms and condition of contract).
- j. All relevant supporting documents in terms Greater Giyani Municipality Specific Goals must be attached.
- k. All MBD forms must be completed and signed, except MBD 7.2.
- l. Proof of purchase of tender document (receipt)
- m. Professional registration with the relevant professional body (SAIA, FCSA, etc.)
- n. If the bidder owns more than one property, all rates and taxes must be submitted and complete a consent form. (Only applicable to awarded bidder).

NB: Certification on the documents should not be older than three months and only commissioner of oaths certification will be accepted. Bidders will be disqualified for failure to submit any of the returnable documents listed above (with the exception of specific goals attachment where points will be forfeited).

#### Please note:

- (a) No bid will be accepted from the person in the service of the state.
- (b) Municipality reserves the right to accept or reject any bid or part thereof and is not obliged to accept the lowest bid.
- (c) Municipality reserves the right to accept a bid in part.
- (d) This document must be completed in detailed and each page must be initialized.
- (e) Bids shall remain valid for a period of 90 (ninety) days after the closing date.
- (f) Telegraphic, telephonic, telex, facsimile, email and late bids will not be accepted.
- (g) Bids may only be submitted on the original bid documentation that is issued by Greater Giyani Municipality.

**Bidders should ensure that bids are delivered timeously to the correct address and comply with all terms and conditions of this bid/tender. If the bid is late, it will not be accepted for consideration.**

NB. MBD 4 FORM MUST BE FULLY COMPLETED. SHOULD IT COME TO THE ATTENTION OF THE MUNICIPALITY THAT MBD 4 FORM IS FILLED INCORRECTLY AND UNTRUTHFULLY, THE MUNICIPALITY WILL TAKE THE NECESSARY STEPS SUCH AS:

- a. DISQUALIFY THE BIDDER
- b. BLACKLIST THE BIDDER ON THE NATIONAL TREASURY DATABASE

### 3. EVALUATION AND ADJUDICATION OF BID

Bids will be evaluated and adjudicated in terms of Greater Giyani Municipality Supply Chain Management Policy and Preferential Procurement Policy Framework Act No 5 of 2000. The 80/20 preferential procurement points system as outlined in the bid document will apply.

The procedure for the evaluation of responsive bidders will be evaluated using an 80/20 preferential point system which awards on the basis set out in the table below:

**A bidder must obtain a minimum of 70% under functionality/Quality to qualify for consideration.**

#### FUNCTIONALITY SCORE TABLE

| EVALUATION CRITERIA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                  | POINTS                         |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|--------------------------------|------------------|---------------------------------------------------------------------------|----|------------------------------------|----|-------------------------------|----|-------------------------|----|----|
| DESCRIPTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                  |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| <b>COMPANY EXPERIENCE FOR THE PROVISION OF SHORT-TERM INSURANCE SERVICES.</b><br><br>The company must have experience in providing short-term insurance to municipalities/ government institutions/parastatals/ private clients/private companies.<br><br><b>Attach four (04) copies</b> of valid <b>appointment letters</b> and <b>referral letters</b> for short-term insurance contracts previously executed for the <b>past ten (10) years</b> from the closing date of this project/bid.<br><br>Each contract equals 10 points which will be allocated based on the value of insured assets according to below table:<br><table><tr><th>Asset Value Range (R)</th><th>Point Allocation</th></tr><tr><td>0 – 200M</td><td>00</td></tr><tr><td>200.1M – 500M</td><td>04</td></tr><tr><td>500.1M – 800M</td><td>08</td></tr><tr><td>800.1M and above</td><td>10</td></tr></table><br><b>Half points will be allocated if only one required document is attached.</b><br><br><b>NB!! Appointment letters and referral letters are subjected to verification and must therefore be accompanied by contactable references and amounts.</b> |                  | Asset Value Range (R)          | Point Allocation | 0 – 200M                                                                  | 00 | 200.1M – 500M                      | 04 | 500.1M – 800M                 | 08 | 800.1M and above        | 10 | 40 |
| Asset Value Range (R)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Point Allocation |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| 0 – 200M                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 00               |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| 200.1M – 500M                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 04               |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| 500.1M – 800M                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 08               |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| 800.1M and above                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 10               |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| <b>METHODOLOGY</b><br><br>A detailed description of the <b>claims handling process</b> (including <b>response time</b> and <b>support structure</b> ).<br><br>Must include: Contact details, Office Location and Website.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                  |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| <b>RISK MANAGEMENT AND ADVISORY SERVICES</b><br><br>Evidence of <b>risk assessment, training, and preventative advisory services</b> offered to clients.<br><table><tr><th>Services offered to clients</th><th>Point Allocation</th></tr><tr><td>Comprehensive risk management program with annual risk reviews &amp; training</td><td>20</td></tr><tr><td>Partial risk management &amp; advisory</td><td>15</td></tr><tr><td>Ad-hoc risk support only</td><td>10</td></tr><tr><td>No risk management plan</td><td>00</td></tr></table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                  | Services offered to clients    | Point Allocation | Comprehensive risk management program with annual risk reviews & training | 20 | Partial risk management & advisory | 15 | Ad-hoc risk support only      | 10 | No risk management plan | 00 | 20 |
| Services offered to clients                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Point Allocation |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| Comprehensive risk management program with annual risk reviews & training                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 20               |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| Partial risk management & advisory                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 15               |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| Ad-hoc risk support only                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 10               |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| No risk management plan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 00               |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| <b>FINANCIAL CAPACITY AND STABILITY</b><br><br>The <b>audited financial statements</b> for the past <b>three (3) years</b> , showing solvency, positive ratios and capacity to underwrite municipal risk.<br><table><tr><th>Financial statements submitted</th><th>Point Allocation</th></tr><tr><td>Audited financials for 3 years</td><td>20</td></tr><tr><td>Audited financials for 2 years</td><td>15</td></tr><tr><td>Audited financials for 1 year</td><td>10</td></tr><tr><td>No financials</td><td>00</td></tr></table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                  | Financial statements submitted | Point Allocation | Audited financials for 3 years                                            | 20 | Audited financials for 2 years     | 15 | Audited financials for 1 year | 10 | No financials           | 00 |    |
| Financial statements submitted                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Point Allocation |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| Audited financials for 3 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 20               |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| Audited financials for 2 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 15               |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| Audited financials for 1 year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 10               |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| No financials                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 00               |                                |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |
| <b>Total points</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                  | <b>100</b>                     |                  |                                                                           |    |                                    |    |                               |    |                         |    |    |

**NB. Only bidders who score 70 out of 100 in respect of “Functionality” will be evaluated further and therefore eligible for award, and bidders score less than 70 points will be considered non-responsive.**

## BID SPECIFIC GOALS SCORE

The last evaluation will be done based on points that the bid specification committee has allocated for specific goals, as per table below:

A 20-point allocation on specific goals for tenders from R30 000 to R50 million, and a 10-point allocation on specific goals for tenders above R50 million:

| NO           | SPECIFIC GOALS                                 | POINTS FOR<br>80/20 | POINTS FOR<br>90/10 | PROOF TO CLAIM SPECIFIC<br>GOALS                                                                                                        |
|--------------|------------------------------------------------|---------------------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| a.           | Previously Disadvantaged People (Black People) | 04                  | 02                  | CSD report and Certified ID copy                                                                                                        |
| b.           | Youth                                          | 04                  | 02                  | CSD report and Certified ID copy                                                                                                        |
| c.           | Woman                                          | 04                  | 02                  | CSD and report and certified copy                                                                                                       |
| d.           | Person With Disabilities                       | 02                  | 02                  | Certified ID copy and disabilities certificate from a professional doctor                                                               |
| e.           | Locality:<br>Within Giyani<br>Within District  | 04<br>02            | 02<br>01            | Proof of residence for the director that corresponds with CK and CSD (address must have been updated 03 months prior the asking advert) |
| <b>TOTAL</b> |                                                | <b>20</b>           | <b>10</b>           |                                                                                                                                         |

#### 4. SCOPE OF WORK

##### **SPECIFICATION:**

The appointed service provider must provide **short-term insurance cover** for the municipality's assets and operations for a period 36 months, including but not limited to the following categories:

##### **Assets to be insured:**

- **Property:** Municipal buildings, offices, depots, and related structures.
- **Office Contents:** Furniture, computers, equipment, and fixtures.
- **Vehicles:** All municipal-owned or leased vehicles (motor, trucks, plant, etc.)
- **Infrastructure:** Roads, bridges, water and sewer networks, electrical infrastructure.
- **Specialised Equipment:** Communication equipment
- **Stock and Materials:** Stored consumables or supplies at municipal premises.
- **Assets in open spaces:** Traffic lights, Street lights, transformers, etc.
- **Cyber insurance cover:** Data breaches, Hacking or ransomware attacks, System failure or data loss, Unauthorised access to municipal systems (e.g. mSCOA, billing, payroll, email), Theft of personal or financial data.

##### **Types of Insurance Cover required:**

- **Fire and Allied Perils:** Cover against fire, lighting, explosion, storm, flood, and related risks.
- **Theft/Burglary:** Theft of municipal assets and contents.
- **Motor Vehicle Insurance:** Comprehensive and third-party cover for all registered vehicles.
- **Glass Insurance:** Accidental damage to glass panels and windows.
- **Fidelity Guarantee:** Loss through fraud or dishonesty by municipal employees.
- **Public Liability:** Protection against legal liability for injury or property damage to third parties.
- **Professional Indemnity:** Cover for losses arising from professional errors or omissions.
- **Personal Accident:** Cover for councillors and officials during municipal duties.
- **Electronic Equipment:** Damage or loss to IT and electronic systems.
- **Plant All-Risk:** For construction and maintenance machinery or equipment.
- **SASRIA (South African Special Risks Insurance Association) Cover:** For damages due to riots, strikes, and civil commotion to municipal and councillors' property.
- **Goods in transit:** Damage or loss of goods while being transported by the municipality.
- **Cyber Insurance:** Cover against cyber risks (hacking, system malfunctions, etc.)

## Greater Giyani Municipality Assets Register Summary

| <b>Assets description</b>                       | <b>Amounts R'000</b> |
|-------------------------------------------------|----------------------|
| Moter Vehicles                                  | 25 191 170.64        |
| Office equipment's                              | 1 519 294.35         |
| Electronic Equipment (computer and accessories) | 21 709 564.67        |
| Air conditioners                                | 4 738 077.43         |
| Heritage assets                                 | 339 866.65           |
| Furniture fittings                              | 8 954 547.59         |
| Plant and machinery                             | 53 550 769.77        |
| Buildings                                       | 128 680 946.93       |
| Community assets                                | 169 719 461.09       |
| Intangible assets                               | 9 674 315.05         |
| Investment properties                           | 75 309 654.90        |
| Stock and Materials (consumables)               | 6 000 000.00         |

## CURRENT EXCESS PAYMENT FROM THE UNDERWRITER

|                                                                                         | EXCESSES                                                                       |
|-----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| <b>COMBINED</b>                                                                         |                                                                                |
| <b>All Transformers / Electrical / Reticulation claims: Unless other wise specified</b> | Refer Below                                                                    |
| i) Sub-stations / Power Stations                                                        | 10% of claim min R600 000                                                      |
| ii) Mini-Substations                                                                    | 10% of claim min R300 000                                                      |
| iii) Pole Transformers                                                                  | 15% of claim min R30 000                                                       |
| iv) Low vantage network reticulation between 10V to 400V                                | 25% of claim min R25 000                                                       |
| v) Buildings at all Reticulation Centres:                                               | 10% of claim min 100 000                                                       |
| All Other Claims: ( Unless specifically defined)                                        |                                                                                |
| High Mast Lights                                                                        | 10% minimum R 10 000 of each and every gross claim                             |
| Sport Stadiums (Spraylights, Highmast Lightning, etc)                                   | 15% minimum R 20 000 of each and every gross claim                             |
| Generators (Fixed) -From Vehicles                                                       | 20% minimum R 50 000 of each and every gross claim                             |
| Fire as direct result of Arson                                                          | 20% minimum R 25 000 of each and every gross claim                             |
| Geyser                                                                                  | 25% minimum R 200 000 of each and every gross claim                            |
| Loss or damage to retaining walls                                                       | 10% of claim minimum R1000 if SABS approved, if not 10% of Claim minimum R2500 |
| Parked vehicles:                                                                        | 10% of claim minimum R2 500                                                    |
| Malicious Damage / Theft                                                                | R100,000 of each and every gross claim                                         |
| Theft of cables and electrical conductors                                               | 25% minimum R 350 000 of each and every gross claim                            |
| Vehicles Whilst Parked                                                                  | 10% minimum R 350,000 of each and every gross claim                            |
| Traffic signs, lights, parking meters and lampposts (if stated to be included)          | 20% of claim, minimum R100 000                                                 |
| Unoccupied buildings (First 4 weeks of unoccupation) after 4 weeks cover is cancelled   | 10% minimum R 25 000 of each and every gross claim                             |
|                                                                                         | 25% minimum R 10 000.00 each and every gross claim                             |
| <b>HOUSEOWNERS</b>                                                                      |                                                                                |
| (a) Council Residential buildings hostels and flats                                     | 5% of Gross claim min R 5000 of each and every dwelling unit                   |
| (b) All other Redidential propeties                                                     | 5% of Gross claim min R 5 000 of each and every dwelling unit                  |
| (c) Malicious Damage - For All Residential Houses                                       | 20% of Gross claim min R 25 000 of each and every dwelling unit                |
| (d) Subsidence & Landslip - iro Residential property                                    | 5% of Gross claim min R 10 000 of each and every dwelling unit                 |
| <b>BUSINESS INTERRUPTION</b>                                                            | As per Combined section                                                        |
| <b>OFFICE CONTENTS</b>                                                                  |                                                                                |
| Contents                                                                                | 5% minimum R5000 of each and every gross claim                                 |
| Personal Property of the Councillors /Employees                                         | R1 500 of each and every gross claim                                           |
| Locks and keys                                                                          | R500 of each and every gross claim                                             |
| Theft or burglary                                                                       | 10% of claim minimum R1 500 maximum R25 000                                    |
| <b>ACCOUNTS RECEIVABLE</b>                                                              |                                                                                |
|                                                                                         | R2,500 of each and every gross claim                                           |
| <b>BUSINESS ALL RISKS</b>                                                               |                                                                                |
| All items as per schedule                                                               | 10% minimum R2,500 of each and every gross claim                               |
| Cellphones                                                                              | 10% minimum R1 000 of each and every gross claim                               |
| Laptops                                                                                 | 10% of each and every gross claim minimum R2,500                               |
| Tablets / Ipad                                                                          | 15% of each and every gross claim minimum R2,500                               |
| Portable Toilets                                                                        | 25% of each and every gross claim minimum R50 000                              |
| Smart meters                                                                            | 15% of each and every gross claim minimum R10 00                               |
| Fire Fighting Equipements                                                               | R500 of each and every item                                                    |
| Employees Persnol Effects                                                               | R850 of each and every gross claim                                             |
| Locks and keys                                                                          | R500 of each and every gross claim                                             |
| <b>GLASS</b>                                                                            |                                                                                |
|                                                                                         | R2,500 of each and every gross claim                                           |
| <b>THEFT</b>                                                                            |                                                                                |
| All other claims                                                                        | 10% minimum R5,000 of each and every gross claim                               |
| Goods in the Open                                                                       | 25% minimum R 50,000 of each and every gross claim                             |
| Locks and keys                                                                          | R500 of each and every gross claim                                             |
| <b>MONEY</b>                                                                            |                                                                                |
| Loss or damage to money as a result of dishonest employee/conuncillor                   | Fidelity Guarantee excess applies                                              |
| All other claims                                                                        | 10% minimum R2,500 of each and every gross claim                               |
| <b>FIDELITY GUARANTEE</b>                                                               |                                                                                |
|                                                                                         | 15% of sum insured plus 15% of nett claim                                      |
| <b>GOODS IN TRANSIT</b>                                                                 |                                                                                |
| Basic excess                                                                            | 10% of claim minimum R1 000                                                    |
| Accumulative to basic excess:                                                           |                                                                                |
| Losses following hijack                                                                 | 20% of claim minimum R2 000                                                    |
| Debris removal                                                                          | 10% of claim minimum R2 000                                                    |

|                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>ACCIDENTAL DAMAGE</b><br>Indemnity limit up to R500 000<br>Indemnity limit R500 001 and up 10% of claim minimum R2 500<br>Defined events                                                                                                                                                                           | 10% minimum R 2 500.00 of each and every gross claim<br>15% minimum R 5 500.00 of each and every gross claim<br>5% of claim minimum R1000                                                                                                                                                                                                                                                                                |
| <b>GROUP PERSONAL ACCIDENT</b><br>Medical Expense<br>TTD                                                                                                                                                                                                                                                              | R500 of each and every gross claim<br>7 Day time excess                                                                                                                                                                                                                                                                                                                                                                  |
| <b>STATED BENEFITS</b><br>Medical Expense<br>TTD                                                                                                                                                                                                                                                                      | R500 of each and every gross claim<br>7 Day time excess                                                                                                                                                                                                                                                                                                                                                                  |
| <b>ELECTRONIC EQUIPMENT</b><br>Increase in Cost of Working<br>Reconstruction of Data<br>Lightning/Power surge<br>Cellphones<br>Tablets / Ipads<br>Laptops<br>Any other loss                                                                                                                                           | 24 Hours time excess<br>R2,500 of each and every gross claim<br>10% of each and every gross claim minimum R5,000<br>10% minimum R1 000 of each and every gross claim<br>15% of each and every gross claim minimum R2,500<br>10% of each and every gross claim minimum R2,500<br>5% minimum R2,500 of each and every gross claim                                                                                          |
| <b>MACHINERY BREAKDOWN</b><br>Increase in Cost of Working<br>Any other loss<br><b>Loss of Profit following Machinery Breakdown</b><br>Basic excess all claims<br>Time excess:                                                                                                                                         | 24 Hours time excess<br>10% minimum R150,000 of each and every gross claim<br>5% of claim minimum R1 000<br>24 Hours                                                                                                                                                                                                                                                                                                     |
| <b>All Transformers / Electrical / Reticulation claims:</b>                                                                                                                                                                                                                                                           | 10% minimum R 300 000.00 each and every claim                                                                                                                                                                                                                                                                                                                                                                            |
| <b>LIABILITIES</b><br>All Claims<br>Products Liability<br>Errors & Omissions<br>Wrongful Arrest /Defamation<br>Employers Liability<br>Legal Defence Costs<br>Potholes<br>Spread of Fire<br>Man Hole<br>Motor Third Party Liability - Any other<br>Motor Third Party Liability - Private & Commercial upto 3500 Kg gvm | R 25,000 of gross claim each and every occurrence<br>10% of claim, min R50 000<br>10% of claim, min R10 000<br>10% of claim, min R2 500<br>10% of claim, min R2 500<br>10% of claim, min R2 500<br>R100,000 of each and every gross claim<br>10% of claim, min R100 000<br>R250,000 of each and every gross claim<br>R25,000 of gross claim each and every occurrence<br>R5,000 of gross claim each and every occurrence |
| <b>MOTOR FLEET</b><br>Private type Vehicles, LDV's (windcreens)<br>Second Windscreen Claim on the same Vehicle<br>Third Windscreen Claim on the same Vehicle<br>Special Types, Fire Engines & Commercial Trucks (windcreens)                                                                                          | 25% minimum R1000 of each and every gross claim<br>Additional R750 of each and every gross claim<br>Additional R1000 of each and every gross claim<br>25% of each and every gross claim min R 3 500                                                                                                                                                                                                                      |
| <b>Passenger Cars, LDVs &amp; Minibuses (18 seater and less)</b><br>- Vehicles valued up to R100,000<br>- Vehicles valued between R100,001 and R500 000<br>- Vehicles valued above R500 001                                                                                                                           | 5% of each and every gross claim min R 5,000<br>10% of each and every gross claim min R 7,500<br>10% of each and every gross claim min R 10,000                                                                                                                                                                                                                                                                          |
| <b>Trucks &amp; Mechanical Horses (Vehicles with a Gross Vehicle Mass of over 3,500kg, Buses (19 seater and more)</b><br>- Vehicles valued up to R200,000<br>- Vehicles valued between R200,000 and R499,000<br>- Vehicles valued Between R500,000 and R1 000 000<br>- Vehicles valued above R1 000 000               | 10% of the claim with a minimum of R7,500<br>10% of the claim with a minimum of R15,000<br>10% of the claim with a minimum of R30,000<br>10% of the claim with a minimum of R50,000                                                                                                                                                                                                                                      |
| <b>Special types &amp; fire engines</b><br><b>Special Types i.e. road making and construction machinery/vehicles, refuse removal vehicles, street sweepers, etc</b>                                                                                                                                                   | 20% of claim minimum R 35 000<br>20% of claim minimum R 50 000                                                                                                                                                                                                                                                                                                                                                           |
| <b>Tractors, Harvesters &amp; Other Agricultural Equipment</b><br>- Vehicles valued up to R200,000<br>- Vehicles valued above R200,000<br><br>Trailers, Lawnmowers<br>Loss of keys<br>Motor Cycles<br>Theft/Hi-Jack                                                                                                   | 10% of the claim with a minimum of R10 000<br>10% of the claim with a minimum of R 25 000<br><br>10% of each and every gross claim min R2500<br>R 750 each and every claim<br>10% of each and every gross claim min R2500<br>additional 30% of value if not fitted with a tracking devise                                                                                                                                |

**All vehicles with valued exceeding R500 000 must be fitted with a Tracking device for theft cover to be enjoyed under this policy**

**RESOLUTION OF BOARD OF DIRECTORS**

**RESOLUTION** of a meeting of the Board of \*Directors / Members / Partners of:

\_\_\_\_\_

Held at \_\_\_\_\_ (place)

On \_\_\_\_\_ (date)

**RESOLVED that:**

1. The Enterprise submits a Bid / Bid to the Greater Giyani Local Municipality in respect of the following project: APPOINTMENT OF A SERVICE PROVIDER FOR SHORT-TERM INSURANCE BROKERING FOR A PERIOD 36 MONTHS: Bid / Bid Number: G/G/M/6114/001/2026.
2. \*Mr/Mrs/Ms: \_\_\_\_\_

In \*his/her Capacity as:

\_\_\_\_\_  
(Position in the Enterprise)

And who will sign as follows: \_\_\_\_\_

be, and is hereby, authorised to sign the Bid / Bid, and any and all other documents and/or correspondence in connection with and relating to the Bid / Bid, as well as to sign any Contract, and any and all documentation, resulting from the award of the Bid / Bid to the Enterprise mentioned above.

| No | Name | Capacity | Signature |
|----|------|----------|-----------|
| 1  |      |          |           |
| 2  |      |          |           |

**Note:**

1. \* Delete which is not applicable
2. **NB.** This resolution must be signed by all the Directors / Members / Partners of the Bidding Enterprise
3. Should the number of Directors / Members/Partners exceed the space available above, additional names and signatures must be supplied on a separate page

**ENTERPRISE STAMP**

**RESOLUTION OF BOARD OF DIRECTORS TO ENTER INTO CONSORTIA OR JOINT VENTURES**

RESOLUTION of a meeting of the Board of \*Directors / Members / Partners of:

(Legally correct full name and registration number, if applicable, of the Enterprise)

Held at \_\_\_\_\_ (place) on \_\_\_\_\_ (date)

RESOLVED that:

1. The Enterprise submits a Bid /Bid, in consortium/Joint Venture with the following Enterprises:

(List all the legally correct full names and registration numbers, if applicable, of the Enterprises forming the Consortium/Joint Venture)

2. The Enterprise submits a Bid / Bid to the Greater Giyani Local Municipality in respect of the following project:
3. APPOINTMENT OF A SERVICE PROVIDER FOR SHORT-TERM INSURANCE BROKERING FOR A PERIOD 36 MONTHS: Bid / Bid Number: G/G/M/6114/001/2026.

\*Mr/Mrs/Ms: \_\_\_\_\_

in \*his/her Capacity as: \_\_\_\_\_  
(Position in the Enterprise)

and who will sign as follows: \_\_\_\_\_

be, and is hereby, authorized to sign a consortium/joint venture agreement with the parties listed under item 1 above, and any and all other documents and/or correspondence in connection with and relating to the consortium/joint venture, in respect of the project described under item 1 above.

4. The Enterprise accepts joint and several liability with the parties listed under item 1 above for the due fulfilment of the obligations of the joint venture deriving from, and in any way connected with, the Contract to be entered into with the Department in respect of the project described under item 1 above.
5. The Enterprise chooses as its *domicilium citandi et executandi* for all purposes arising from this joint venture agreement and the Contract with the Department in respect of the project under item 1 above:

Physical address: \_\_\_\_\_

Postal Address: \_\_\_\_\_

\_\_\_\_\_ Code \_\_\_\_\_

\_\_\_\_\_ code \_\_\_\_\_

Telephone number: \_\_\_\_\_ (code) \_\_\_\_\_

Fax number: \_\_\_\_\_ (code) \_\_\_\_\_

| No | Name | Capacity | Signature |
|----|------|----------|-----------|
| 1  |      |          |           |
| 2  |      |          |           |

Note:

1. \* Delete which is not applicable
2. NB. This resolution must be signed by all the Directors / Members / Partners of the Bidding Enterprise
3. Should the number of Directors / Members/Partners exceed the space available above, additional names and signatures must be supplied on a separate page

ENTERPRISE STAMP

**SPECIAL RESOLUTION OF CONSORTIA OR JOINT VENTURES**

**RESOLUTION** of a meeting of the duly authorised representatives of the following legal entities who have entered into a consortium/joint venture to jointly bid for the project mentioned below: *(legally correct full names and registration numbers, if applicable, of the Enterprises forming a Consortium/Joint Venture)*

1. \_\_\_\_\_

2. \_\_\_\_\_

Held at \_\_\_\_\_ (place) on

\_\_\_\_\_ (date)

**RESOLVED that:**

The above-mentioned Enterprises submit a Bid in Consortium/Joint Venture to the Greater Giyani Local Municipality in respect of the following project: APPOINTMENT OF A SERVICE PROVIDER FOR SHORT-TERM INSURANCE BROKERING FOR A PERIOD 36 MONTHS: Bid / Bid Number: G/G/M/6114/001/2026.

A. Mr/Mrs/Ms: \_\_\_\_\_

in \*his/her Capacity as: \_\_\_\_\_  
(Position in the Enterprise)

and who will sign as follows: \_\_\_\_\_

be, and is hereby, authorised to sign the Bid, and any and all other documents and/or correspondence in connection with and relating to the Bid, as well as to sign any Contract, and any and all documentation, resulting from the award of the Bid to the Enterprises in Consortium/Joint Venture mentioned above.

- B. The Enterprises constituting the Consortium/Joint Venture, notwithstanding its composition, shall conduct all business under the name and style of: \_\_\_\_\_
- C. The Enterprises to the Consortium/Joint Venture accept joint and several liability for the due fulfilment of the obligations of the Consortium/Joint Venture deriving from, and in any way connected with, the Contract entered into with the municipality in respect of the project described under item A above.
- D. Any of the Enterprises to the Consortium/Joint Venture intending to terminate the consortium/joint venture agreement, for whatever reason, shall give Greater Giyani Municipality 30 days written notice of such intention. Notwithstanding such decision to terminate, the Enterprises shall remain jointly and severally liable to the municipality for the due fulfilment of the obligations of the Consortium/Joint Venture as mentioned under item C above.
- E. No Enterprise to the Consortium/Joint Venture shall, without the prior written consent of the other Enterprises to the Consortium/Joint Venture and of the municipality, cede any of its rights or assign any of its obligations under the consortium/joint venture agreement in relation to the Contract with the municipality referred to herein.
- F. The Enterprises choose as the *domicilium citandi et executandi* of the Consortium/Joint Venture for all purposes arising from the consortium/joint venture agreement and the Contract with the municipality in respect of the project under item A above:

Physical address: \_\_\_\_\_

Postal Address: \_\_\_\_\_

\_\_\_\_\_ Code \_\_\_\_\_ Code \_\_\_\_\_

Telephone number: \_\_\_\_\_ (code) \_\_\_\_\_ Fax number: \_\_\_\_\_ (code) \_\_\_\_\_

|   | NAME | CAPACITY | SIGNATURE |
|---|------|----------|-----------|
| 1 |      |          |           |
| 2 |      |          |           |

**Note:**

- \* Delete which is not applicable
- NB.** This resolution must be signed by all the Duly Authorised Representatives of the Legal Entities to the Consortium/Joint Venture submitting this Bid
- Should the number of Duly Authorised Representatives of the Legal Entities joining forces in this Bid exceed the space available above, additional names and signatures must be supplied on a separate page
- Resolutions, duly completed and signed, from the separate Enterprises who participate in this Consortium/Joint Venture must be attached to the Special Resolution.

## TAX CLEARANCE REQUIREMENTS

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

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

## APPLICATION FOR TAX CLEARANCE CERTIFICATE (IN RESPECT OF BIDDERS)

1.Name of taxpayer / bidder.....

2.Trade name.....

|    |                                                      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|----|------------------------------------------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| 3. | Identification number:                               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|    |                                                      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 4. | Company / Close Corporation registration number:     |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|    |                                                      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 5. | Income tax reference number:                         |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|    |                                                      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 6. | VAT registration number (if applicable):             |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|    |                                                      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 7. | PAYE employer's registration number (if applicable): |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

Signature of contact person requiring Tax Clearance Certificate:.....

Name:.....

Telephone number: Code:.....Number:.....

Address:.....

.....

.....

DATE: 20\_\_\_\_ / \_\_\_\_ / \_\_\_\_

PLEASE NOTE THAT THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE (SARS) WILL NOT EXERCISE HIS DISCRETIONARY POWERS IN FAVOUR OF ANY PERSON WITH REGARD TO ANY INTEREST, PENALTIES AND / OR ADDITIONAL TAX LEVIABLE DUE TO THE LATE- OR UNDERPAYMENT OF TAXES, DUTIES OR LEVIES OR THE RENDITION RETURNS BY ANY PERSON AS A RESULT OF ANY SYSTEM NOT BEING YEAR 2000 COMPLIANT.

## PRICING SCHEDULE – FIRM PRICES (PURCHASES)

**NOTE:** ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS WILL NOT BE CONSIDERED)

|                                                                                                  |
|--------------------------------------------------------------------------------------------------|
| Name of Bidder : _____<br><br>Bid Number : _____<br><br>Closing Time: _____ Closing Date : _____ |
|--------------------------------------------------------------------------------------------------|

OFFER TO BE VALID FOR **90** DAYS FROM THE CLOSING DATE OF BID.

| No. | Description of Cover     | Sum Insured (R) | Excess (R) | Monthly Premium (R) | Annual Premium (R) | Notes/Comments                                                                     |
|-----|--------------------------|-----------------|------------|---------------------|--------------------|------------------------------------------------------------------------------------|
| 1   | Fire and Allied Perils:  |                 |            |                     |                    | Cover against fire, lighting, explosion, storm, flood, and related risks.          |
| 2   | Theft/Burglary:          |                 |            |                     |                    | Theft of municipal assets and contents.                                            |
| 3   | Motor Vehicle Insurance: |                 |            |                     |                    | Comprehensive and third-party cover for all registered vehicles.                   |
| 4   | Glass Insurance:         |                 |            |                     |                    | Accidental damage to glass panels and windows.                                     |
| 5   | Fidelity Guarantee:      |                 |            |                     |                    | Loss through fraud or dishonesty by municipal employees.                           |
| 6   | Public Liability:        |                 |            |                     |                    | Protection against legal liability for injury or property damage to third parties. |
| 7   | Professional Indemnity:  |                 |            |                     |                    | Cover for losses arising from professional errors or omissions.                    |
| 8   | Personal Accident:       |                 |            |                     |                    | Cover for councillors and officials during municipal duties.                       |

|                                  |                                                                   |  |  |         |         |                                                                                                |
|----------------------------------|-------------------------------------------------------------------|--|--|---------|---------|------------------------------------------------------------------------------------------------|
| 9                                | Electronic Equipment:                                             |  |  |         |         | Damage or loss to IT and electronic systems.                                                   |
| 10                               | Plant All-Risk:                                                   |  |  |         |         | For construction and maintenance machinery or equipment.                                       |
| 11                               | SASRIA (South African Special Risks Insurance Association) Cover: |  |  |         |         | For damages due to riots, strikes, and civil commotion to municipal and councillors' property. |
| 12                               | Goods in transit:                                                 |  |  |         |         | Damage or loss of goods while being transported by the municipality.                           |
| 13                               | Cyber Insurance:                                                  |  |  |         |         | Cover against cyber risks (hacking, system malfunctions, etc.)                                 |
| TOTAL ANNUAL PREMIUM (INCL. VAT) |                                                                   |  |  | R _____ | R _____ |                                                                                                |

Bidders are free to attach their own breakdown of costs, where necessary, for each of the above items. However, the above table must still be completed.

- Does offer comply with specification? YES / NO

- If not to specification, indicate

deviation(s) \_\_\_\_\_

\_\_\_\_\_

- Period required for delivery: \_\_\_\_\_

\*Delivery: Firm / not firm

- Total bid cost: \_\_\_\_\_

## DECLARATION OF INTEREST

- 1 Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

2.1 Full Name of bidder or his or her representative: \_\_\_\_\_

2.2 Identity Number : \_\_\_\_\_

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>): \_\_\_\_\_

2.4 Company Registration Number : \_\_\_\_\_

2.5 Tax Reference Number : \_\_\_\_\_

2.6 VAT Registration Number : \_\_\_\_\_

- 3 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

<sup>1</sup>"State" means –

- (a) 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);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

- 4 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: \_\_\_\_\_

Name of state institution at which you or the person connected to the bidder is employed : \_\_\_\_\_

Position occupied in the state institution: \_\_\_\_\_

Any other particulars:

.....

- 5 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

- 6 If yes, did you attached proof of such authority to the bid document? **YES / NO**

- 7 If no, furnish reasons for non-submission of such proof:.....

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.)

- 8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

If so, furnish particulars: \_\_\_\_\_

- 9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

If so, furnish particulars: \_\_\_\_\_

- 10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

If so, furnish particulars: \_\_\_\_\_

- 11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES / NO**

If so, furnish particulars: \_\_\_\_\_

- 12 **Full details of directors / trustees / members / shareholders.**

| Full Name | Identity Number | Personal Tax Reference Number | State Employee Number/<br>Persal Number |
|-----------|-----------------|-------------------------------|-----------------------------------------|
|           |                 |                               |                                         |
|           |                 |                               |                                         |
|           |                 |                               |                                         |

13 **DECLARATION**

**I, THE UNDERSIGNED (NAME)** \_\_\_\_\_

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Position**

\_\_\_\_\_  
**Name of bidder**

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

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

1. Are you by law required to prepare annual financial statements for auditing? **\*YES / NO**

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

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2. Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days? **\*YES / NO**

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

If yes, provide particulars:

---



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3. Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract? **\*YES / NO**

If yes, furnish particulars:

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

If yes, furnish particulars:

---



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5. Certification:

I, THE UNDERSIGNED (NAME)

---

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT. I  
ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

**SIGNATURE**

**DATE**

**POSITION**

**NAME OF BIDDER**

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

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

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

### 1. GENERAL CONDITIONS

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

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

1.2 **To be completed by the organ of state**

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

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

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

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

|                                                  | POINTS     |
|--------------------------------------------------|------------|
| <b>PRICE</b>                                     | <b>80</b>  |
| <b>SPECIFIC GOALS</b>                            | <b>20</b>  |
| <b>Total points for Price and SPECIFIC GOALS</b> | <b>100</b> |

| NO           | SPECIFIC GOALS                                 | POINTS    | PROOF TO CLAIM SPECIFIC GOALS                                                                                                           |
|--------------|------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------|
| a.           | Previously disadvantaged people (Black people) | 04        | CSD report and Certified ID copy                                                                                                        |
| b.           | Youth                                          | 04        | CSD report and Certified ID copy                                                                                                        |
| c.           | Woman                                          | 04        | CSD and report and certified copy                                                                                                       |
| d.           | Person with disabilities                       | 02        | Certified ID copy and disabilities certificate from a professional doctor                                                               |
| e.           | Locality<br>within Giyani<br>within District   | 04<br>02  | Proof of residence for the director that corresponds with CK and CSD (address must have been updated 03 months prior the asking advert) |
| <b>Total</b> |                                                | <b>20</b> |                                                                                                                                         |

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

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

required by the organ of state.

## 2. DEFINITIONS

- “all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- “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;
- “Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- “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;
- “Consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- “Contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- “EME”** means any enterprise with an annual total revenue of R5 million or less .
- “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;
- “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;
- “Non-firm prices”** means all prices other than “firm” prices;
- “Person”** includes a juristic person;
- “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;
- “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;
- “specific goals”** means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994
- “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;
- “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
- “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. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

#### 3.1.1. THE 80/20 PREFERENCE POINT SYSTEMS

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

**80/20**

$$Ps = 80 \left( 1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

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

## 4. POINTS AWARDED FOR SPECIFIC GOALS

In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender.

- 4.1. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender;

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

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**  
**(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.**  
**Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)**

| The specific goals allocated points in terms of this tender | Number of points allocated (90/10 system) (To be completed by the organ of state) | Number of points allocated (80/20 system) (To be completed by the organ of state) | Number of points claimed (90/10 system) (To be completed by the tenderer) | Number of points claimed (80/20 system) (To be completed by the tenderer) |
|-------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Previously disadvantaged people (Black people)              | -                                                                                 | 04                                                                                |                                                                           |                                                                           |
| Youth                                                       | -                                                                                 | 04                                                                                |                                                                           |                                                                           |
| Woman                                                       | -                                                                                 | 04                                                                                |                                                                           |                                                                           |
| Person with disabilities                                    | -                                                                                 | 02                                                                                |                                                                           |                                                                           |
| Locality within Giyani within district                      | -                                                                                 | 04<br>02                                                                          |                                                                           |                                                                           |

## 5. DECLARATION WITH REGARD TO COMPANY/FIRM

Name of company/firm : \_\_\_\_\_

Company registration number : \_\_\_\_\_

TYPE OF COMPANY/ FIRM [TICK APPLICABLE BOX]

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

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

- (a) The information furnished is true and correct;
- (b) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

- (c) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- (d) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
- (i) disqualify the person from the tendering process;
  - (ii) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (iii) 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;
  - (iv) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (v) forward the matter for criminal prosecution, if deemed necessary

|                                                                                |                               |
|--------------------------------------------------------------------------------|-------------------------------|
| <div style="text-align: center;"><hr/><b>SIGNATURE(S) OF TENDERER(S)</b></div> |                               |
| <b>SURNAME AND NAME:</b>                                                       | <hr/>                         |
| <b>DATE:</b>                                                                   | <hr/>                         |
| <b>ADDRESS:</b>                                                                | <hr/> <hr/> <hr/> <hr/> <hr/> |

## PART L

**DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT**

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

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x.

**1. General Conditions**

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9.(1) and 9.(3) make provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Regulation 9.(3) prescribes that where there is no designated sector, a specific bidding condition may be included, that only locally produced services, works or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 201x as follows:

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

Where

x      imported content

y      bid price excluding value added tax (VAT)

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

- 1.6. A bid will be disqualified if:

- a. The bidder fails to achieve the stipulated minimum threshold for local production and content indicated in paragraph 3 below; and.
- b. This declaration certificate is not submitted as part of the bid documentation.

**2. Definitions**

- 2.1. **“bid”** includes advertised competitive bids, written price quotations or proposals;
- 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or

locally manufactured goods meet the stipulated minimum threshold for local production and content;

- 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility(close corporation, partnership or individual).
- 2.6. **“imported content”** means that portion of the bid price represented by the cost of
- 2.7. components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 2.8. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.9. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.10. **“Sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

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

| <u>Description of services, works or goods</u> | <u>Stipulated minimum threshold</u> |
|------------------------------------------------|-------------------------------------|
| _____                                          | _____ %                             |
| _____                                          | _____ %                             |
| _____                                          |                                     |

4. Does any portion of the services, works or goods offered have any imported content? **YES / NO**

- 4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.6 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid.
- 4.2 The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za). Indicate the rate(s) of exchange against the appropriate currency in the table below:

| <b>Currency</b> | <b>Rates of exchange</b> |
|-----------------|--------------------------|
| US Dollar       |                          |
| Pound Sterling  |                          |
| Euro            |                          |
| Yen             |                          |
| Other           |                          |

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

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

**IN RESPECT OF BID No.** \_\_\_\_\_

**ISSUED BY:** Greater Giyani Municipality

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

I, the undersigned, \_\_\_\_\_ (full names),

Do hereby declare, in my capacity as \_\_\_\_\_

of \_\_\_\_\_ (name of bidder entity), the following:-

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

|                                                                    |   |
|--------------------------------------------------------------------|---|
| Bid price, excluding VAT (y)                                       | R |
| Imported content (x)                                               | R |
| Stipulated minimum threshold for Local content (paragraph 3 above) |   |
| Local content % as calculated in terms of SATS 1286                |   |

- (d) If the bid is for more than one product, a schedule of the local content by product shall be attached.
- (e) I accept that the **Greater Giyani Municipality** has the right to request that the local content be verified in terms of the requirements of SATS 1286.
- (f) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286, may result in the Procurement Authority / Municipal / Municipal Entity imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**CONTRACT FORM - RENDERING OF SERVICES**

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

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

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

NAME (PRINT) : \_\_\_\_\_

CAPACITY : \_\_\_\_\_

SIGNATURE : \_\_\_\_\_

NAME OF FIRM : \_\_\_\_\_

DATE : \_\_\_\_\_

# 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)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
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;
    - 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 fulfillment 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

1 .....

2 .....

DATE:.....

**CONTRACT FORM - RENDERING OF SERVICES**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

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

| DESCRIPTION OF<br>SERVICE | PRICE (ALL<br>APPLICABLE TAXES<br>INCLUDED) | COMPLETION<br>DATE | SPECIFIC<br>GOALS<br>CONTRIBUTION | MINIMUM<br>THRESHOLD FOR<br>LOCAL<br>PRODUCTION AND<br>CONTENT (if<br>applicable) |
|---------------------------|---------------------------------------------|--------------------|-----------------------------------|-----------------------------------------------------------------------------------|
|                           |                                             |                    |                                   |                                                                                   |

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

SIGNED AT ..... ON .....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

**WITNESSES**

1 .....

2 .....

DATE:.....

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions 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 disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

| Item | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Yes                             | No                             |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------------------|
| 4.1  | Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector?<br><br>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied)                                                                                                                        | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
|      | 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)?<br><b>To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, 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.</b> | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
|      | If so, furnish particulars:                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                 |                                |
| 4.3  | Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?                                                                                                                                                                                                                                                                                               | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
|      | If so, furnish particulars:                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                 |                                |
| 4.4  | Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?                                                                                                                                                                                                                                                                                                                | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
|      | If so, furnish particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                 |                                |

### CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME)..... CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT. I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

## CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Greater Giyani Bidding Document must form part of all bids<sup>1</sup> 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).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This **MBD** serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

## CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Municipality)

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

- I certify, on behalf of: \_\_\_\_\_ that: (Name of Bidder)
- a. I have read and I understand the contents of this Certificate;
  - b. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
  - c. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
  - d. 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;
  - e. 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:
    - (i) has been requested to submit a bid in response to this bid invitation;
    - (ii) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
    - (iii) 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 consortium<sup>3</sup> 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.

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> 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.

<sup>3</sup> 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.

## **GENERAL CONDITIONS OF CONTRACT (GCC)**

### **NOTES:**

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government Bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract (GCC) will form part of all Bid documents and may not be amended.

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## 1. Definitions

1. The following terms shall be interpreted as indicated:

- 1.1 **"Acceptable bid"** means any bid, which, in all respects, complies with the specifications and conditions of the bid as set out in the bid document.
- 1.2 **"Bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of State for the provision of goods, works or services.
- 1.3 **"Black enterprise"** means an enterprise that is 50,1% owned by black persons and where there is substantial management control. Ownership refers to economic interest while management refers to the membership of any board or similar governing body of the enterprise.
- 1.4 **"Black empowered enterprise"** means an enterprise that is at least 25,1% owned by black persons and where there is substantial management control. Ownership refers to economic interests. Management refers to executive directors. This is whether the black enterprise has control or not.
- 1.5 **"Black people"** includes all African, Coloured or Indian persons who are South African citizens by birth or by descent or who were naturalised prior to the commencement of the constitution in 1993. In addition, the term also includes black people who became South African citizens after the constitution's commencement but who would have been able to be naturalised prior to this, were it not for the Apartheid laws which prohibited naturalisation of certain persons. This means that an African, Coloured or Indian person who was not a South African citizen before the commencement of the constitution in 1993 but who would have been entitled to apply to be naturalised prior to 1993, will also be considered a black person and therefore a beneficiary of BEE.
- 1.6 **"Black woman-owned enterprise"** means an enterprise with at least 25, 1% representation of black women within the black equity and management portion.
- 1.7 **"Closing time"** means the date and hour specified in the bidding documents for the receipt of bids.
- 1.8 **"Comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration.
- 1.9 **"Community or broad-based enterprise"** means an enterprise that has an empowerment shareholder who represents a broad base of members such as a local community or where the benefits support a target group, for example black women, people living with disabilities, the youth and workers. Shares are held via direct equity, non-profit organisations and trusts.  
Benefits from the shareholding should in a measurable sense be directed towards the uplifting of the community through job creation, welfare, skills development, entrepreneurship and human rights. At the same time, directors and management of groups should significantly comprise black persons.  
These arrangements are appropriate in situations where the activities or operations of an enterprise or industry directly impact on a community or are located in a community, or may benefit a community. Notable examples are large industrial projects, mining and tourism. Other instances, which do assist in broadening the shareholder base, are employee share ownership schemes; these are a viable empowerment shareholder option. In this and other circumstances, these arrangements should not detract from the ability of the shareholder to exercise significant influence or control over the operations of the business.
- 1.10 **"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.
- 1.11 **"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.
- 1.12 **"Contract price"** means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.13 **"Control"** means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.
- 1.14 **"Co-operative or collective enterprise"** is an autonomous association of persons who voluntarily join together to meet their economic, social and cultural needs and aspirations through the formation of a jointly-owned enterprise and democratically controlled enterprise.
- 1.15 **"Corrupt practice"** means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
- 1.16 **"Countervailing duties"** are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.17 **"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.
- 1.18 **"Day"** means calendar day.
- 1.19 **"Delivery"** means delivery in compliance with the conditions of the contract or order.
- 1.20 **"Delivery ex stock"** means immediate delivery directly from stock actually on hand.
- 1.21 **"Delivery into consignees store or to his site"** means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- 1.22 **"Disability"** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
- 1.23 **"Dumping"** occurs when a private enterprise abroad markets 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.
- 1.24 **"Equity Ownership"** means the percentage ownership and control, exercised by individuals within an enterprise.
- 1.25 **"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.
- 1.26 **"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.
- 1.27 **"GCC"** means the General Conditions of Contract.
- 1.28 **"Goods"** means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.29 **"Historically Disadvantaged Individual (HDI)"** means a South African citizen -

- 1.29.1 who, due to the Apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act 200 of 1993) ("the interim Constitution"); and/or
- 1.29.2 who is a female; and/or
- 1.29.3 Who has a disability: provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be a HDI.
- 1.30 **Imported content** means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.31 **Local content** means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.32 **Management** means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.
- 1.33 **Manufacture** means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.34 **Order** means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.35 **Owned** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an examination of the substance, rather than the form of ownership arrangements.
- 1.36 **Parliament** means Parliament of the Republic of South Africa as set out in Chapter Four of the Constitution.
- 1.37 **Person** includes reference to a juristic person.
- 1.38 **Project site** where applicable, means the place indicated in bidding documents.
- 1.39 **Purchaser** means the organization purchasing the goods.
- 1.40 **Rand value** means the total estimated value of a contract in Rand denomination that is calculated at the time of the bid invitations, and includes all applicable taxes and excise duties.
- 1.41 **Republic** or **RSA** means the Republic of South Africa.
- 1.42 **RFP** means Request for Proposal.
- 1.43 **RFT** means Request for Tender.
- 1.44 **RFQ** means Request for Quotation.
- 1.45 **SCC** means the Special Conditions of Contract.
- 1.46 **Secretary** means the Secretary to Parliament.
- 1.47 **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.
- 1.48 **Specific contract participation goals** means the goals as stipulated in the Preferential Procurement Regulations, 2001. In addition to above-mentioned goals, the Regulations [12. (1)] also make provision for organs of State to give particular consideration to procuring locally manufactured products.
- 1.49 **Small, Medium and Micro Enterprises (SMMEs)** bears the same meaning assigned to this expression in the National Small Business Act, 1996 (Act 102 of 1996).
- 1.50 **Sub-contracting** means the primary contractor's assigning or leasing or making out work to, or employing another person to support such a primary contractor in the execution of part of a project in terms of the contract.
- 1.51 **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.
- 1.52 **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.
- 1.53 **Written** or **in writing** means handwritten in ink or any form of electronic or mechanical writing.

## 2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, 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 supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## 3. General

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid can be accessed electronically from [www.gretergiyani.gov.za](http://www.gretergiyani.gov.za)

## 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 as 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.

## **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 in SCC.

## **8. Inspections, tests and analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of Parliament or an organisation acting on behalf of Parliament.
- 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 supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies 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 23 of GCC.

## **9. Packing**

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

## **10. Delivery and documents**

- 10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.
- 10.2 Documents to be submitted by the supplier are specified in SCC.

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (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 in SCC, 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 in SCC.
- 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 in SCC 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 in SCC, 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 in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

#### **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 in SCC 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 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 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 supplies are required, or the supplier's services are not readily available.
- 21.5 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 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the 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 judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

## **24. Anti-dumping and countervailing duties and rights**

- 24.1 When, after the date of bid, provisional payments are required, or antidumping 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 contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

## **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 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 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.

## **28. Limitation of liability**

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
  - (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **29. Governing language**

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

## **30. Applicable law**

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

## **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, Parliament must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services (SARS).

## **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 of contracts**

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

## **35. Prohibition of restrictive practices**

- 35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.
- 35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.
- 35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

## SPECIAL CONDITIONS OF CONTRACT

### **F.1 GENERAL**

#### **F.1.1 Actions**

The employer and each bidder submitting a bid offer shall comply with these conditions of bid. In their dealings with each other, they shall discharge their duties and obligations as set out in F.2 and F.3, timeously and with integrity, and behave equitably, honestly and transparently.

#### **F.1.2 Bid Documents**

The documents issued by the employer for the purpose of a bid offer are listed in the bid data.

#### **F.1.3 Interpretation**

**F.1.3.1** The bid data and additional requirements contained in the bid schedules that are included in the returnable documents are deemed to be part of these conditions of bid.

**F.1.3.2** These conditions of bid, the bid data and bid schedules which are only required for bid evaluation purposes, shall not form part of any contract arising from the invitation to bid.

**F.1.3.3** For the purposes of these conditions for the calling for expressions of interest, the following definitions apply:

- a) **comparative offer** means the bidder's financial offer after the factors of non-firm prices, all unconditional discounts and any other bided parameters that will affect the value of the financial offer have been taken into consideration
- b) **corrupt practice** means the offering, giving, receiving or soliciting of anything of value to influence the action of the employer or his staff or agents in the bid process; and
- c) **fraudulent practice** means the misrepresentation of the facts in order to influence the bid process or the award of a contract arising from a bid offer to the detriment of the employer, including collusive practices intended to establish prices at artificial levels
- d) **quality (functionality)** means the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs

#### **F.1.4 Communication and employer's agent**

Each communication between the employer and a bidder shall be to or from the employer's agent only, and in a form that can be read, copied and recorded. Writing shall be in the English language. The employer shall not take any responsibility for non-receipt of communications from or by a bidder. The name and contact details of the employer's agent are stated in the bid data.

#### **F.1.5 The employer's right to accept or reject any bid offer**

**F.1.5.1** The employer may accept or reject any variation, deviation, bid offer, or alternative bid offer, and may cancel the bid process and reject all bid offers at any time before the formation of a contract. The employer shall not accept or incur any liability to a bidder for such cancellation and rejection, but will give written reasons for such action upon written request to do so.

**F.1.5.2** The employer may not subsequent to the cancellation or abandonment of a bid process or the rejection of all responsive bid offers re-issue a bid covering substantially the same scope of work within a period of six months unless only one bid was received and such bid was returned unopened to the bidder.

### **F.2 BIDDER'S OBLIGATIONS**

#### **F.2.1 Eligibility**

Submit a bid offer only if the bidder complies with the criteria stated in the bid data and the bidder, or any of his principals, is not under any restriction to do business with employer.

#### **F.2.2 Cost of bidding**

Accept that the employer will not compensate the bidder for any costs incurred in the preparation and submission of a bid offer, including the costs of any testing necessary to demonstrate that aspects of the offer satisfy requirements.

#### **F.2.3 Check documents**

Check the bid documents on receipt for completeness and notify the employer of any discrepancy or omission.

#### **F.2.4 Confidentiality and copyright of documents**

Treat as confidential all matters arising in connection with the bid. Use and copy the documents issued by the employer only for the purpose of preparing and submitting a bid offer in response to the invitation.

#### **F.2.5 Reference documents**

Obtain, as necessary for submitting a bid offer, copies of the latest versions of standards, specifications, conditions of contract and other publications, which are not attached but which are incorporated into the bid documents by reference.

#### **F.2.6 Acknowledge addenda**

Acknowledge receipt of addenda to the bid documents, which the employer may issue, and if necessary apply for an extension to the closing time stated in the bid data, in order to take the addenda into account.

#### **F.2.7 Clarification meeting**

Attend, where required, a clarification meeting at which bidders may familiarize themselves with aspects of the proposed work, services or supply and raise questions. Details of the meeting(s) are stated in the bid data.

#### **F.2.8 Seek clarification**

Request clarification of the bid documents, if necessary, by notifying the employer at least five working days before the closing time stated in the bid data.

#### **F.2.9 Insurance**

Be aware that the extent of insurance to be provided by the employer (if any) may not be for the full cover required in terms of the conditions of contract identified in the contract data. The bidder is advised to seek qualified advice regarding insurance.

#### **F.2.10 Pricing the bid offer**

**F.2.10.1** Include in the rates, prices, and the bided total of the prices (if any) all duties, taxes (except Value Added Tax (VAT)), and other levies payable by the successful bidder, such duties, taxes and levies being those applicable 14 days before the closing time stated in the bid data.

**F.2.10.2** Show VAT payable by the employer separately as an addition to the bided total of the prices.

**F.2.10.3** Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the contract data.

**F.2.10.4** State the rates and prices in Rand unless instructed otherwise in the bid data. The conditions of contract identified in the contract data may provide for part payment in other currencies.

#### **F.2.11 Alterations to documents**

Not make any alterations or additions to the bid documents, except to comply with instructions issued by the employer, or necessary to correct errors made by the bidder. All signatories to the bid offer shall initial all such alterations. Erasures and the use of masking fluid are prohibited.

#### **F.2.12 Alternative bid offers**

**F.2.12.1** Submit alternative bid offers only if a main bid offer, strictly in accordance with all the requirements of the bid documents, is also submitted. The alternative bid offer is to be submitted with the main bid offer together with a schedule that compares the requirements of the bid documents with the alternative requirements the bidder proposes.

**F.2.12.2** Accept that an alternative bid offer may be based only on the criteria stated in the bid data or criteria otherwise acceptable to the employer.

#### **F.2.13 Submitting a bid offer**

**F.2.13.1** Submit a bid offer to provide the whole of the works, services or supply identified in the contract data and described in the scope of works, unless stated otherwise in the bid data.

**F.2.13.2** Return all returnable documents to the employer after completing them in their entirety, either electronically (if they were issued in electronic format) or by writing in black ink.

**F.2.13.3** Submit the parts of the bid offer communicated on paper as an original plus the number of copies stated in the bid data, with an English translation of any documentation in a language other than English, and the parts communicated electronically in the same format as they were issued by the employer.

**F.2.13.4** Sign the original and all copies of the bid offer where required in terms of the bid data. The employer will hold all authorized signatories liable on behalf of the bidder. Signatories for bidders proposing to contract as joint ventures shall state which of the signatories is the lead partner whom the employer shall hold liable for the purpose of the bid offer.

**F.2.13.5** Seal the original and each copy of the bid offer as separate packages marking the packages as "ORIGINAL" and "COPY". Each package shall state on the outside the employer's address and identification details stated in the bid data, as well as the bidder's name and contact address.

**F.2.13.6** Where a two-envelope system is required in terms of the bid data, place and seal the returnable documents listed in the bid data in an envelope marked "financial proposal" and place the remaining returnable documents in an envelope marked "technical proposal". Each envelope shall state on the outside the employer's address and identification details stated in the bid data, as well as the bidder's name and contact address.

**F.2.13.7** Seal the original bid offer and copy packages together in an outer package that states on the outside only the employer's address and identification details as stated in the bid data.

**F.2.13.8** Accept that the employer shall not assume any responsibility for the misplacement or premature opening of the bid offer if the outer package is not sealed and marked as stated.

#### **F.2.14 Information and data to be completed in all respects**

Accept that bid offers, which do not provide all the data or information requested completely and in the form required, may be regarded by the employer as non-responsive.

#### **F.2.15 Closing time**

**F.2.15.1** Ensure that the employer receives the bid offer at the address specified in the bid data not later than the closing time stated in the bid data. Proof of posting shall not be accepted as proof of delivery. The employer shall not accept bid offers submitted by telegraph, telex, facsimile or e-mail, unless stated otherwise in the bid data.

**F.2.15.2** Accept that, if the employer extends the closing time stated in the bid data for any reason, the requirements of these conditions of bid apply equally to the extended deadline.

#### **F.2.16 Bid offer validity**

**F.2.16.1** Hold the bid offer(s) valid for acceptance by the employer at any time during the validity period stated in the bid data after the closing time stated in the bid data.

**F.2.16.2** If requested by the employer, consider extending the validity period stated in the bid data for an agreed additional period.

#### **F.2.17 Clarification of bid offer after submission**

Provide clarification of a bid offer in response to a request to do so from the employer during the evaluation of bid offers. This may include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (or both). No change in the total of the prices or substance of the bid offer is sought, offered, or permitted. The total of the prices stated by the bidder shall be binding upon the bidder.

**Note:** Sub-clause F.2.17 does not preclude the negotiation of the final terms of the contract with a preferred bidder following a competitive selection process, should the Employer elect to do so.

#### **F.2.18 Provide other material**

**F.2.18.1** Provide, on request by the employer, any other material that has a bearing on the bid offer, the bidder's commercial position (including notarized joint venture agreements), preferencing arrangements, or samples of materials, considered necessary by the employer for the purpose of a full and fair risk assessment. Should the bidder not provide the material, or a satisfactory reason as to why it cannot be provided, by the time for submission stated in the employer's request, the employer may regard the bid offer as non-responsive.

**F.2.18.2** Dispose of samples of materials provided for evaluation by the employer, where required.

#### **F.2.19 Inspections, tests and analysis**

Provide access during working hours to premises for inspections, tests and analysis as provided for in the bid data.

#### **F.2.20 Submit securities, bonds, policies, etc.**

If requested, submit for the employer's acceptance before formation of the contract, all securities, bonds, guarantees, policies and certificates of insurance required in terms of the conditions of contract identified in the contract data.

#### **F.2.21 Check final draft**

Check the final draft of the contract provided by the employer within the time available for the employer to issue the contract.

#### **F.2.22 Return of other bid documents**

If so instructed by the employer, return all retained bid documents within 28 days after the expiry of the validity period stated in the bid data.

#### **F.2.23 Certificates**

Include in the bid submission or provide the employer with any certificates as stated in the bid data.

### **F.3 THE EMPLOYER'S UNDERTAKINGS**

#### **F.3.1 Respond to clarification**

Respond to a request for clarification received up to five working days prior to the bid closing time stated in the Bid Data and notify all bidders who drew procurement documents.

#### **F.3.2 Issue Addenda**

If necessary, issue addenda that may amend or amplify the bid documents to each bidder during the period from the date of the Bid Notice until seven days before the bid closing time stated in the Bid Data. If, as a result a bidder applies for an extension to the closing time stated in the Bid Data, the Employer may grant such extension and, will then notify it to all bidders who drew documents.

### F.3.3 Return late bid offers

Return bid offers received after the closing time stated in the Bid Data, unopened, (unless it is necessary to open a bid submission to obtain a forwarding address), to the bidder concerned.

### F.3.4 Opening of bid submissions

**F.3.4.1** Unless the two-envelope system is to be followed, open valid bid submissions in the presence of bidders' agents who choose to attend at the time and place stated in the bid data. Bid submissions for which acceptable reasons for withdrawal have been submitted will not be opened.

**F.3.4.2** Announce at the opening held immediately after the opening of bid submissions, at a venue indicated in the bid data, the name of each bidder whose bid offer is opened, the total of his prices, preferences claimed and time for completion, if any, for the main bid offer only.

**F.3.4.3** Make available the record outlined in F.3.4.2 to all interested persons upon request.

### F.3.5 Two-envelope system

**F.3.5.1** Where stated in the bid data that a two-envelope system is to be followed, open only the technical proposal of valid bids in the presence of bidders' agents who choose to attend at the time and place stated in the bid data and announce the name of each bidder whose technical proposal is opened.

**F.3.5.2** Evaluate the quality of the technical proposals offered by bidders, then advise bidders who remain in contention for the award of the contract of the time and place when the financial proposals will be opened. Open only the financial proposals of bidders, who score in the quality evaluation above the minimum number of points for quality stated in the bid data, and announce the score obtained for the technical proposals and the total price and any preferences claimed. Return unopened financial proposals to bidders whose technical proposals failed to achieve the minimum number of points for quality.

### F.3.6 Non-disclosure

Not disclose to bidders, or to any other person not officially concerned with such processes, information relating to the evaluation and comparison of bid offers, the final evaluation price and recommendations for the award of a contract, until after the award of the contract to the successful bidder.

### F.3.7 Grounds for rejection and disqualification

Determine whether there has been any effort by a bidder to influence the processing of bid offers and instantly disqualify a bidder (and his bid offer) if it is established that he engaged in corrupt or fraudulent practices.

### F.3.8 Test for responsiveness

Determine, on opening and before detailed evaluation, whether each bid offer properly received:

- a) meets the requirements of these Conditions of Bid,
- b) has been properly and fully completed and signed, and
- c) is responsive to the other requirements of the bid documents.

A responsive bid is one that conforms to all the terms, conditions, and specifications of the bid documents without material deviation or qualification. A material deviation or qualification is one which, in the Employer's opinion, would:

- detrimentally affect the scope, quality, or performance of the works, services or supply identified in the Scope of Work,
- change the Employer's or the bidder's risks and responsibilities under the contract, or
- affect the competitive position of other bidders presenting responsive bids, if it were to be rectified.

Reject a non-responsive bid offer, and not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.

### F.3.9 Arithmetical errors

Check responsive bid offers for arithmetical errors, correcting them in the following manner:

- Where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern.
- If a bill of quantities (or schedule of rates) apply and there is an error in the line item total resulting from the product of the unit rate and the quantity, the line item total shall govern and the rate shall be corrected. Where there is an obviously gross misplacement of the decimal point in the unit rate, the line item total as quoted shall govern, and the unit rate will be corrected.
- Where there is an error in the total of the prices either as a result of other corrections required by this checking process or in the bidder's addition of prices, the total of the prices shall govern and the bidder will be asked to revise selected item prices (and their rates if a bills of quantities applies) to achieve the bided total of the prices.

Consider the rejection of a bid offer if the bidder does not correct or accept the correction of his arithmetical errors in the manner described above.

### F.3.10 Clarification of a bid offer

Obtain clarification from a bidder on any matter that could give rise to ambiguity in a contract arising from the bid offer.

### F.3.11 CRITERIA TO BE USED FOR THE EVALUATION AND ADJUDICATION OF BIDS

#### GUIDE TO RESPOND

All bids will be evaluated in terms of the attached evaluation criteria. The 80/20 evaluation criteria, specifically, will be used. The evaluation has three (3) phases:

- Phase 1 – Administrative Requirement;
- Phase 2 – Functionality / Technical Requirement;

Bidders will only be considered for the evaluation of phase 2 after meeting the requirements threshold of 80% in phase 2.

Functionally / Technical Evaluation

Bidders should take note of the different elements within the evaluation of the technical phase, which are:

Capability;  
Service offering;

Capability

A minimum of two years' experience in the relevant industry is a requirement. Additional years will result in a higher score.

Current client reference letters, which include the value of the projects, are required.

The number of reference letters will be a determining factor when allocating scores here. Similarly the value of the projects will be considered.

Service Offering

Bidders should address all three areas indicated in the evaluation criteria. The proposal should distinguish these three areas (delivery methodology; supplier arrangement / outsourcing arrangement; and order placement methodology or approach).

Bidder should use the weightings as a guide to respond.

The Technical Proposal should include and index which reflects the relevant sections being evaluated. Pages should also be numbered for ease of reference. Any Annexure should be cross referenced to the relevant element within the evaluation criteria.

| EVALUATION CRITERIA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                             |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|------------------|---------------------------------------------------------------------------|----|------------------------------------|----|--------------------------|----|-------------------------|----|----|
| DESCRIPTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | POINTS                      |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |
| <p><b>COMPANY EXPERIENCE FOR THE PROVISION OF SHORT-TERM INSURANCE SERVICES.</b></p> <p>The company must have experience in providing short-term insurance to municipalities/ government institutions/parastatals/ private clients/private companies.</p> <p><b>Attach four (04) copies of valid appointment letters and referral letters</b> for short-term insurance contracts previously executed for the <b>past ten (10) years</b> from the closing date of the asking project.</p> <p>Each contract equals 10 points which will be allocated based on the value of insured assets according to below table:</p> <table border="1"> <thead> <tr> <th>Asset Value Range (R)</th><th>Point Allocation</th></tr> </thead> <tbody> <tr> <td>0 – 200M</td><td>00</td></tr> <tr> <td>200.1M – 500M</td><td>04</td></tr> <tr> <td>500.1M – 800M</td><td>08</td></tr> <tr> <td>800.1M and above</td><td>10</td></tr> </tbody> </table> <p><b>Half points will be allocated if only one required document is attached.</b></p> <p><b>NB!! Appointment letters and referral letters are subjected to verification and must therefore be accompanied by contactable references and amounts.</b></p> | Asset Value Range (R)       | Point Allocation | 0 – 200M                                                                  | 00 | 200.1M – 500M                      | 04 | 500.1M – 800M            | 08 | 800.1M and above        | 10 | 40 |
| Asset Value Range (R)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Point Allocation            |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |
| 0 – 200M                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 00                          |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |
| 200.1M – 500M                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 04                          |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |
| 500.1M – 800M                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 08                          |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |
| 800.1M and above                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 10                          |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |
| <p><b>METHODOLOGY</b></p> <p>A detailed description of the <b>claims handling process</b> (including <b>response time</b> and <b>support structure</b>).</p> <p>Must include: Contact details, Office Location and Website.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 20                          |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |
| <p><b>RISK MANAGEMENT AND ADVISORY SERVICES</b></p> <p>Evidence of <b>risk assessment, training, and preventative advisory services</b> offered to clients.</p> <table border="1"> <thead> <tr> <th>Services offered to clients</th><th>Point Allocation</th></tr> </thead> <tbody> <tr> <td>Comprehensive risk management program with annual risk reviews &amp; training</td><td>20</td></tr> <tr> <td>Partial risk management &amp; advisory</td><td>15</td></tr> <tr> <td>Ad-hoc risk support only</td><td>10</td></tr> <tr> <td>No risk management plan</td><td>00</td></tr> </tbody> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Services offered to clients | Point Allocation | Comprehensive risk management program with annual risk reviews & training | 20 | Partial risk management & advisory | 15 | Ad-hoc risk support only | 10 | No risk management plan | 00 | 20 |
| Services offered to clients                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Point Allocation            |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |
| Comprehensive risk management program with annual risk reviews & training                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 20                          |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |
| Partial risk management & advisory                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 15                          |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |
| Ad-hoc risk support only                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 10                          |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |
| No risk management plan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 00                          |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |
| <p><b>FINANCIAL CAPACITY AND STABILITY</b></p> <p>The <b>audited financial statements</b> for the past <b>three (3) years</b>, showing solvency, positive ratios and capacity to underwrite municipal risk.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                             |                  |                                                                           |    |                                    |    |                          |    |                         |    |    |

| Financial statements submitted | Point Allocation | 20         |
|--------------------------------|------------------|------------|
| Audited financials for 3 years | 20               |            |
| Audited financials for 2 years | 15               |            |
| Audited financials for 1 year  | 10               |            |
| No financials                  | 00               |            |
| <b>Total points</b>            |                  | <b>100</b> |

#### F.3.11.1 General

Greater Giyani Municipality Supply Chain Management committees shall evaluate the bid. Reduce each responsive bid offer to a comparative offer and evaluate it using the bid evaluation method that is indicated in the Bid Data and described below as contained in the Supply Chain Management Policy:

|                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Method 1:<br>Financial offer                          | 1) Rank bid offers from the most favourable to the least favourable comparative offer.<br>2) Recommend highest ranked bidder for the award of the contract, unless there are compelling and justifiable reasons not to do so.                                                                                                                                                                                                                                                                                                                                                                                                   |
| Method 2:<br>Financial offer and preferences          | 1) Score bid evaluation points for financial offer.<br>2) Confirm that bidders are eligible for the preferences claimed and if so, score bid evaluation points for preferencing.<br>3) Calculate total bid evaluation points.<br>4) Rank bid offers from the highest number of bid evaluation points to the lowest.<br>5) Recommend bidder with the highest number of bid evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.                                                                                                                                    |
| Method 3:<br>Financial offer and quality              | 1) Score quality, rejecting all bid offers that fail to score the minimum number of points for quality stated in the Bid data.<br>2) Score bid evaluation points for financial offer.<br>3) Calculate total bid evaluation points.<br>4) Rank bid offers from the highest number of bid evaluation points to the lowest.<br>5) Recommend bidder with the highest number of bid evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.                                                                                                                               |
| Method 4:<br>Financial offer, quality and preferences | 1) Score quality, rejecting all bid offers that fail to score the minimum number of points for quality stated in the Bid data.<br>2) Score bid evaluation points for financial offer.<br>3) Confirm that bidders are eligible for the preferences claimed, and if so, score bid evaluation points for preferencing.<br>4) Calculate total bid evaluation points.<br>5) Rank bid offers from the highest number of bid evaluation points to the lowest.<br>6) Recommend bidder with the highest number of bid evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so. |

Score financial offers, preferences and quality, as relevant, to two decimal places.

#### F.3.11.2 Scoring Financial Offers

Score the financial offers of remaining responsive bid offers using the following formula:

$N_{FO} = W_1 \times A$  where:

$N_{FO}$  = the number of bid evaluation points awarded for the financial offer.

$W_1$  = the maximum possible number of bid evaluation points awarded for the financial offer as stated in the Bid Data.

$A$  = a number calculated using either formulas 1 or 2 below as stated in the Bid Data.

| Formula | Comparison aimed at achieving               | Option 1                          | Option 2      |
|---------|---------------------------------------------|-----------------------------------|---------------|
| 1       | Highest price or discount                   | $A = (1 + \frac{(P - P_m)}{P_m})$ | $A = P / P_m$ |
| 2       | Lowest price or percentage commission / fee | $A = (1 - \frac{(P - P_m)}{P_m})$ | $A = P_m / P$ |

where:

$P_m$  = the comparative offer of the most favourable bid offer.

$P$  = the comparative offer of bid offer under consideration.

#### F.3.11.3 Scoring quality (functionality)

Score quality in each of the categories stated in the Bid Data and calculate total score for quality.

#### F.3.12 Insurance provided by the employer

If requested by the proposed successful bidder, submit for the bidder's information the policies and / or certificates of insurance which the conditions of contract identified in the contract data, require the employer to provide.

#### F.3.13 Acceptance of bid offer

**F.3.13.1** Accept bid offer only if the bidder satisfies the legal requirements stated in the Bid Data.

**F.3.13.2** Notify the successful bidder of the employer's acceptance of his bid offer by completing and returning one copy of the form of offer and acceptance before the expiry of the validity period stated in the bid data, or agreed additional period. Providing the form of offer and acceptance does not contain any

qualifying statements, it will constitute the formation of a contract between the employer and the successful bidder as described in the form of offer and acceptance.

#### **F.3.14 Notice to unsuccessful bidders**

After the successful bidder has acknowledged the employer's notice of acceptance, notify other bidders that their bid offers have not been accepted.

#### **F.3.15. Prepare contract documents**

If necessary, revise documents that shall form part of the contract and that were issued by the employer as part of the bid documents to take account of:

- a) addenda issued during the bid period,
- b) inclusion of some of the returnable documents,
- c) other revisions agreed between the employer and the successful bidder, and
- d) the schedule of deviations attached to the form of offer and acceptance, if any.

#### **F.3.16 Issue final contract**

Prepare and issue the final draft of contract documents to the successful bidder for acceptance as soon as possible after the date of the employer's signing of the form of offer and acceptance (including the schedule of deviations, if any). Only those documents that the conditions of bid require the bidder to submit, after acceptance by the employer, shall be included.

#### **F.3.17 Complete adjudicator's contract**

Unless alternative arrangements have been agreed or otherwise provided for in the contract, arrange for both parties to complete formalities for appointing the selected adjudicator at the same time as the main contract is signed.

#### **F.3.18 Provide copies of the contracts**

Provide to the successful bidder the number of copies stated in the Bid Data of the signed copy of the contract as soon as possible after completion and signing of the form of offer and acceptance.

#### **F.3.19 General Condition**

##### **Failure to comply with the conditions below will result in your bid not being responsive**

- (a) Proper completions and signing of all prescribed parts of the bid form is a compulsory requirement. This document must be completed in detail and each page must be initialized. Any bid offer that does not provide all the required information completely and in a form that is required, may be regarded as non-responsive.
- (b) It is a condition of this bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.
- (c) The bidder must ensure that the company name on the tax clearance certificate, company proof of registration and bid form are printed the same. Any inconsistency will result in disqualification of the bid.
- (d) Only the original bid form stamped by the Greater Giyani Municipality will be accepted. All MBD Form 1 to 9 must be completed in full as they form basis for evaluation.
- (e) The bidder shall not make any alterations or additions to the bid document, except to comply with the instructions issued. Any necessary or corrected errors made by the bidder shall require the signatories of the company or firm to initial on all such alteration. Erasure and the use of masking fluid are prohibited.
- (f) The Greater Giyani Municipality shall upon awarding of the bid at the rand value of R1.5 million and above, require the bidder to provide a surety, securities and/or guarantees from an accredited financial institution prior to the signing of the contract and commencement of works.
- (g) The special conditions of contract take precedent on any of the conditions of contract that are to be applied.
- (h) The bidder shall familiarise him/herself with the relevant conditions of contract for the awarded bid and signing of such contracts before commencement of works.
- (i) In bids where Consortia / Joint Ventures / Sub-contractors are involved; each party must submit a separate Tax Clearance Certificate.