

WITZENBERG MUNICIPALITY

Closing Date: 12:00 on MONDAY, 14 JUNE 2021

Bid No: 08/2/18/60

Bid Title: SHORTTERM INSURANCE (RE-ADVERTISEMENT)

SUBMIT BID DOCUMENTS

<p>TO BE DEPOSITED IN: The bid box at the entrance of the Municipal Offices of Witzenberg 50 VOORTREKKER STREET CERES</p>
<p>A bid posted (at sender's risk) to the Municipal Manager, PO Box 44, Ceres, 6835 in good time so as to reach the Municipal Manager before the above-mentioned closing date, may be accepted on condition that it is placed in the correct Bid box before the closing time, it being understood that the Council disclaims any responsibility for seeing that such bids are in fact lodged in the bid box.</p> <p>1) Telephonic, facsimile, electronic/emailed and late bids will not be accepted. 2) Do not dismember this Bid Document (do <u>not take it apart</u> or put documents between its pages) 3) The PROPOSAL and all other documents of the submission must be <u>attached behind</u> this Bid Document 4) The bidder must initial every page of the bid document</p>
<p>CONTACT DETAILS FOR: Ms S Mentor Tel: (023) 312-1761 Email: supplychain@witzenberg.gov.za</p>

BIDDERS NAME	
TOTAL BID PRICE (VAT INCL):	
BBBEE LEVEL STATUS	

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- Do not dismember this Bid Document (do not take it apart).
- All other documents of your submission must be attached behind this Bid Document.
- The bidder must initial every page of the bid document.
- The checklist at the back of the bid document must be completed and adhered to.

**WITZENBERG MUNICIPALITY
TERMS OF REFERENCE (TOR)**

1. SCOPE

1.1 Purpose

The purpose of this bid is to ensure that the municipality maintains risk management by procuring the services of a broker to ensure cost effective and efficient insurance for the assets of the municipality from 1 July 2021 - 30 June 2022.

1.2 Background

Municipality Witzenberg includes the towns and rural areas of:

- Ceres (Including N'duli & Bella Vista)
- Prince Alfred's Hamlet,
- Op-die-Berg,
- Tulbagh and
- Wolseley

1.3 Pre-qualification

1.3.1 Bidders **must** have at least 4 years relevant experience in municipal insurance. Bidders must complete the schedule on Page 6 in respect of relevant experience.

1.3.2 Bidders must provide certified proof of registration with the Financial Sector Conduct Authority. **(Proof must be attached)**

1.3.3 Bidders must provide proof of Professional Indemnity to a minimum of R5 000 000.00 **(Proof must be attached)**

1.6 Special Conditions of Contract

- 1.6.1 All information as requested in Annexure A must be provided in full on a letterhead of the bidder. The provision of this information is compulsory and must be attached to the back of the bid documents.
- 1.6.1.1 Any differentiations, limitations and unusual conditions must be specified in respect of each policy section.
- 1.6.2 All premiums must be inclusive of VAT and a **Valid Tax Invoice**, complying with the requirements of the VAT Act, must be produced on an annual basis.
- 1.6.3 The insured items may change before or with awarding the contract. Any changes in the form of additions after **01 July 2021** must be charged at the same rates as indicated in MBD 3.1.
- 1.6.4 The turnaround time per claim from date first reported to closure date of claim shall, subject to further conditions stated below, **not be more than 2 months** from the date first reported to the Insurer. Conditions that may constitute 32a variation are:
1. Insufficient information on claim
 2. The claim is subject to court proceedings and the outcome cannot be ascertained if the insurer determines that the claim is subject to one of the above mentioned reasons, such information must be provided to the municipality within 30 days after the date the claim was first reported to the insurer.
Non-compliance with this special clause will constitute non-performance in terms of the contract and the following remedies may be applicable:
 - a) The Insurance Broker forfeits the opportunity to charge an excess payment on the claim and carries the full cost of the claim
 - b) The Insurance Broker receives a negative rating on supplier performance in terms of the Supplier Performance Criteria of the Municipality and will be subjected to the Supplier Performance Management of Witzenberg Municipality
 - c) Registering the Insurance Broker as a Restricted Supplier on the National Treasury Database but not limited.
- 1.6.5 The successful bidder will be required to provide a breakdown of the insurance premium per Insurance Item for each of the Insurance Sections.
- 1.6.6 The successful bidder must provide a monthly report on all claims outstanding, indicating the date the claim was lodge and the reasons why these claims are still outstanding.
- 1.6.7 The successful bidder must provide a **weekly progress report per claim lodged and still outstanding**
The progress report must include at least the following:
- The municipality's claim reference number
 - The brokers' claim reference number
 - The underwriter's claim reference number
 - A description of the claim and the type of claim
 - The date of loss
 - The date lodged with the insurance
 - The date the claim was closed, if applicable
 - A description of the additional information requested by the insurance and the date at which it was requested
 - The date at which the additional information was received by the insurance
 - A short description of actions currently undertaken by the Insurance Broker
 - A short description of actions required by the municipality
 - Claim settlement information containing the estimated value of the claim, the excess payment applicable, any other cost that may be applicable and the net amount to be received by the municipality.
- 1.6.8 After awarding the tender, the **successful bidder** will handle all aspects of the claim. No direct communication to any legal advisors of the **successful bidder** will take place.

- 1.6.9 Full particulars must be provided regarding the services that will be delivered to the municipality. Full details of personnel (number, position, experience etc.) that will be available to the service of the municipality's account must be provided. If the aforementioned particulars change, the municipality should be notified within 24hours of the changes.
- 1.6.10 The **successful bidder** will be required to provide a merit assessment on all claims lodged. A conclusion based on the fact that a claim is within excess will be insufficient. The successful bidder must state, for each and every claim, whether or not the Insured is liable or not

2. EVALUATION CRITERIA

This bid will be evaluated according to the criteria and weight given in the table below:

Evaluation Criteria	Weighting
2.1 Price	80
2.2 B-BBEE in terms of the revised Preferential Procurement Regulations of 2017 (form MBD 6.1)	20
Total	100

Bidders must complete the Pricing Schedule MBD 3.1

It is compulsory for bidders to bid for all items within the pricing schedule. If not, the bid will be considered as non-responsive.

Please do not alter any of the bid documents. It must be completed by hand.

RELEVANT EXPERTISE

Proposed consultant team/individuals (including identification of sub-consultants if applicable):

Relevant experience and competencies *

List of recent work undertaken in similar/related fields *

Name	Responsibility in team	Qualifications	Professional registrations	Relevant expertise /competencies	Relevant Experience

** Specifically expertise and related work should relate to Tender evaluation criteria*

1.5 Scope of Work

The insurance policy is divided into policy sections/ types. The scope of each policy section is specified below

TECHNICAL SPECIFICATIONS

The Technical Specifications are discussed per section of cover required as indicated below..

Claim Statistics for the past 3 years

Type of claim	Status of Claim	2018-2019	2019-2020	2020-2021	Grand Total
Glass	Open	2	1		3
	Closed	2			2
Motor Accident	Open	2	7	3	12
	Closed	7	2		9
Property Loss/damage	Open	6	12	17	35
	Closed	27	4	1	32
Public Liability	Open	5	16	6	27
	Closed	15	5	2	22
Grand Total		66	47	29	142

Value of Claims over the past 3 years

Type of claim	Status of Claim	2018-2019	2019-2020	2020-2021	Grand Total
Glass	Open	4 865	1 898		6 763
	Closed	4 849			4 849
Motor Accident	Open	191 453	282 164	37 616	511 232
	Closed	466 057			466 057
Property Loss/damage	Open	34 890	81 043	4 000	119 933
	Closed	2 364 719	89 800	100 000	2 554 519
Public Liability	Open	152 389	3 433 788	43 000	3 629 177
	Closed	180 019	61 595	4 931	246 545
Grand Total		3 399 242	3 950 288	189 546	7 539 076

***Please note that the above table is only an indication of the value of the claims handled. Some claims were successful whereas others were unsuccessful or are still open.*

Sections

1. Combined Policy
2. Business interruption
3. Accounts Receivable
4. Theft
5. Money
6. Glass
7. Fidelity Guarantee
8. Goods in Transit
- 9.. Business All Risk
10. Public Liability
11. Employer's Liability

12. Stated Benefits
13. Personnel Accident
14. Homeowners
15. Electronic Equipment
16. Aerodrome owners / operators liability
17. Motor Fleet
18. Directors and Officers
19. Fire extinguishing charges
20. Events Liability Cover (Optional)
21. Sasria

1. Combined Policy

PREMISES	Included	Insured Value
ITEM 1 - All buildings; structures and erections including fixtures and fittings therein; thereto or thereon; boundary walls; gates; posts and fences belonging thereto and all including underground fuel tanks and their contents; traffic signs; traffic lights; parking meters and lamp posts	Yes	R366 475 364
ITEM 2 - All substations; mini substations; transformers; electricity cables (if included); electrical switchgear and reticulation including fixtures and fittings relating thereto	Yes	R470 874 005
ITEM 3 - All water purification works and pump stations; reservoirs; water towers; swimming baths and property relating thereto	Yes	R86 627 066
ITEM 4 - All sewerage works; pump stations and property relating thereto	Yes	R75 618 071
ITEM 5 - Property in the Open (other than property which is designed to exist or operate in the open)	Yes	R 3 000 000
ITEM 6 - Vehicles whilst parked	Yes	
ITEM 7 - Any other property as defined	Yes	
ITEM 8 – Sportsfields and Stadiums as per Attached List	Yes	57 315 885
ITEM 9 – Swimming Pools with Pumps & Filters	Yes	39 544 971
All of the above being the property of the Insured or for which they are responsible as per schedule and/or Asset Register	Yes	
Standard Construction SASRIA	Yes	R1 1 03 685 275
Standard Construction Non SASRIA	No	
Non Standard Construction SASRIA	Yes	R 2 866 087
Accidental damage	No	
Debris Removal	Yes	R 1 000 000
Professional Fees	Yes	
Vehicles whilst parked	No	
Sub Section C - Rent	Yes	
Sub Section D - Liability - Indemnity Limit R1 000 000	No	
Earthquake	Yes	
Riot & Strike (Other than RSA and Namibia)	No	
Prevention of access	Yes	

2. Business interruption

PREMISES	Included	Insured Value
All premises permanently or temporarily owned used or occupied by the Insured.	Yes	
Total Revenue :		R 517 000 000
Gross Rentals	No	
Additional increase in cost of working	Yes	
Fines and penalties	No	
Additional Claims Preparation Costs	No	
Indemnity Period	12 months	
FIRST AMOUNT PAYABLE		
Each and every claim under:		R2500 per claim
EXTENSIONS AND CLAUSES		
Suppliers/Sub-contractors (specified)	Yes	R 2 000 000
Suppliers/Sub-contractors (unspecified)	Yes	R 2 000 000
Prevention of access - extended cover	No	
Customers (specified)	No	
Customers (unspecified)	No	
Public utilities and telecommunication - insured perils	Yes	
Public utilities and telecommunication - extended cover	No	
Accidental Damage (subject to a combined Business Interruption/Material Damage limit as specified in the Accidental Damage Section	No	
Prevention of access	Yes	

3. Accounts Receivable

PREMISES	Included	Insured Value
Outstanding Debit Balances:	Yes	R 260 000 000
Premises: All premises permanently or temporarily owned used or occupied by the Insured	Yes	

4. Theft

PREMISES	Included	Insured Value
All premises permanently or temporarily owned; used or occupied by the Insured - FIRST LOSS BASIS	Yes	
Limit of Indemnity		R 1 375 500
Property in the Open		R 3 000 000
EXTENTIONS AND CLAUSES		
Damage to buildings	Yes	R 1 000 000
Property in the open (within any securely fenced area)	Yes	R 2 000 000
Subject to Specific Condition 2 (Burglar Alarm)	No	
Additional Claims Preparation Costs	No	
Equipment and Tools on Vehicles while on duty	Yes	R 500 000

5. Money

Description	Included	Sum Insured
PREMISES		
Any premises or pay points permanently or temporarily owned; used or occupied by the Insured	Yes	
ITEM		
1. In respect of money not contained in a locked safe or strongroom:		
(a) in the custody of any authorised employee; council member or principal of the Insured whilst away from the insured's premises on a business trip anywhere in the world.	Yes	R 9 000
(b) whilst on the Insured's premises outside the hours during which the business operations of the insured are conducted	Yes	R 50 000
3. Any other theft of money within the premises during working hours or in a safe or in transit to and from the bank. Cover must include pavement and overnight insurance	Yes	R 500 000
4. In respect of any other loss of or damage to money		
Seasonal Limit - during the month of		
or any days during the month of...	No	
at any other time	No	
5. In respect of loss or damage to receptacles and clothing (as defined) including firearms as a result of theft of money or any attempt thereat	Yes	
6. Private Electricity Vendor	No	
EXTENSIONS (AUTOMATICALLY INCLUDED)		
(a) Clothing	Yes	R 120 000
(b) Receptacles	Yes	R 50 000
(c) Locks and keys	Yes	R 25 000
(d) Loss of or damage to safe & cash registers etc.	Yes	R 20 000
EXTENSIONS (OPTIONAL)		
Personal Accident (assault) - per person	Yes	
Capital Sum	Yes	R 25 000
Weekly Sum	Yes	R 500
Medical expenses	Yes	R 10 000
Riot and strike other than R.S.A. and Namibia	No	
Additional claims preparation costs	No	

6. Glass

PREMISES	Included	Sum Insured
All premises permanently or temporarily owned; used or occupied by the Insured	Yes	R 50 000
ITEM PROPERTY INSURED		
1. Internal and external glass including mirrors; signwriting and treatment thereon being the property of the Insured or for which they are responsible	Yes	
2. Illuminated signs	Yes	
3. Additional claims preparation costs	No	

7. Fidelity Guarantee

Description	Included	Sum Insured
Loss of Money and/or property belonging to the Insured or for which they are responsible stolen by insured employee during the currency of this Section Direct financial loss sustained by the Insured as a result of fraud or dishonesty of an Insured employee all of which occurs during the currency of this Section which results in dishonest personal financial gain for the employee concerned		
A. Blanket Basis – The liability of the Insurer for all losses shall not exceed the Limit stated in the Schedule whether involving any one employee or any number of employees acting in collusion or independently of each other	Yes	R 500 000
B. Names and/or positions Basis – The liability of the Insurer for all losses involving any employee shall not exceed the Limit of Indemnity stated opposite their name in the Schedule or, if they are unnamed, the Limit of Indemnity stated opposite the position held by them in the Business stated in the Schedule	No	
Additional claims preparation costs	No	
EXTENSIONS AND CLAUSES		
Retroactive cover (12 Months-no previous insurance in force)	No	
Superseded insurances (.....years)	Yes	1
DETAILS		
Increase cost of working	No	
Reduction/Reinstatement of insured amount	Yes	1
Cost of recovery and investigations (where loss exceeds sum insured)	Yes	R 100 000
Computer losses	Yes	
Extension for losses discovered more than 24 months after being committed but not more than 36 months thereafter	No	
Extension granted on receipt of a satisfactory systems audit in respect of losses discovered more than 24 months after being committed	No	
If Yes - state name of accounting firm		

8. Goods in Transit

Description	Included	Sum Insured
All property belonging to the insured or for which they are responsible conveyed by or on behalf of the insured (including ropes; tarpaulins and packing materials in connection with the transit		
Means of conveyance: Road and/or rail and/or air	Yes	R 75 000
Additional claims preparation costs	No	
EXTENSIONS AND CLAUSES		
Debris Removal	Yes	R 10 000
Riot and Strike (other than RSA and Namibia)	No	
Fire; explosion; collusion; derailment and overturning limitation	No	
Fire extinguishing charges	Yes	R 1 000
Increased fire extinguishing charges	No	

9. Business All Risk

Description	Included	Sum Insured
As per attached schedule	Yes	R 15 819 044
EXTENSIONS AND CLAUSES		
Replacement value condition	Yes	
Increase in cost of working	Yes	
Riot and strike (other than in RSA and Namibia)	No	
Additional claims preparation costs	No	
FIRST AMOUNT PAYABLE		
1. Traffic and all other measuring equipment		R 2 500 per claim
2. Cellular phones		5 % of claim min R500
3. All other claims		R 2 500

10. Public Liability

Description	Included	Sum Insured
Basis of cover - Claims Made	Yes	R 25 000 000
If yes; state retroactive date		1/7/2016
Occurrence	No	
Limit of Indemnity	No	
EXTENSIONS AND CLAUSES		
Products liability	No	R 100 000
Territories: (excluding USA and Canada)	Yes	
Defective Workmanship liability	Yes	R 100 000
Legal Defence Costs	Yes	R 20 000
Wrongful arrest and defamation - per event per annual	Yes	R 200 000
Vibration; removal or weakening of support	No	
Spread of fire	Yes	R 500 000
Errors and Omissions (other than Medical Practitioners or other Medical Officials)	Yes	R 20 000
Professional Liability in respect of Medical Practitioners or other Medical Officials	Yes	R 500 000
Comprehensive insurance of pedal cycles	Yes	R 1 000
Extended reporting period	No	
Fire Extinguishing Charges	Yes	R 1 000 000

11. Employer's Liability

Description		Sum Insured
Damages which the Insured shall become legally liable to pay consequent upon death of or bodily injury to or illness of any person employed under contract of service or apprenticeship with the Insured, or any Councillor or any person on the business of the Council on a voluntary basis or otherwise, which occurred in the course of and in connection with such person's employment by the Insured within the territorial limits and on or after the retroactive date shown in the schedule and which results in a claim or claims first being made against the Insured in writing during the period of Insurance.		
Limit of Indemnity	Yes	R 2 000 000
Retroactive date		1/7/2016

12. Stated Benefits

Description	Included	Sum Insured
<p>Defined Events: Bodily injury caused by accidental, violent, external and visible means to any principal, partner, director, Councillor or employee of the Insured or any person on the Business of the Council whether on a voluntary basis or otherwise (hereinafter in this Section referred to as Such Person) specified in the Schedule</p> <p>The Insurer will pay to the Insured, on behalf of Such Person or their estate, the compensation stated in the Schedule in the event of accidental bodily injury to any Such Person directly and independently of all other causes resulting within 24 calendar months in Death or Disability as specified in the schedule under the heading Circumstances</p>		
Persons insured		
All Employees – Total Annual Salaries	Yes	R 220 000 000
23 x Councillors – Total Annual Salaries	Yes	R 13 000 000
Circumstances		
1. Death - x 2 times annual earnings	Yes	
2. Permanent disability x2		
Such percentage of ... times annual earnings as is specified for the particular disability	Yes	
3. Temporary Total Disability		
100 Percent of average weekly earnings per week for a period longer than one week but not longer than 104 weeks	Yes	
4. Medical expenses	Yes	R 5 000
5. Additional Death Benefit	Yes	R 1 000
6. Repatriation	Yes	R 10 000
7. Mobility	No	R 10 000
8. Relocation	Yes	R 10 000
EXTENSIONS AND CLAUSES		
Additional claims preparation costs	No	
Burns disfigurement	No	
Business limitation	Yes	
Passive War Risks	Yes	

13. Group Personnel Accident

Description	Included	Sum Insured
<p>Defined Events: Bodily injury caused by accidental, violent, external and visible means to any principal, partner, director, Councillor or employee of the Insured or any person on the Business of the Council whether on a voluntary basis or otherwise (hereinafter in this Section referred to as Such Person) specified in the Schedule</p> <p>The Insurer will pay to the Insured, on behalf of Such Person or their estate, the compensation stated in the Schedule in the event of accidental bodily injury to any Such Person directly and independently of all other causes resulting within 24 calendar months in Death or Disability as specified in the schedule under the heading Circumstances</p>		
Persons insured		
All councillors (24 hours cover)	Yes	
CIRCUMSTANCES		
Death (R150 000 per Councillor) (23 Councillors)	Yes	R 150 000
Permanent disability (Per Councillor)	Yes	A % of above as per policy
1. Temporary Total Disability	Yes	
For a period of longer than ... weeks but not longer than ... weeks	Yes	104
1. Medical Expenses	Yes	R 5 000
Additional Death Benefit	Yes	R 1 000
Repatriation	Yes	R 10 000
Mobility	Yes	R 10 000
Relocation	Yes	R 10 000
EXTENSIONS AND CLAUSES		
Additional claims preparation costs	No	
Burns disfigurement	No	
Business limitation	Yes	
Passive War Risks	Yes	
Mobility	Yes	

14. Homeowners

Description	Included	Sum Insured
All buildings of private houses; residential units; hostels; and flats including all domestic outbuildings and all fixtures and fittings therein; thereto and thereon; gates; walls and fencing belonging thereto being the property of the Insured or for which they are responsible or in which the Insured has an interest as mortgagee	Yes	
Standard Construction	Yes	R 217 254 612
Non Standard Construction	No	
EXTENSIONS		
Professional fees	Yes	
Additional Claims Preparation Cost	Yes	R 100 000
Debris Removal	Yes	R 1 000 000
Escalation Clause	No	
Subsidence and landslip	No	

15. Electronic Equipment

Description	Included	Sum Insured
Premises		
All premises permanently or temporarily owned; used or occupied by the Insured	Yes	
SUB-SECTION A : MATERIAL DAMAGE		
PROPERTY INSURED		
ITEM DESCRIPTION OF EQUIPMENT		
1. All computer equipment and accessories other than laptop computers including Photocopy Machines (as per schedule lodged)	Yes	R 8 657 621
2. Laptop computers and accessories (as per schedule lodged)	Yes	R 2 116 741
3. Data carrying media	No	
4. Proprietary software	No	
5. Additional claims preparation costs	No	R 100 000
SUB SECTION B : CONSEQUENTIAL LOSS		
1. Increased cost of working	Yes	R33 000
2. Reinstatement of data	Yes	R33 000
EXTENSIONS		
Additional claims preparation costs	No	
Transit and away from premises extension	Yes	
Telkom access lines extension	No	
Failure of electricity supply extension	No	
Prevention of Access	No	

16. Aerodrome owners / operators liability

Description	Included	Sum Insured
Definition: The company agrees to indemnify the insured in respect of all sums which the insured become legally liable to pay up to but not exceeding the amounts specified in the schedule consequent upon: 1. Bodily injury including illness to any person 2. Loss of physical damage to property		
Sub Section I		
As defined in the policy wording	Yes	R 25 000 000
Sub Section II		
As defined in the policy wording	No	
Sub Section III		
As defined in the policy wording	No	
EXCEPTIONS TO ALL SUB SECTIONS		
Employees		
Faulty workmanship		
Agreements		
War and other perils		
Noise pollution and other perils		
Radio Active Contamination		
Central tower		
Section		

Professional advice		
Penalties		

17. Motor Fleet

Description	Included	Sum Insured
NON SPECIFIC VEHICLE BASIS		
As per attached Risk schedule	Yes	R 46 682 671
EXTENSIONS AND CLAUSES (applicable to either basis)		
Additional claims preparation costs	No	
Carriage of explosives	No	
Contingent liability	Yes	R 1 000 000
Passenger liability	Yes	R 1 000 000
Fare paying passengers	No	
Other	No	
Unauthorised passenger liability	Yes	R 2 500 000
Parking facilities and movement of third party vehicles	Yes	R 1 000 000
Windscreen - First amount payable	Yes	AS PER LIST
Riot and strike (other than RSA and Namibia)	No	
Loss of keys - First amount payable	Yes	R200
Wreckage removal	Yes	
Credit shortfall	No	
LIMITATIONS (applicable to either basis)		
Third party only	No	AS PER LIST
Third party; fire and theft only	Yes	AS PER LIST
LIMIT OF THE COMPANY'S LIABILITY IN RESPECT OF THEFT OF:		
(a) radio; tape players and similar equipment (not applicable to such equipment if supplied as standard by the manufacturers when the vehicle is new)	Yes	R 2 000
(b) telephones	No	
THE LIMITS OF INDEMNITY (SUB SECTION B)		
(a) in respect of any occurrence directly or indirectly due to or in consequence of fire or explosion (other than in respect of the carriage of explosives)	Yes	R 2 500 000
(b) carriage of explosives	No	
(c) passenger liability (extension 2 and/or 3)	Yes	R 2 500 000
(d) any other event and the aggregate of (a);(b);(c)and(d)	Yes	R 2 500 000

Vehicle Insurance Category	Quantity	Total Value
COUNCIL VEHICLE LIMIT< R500,000	15	2 438 099,45
LDV'S LIMITS TO< R500,000	61	8 121 017,79
COMMERCIAL VEHICLE LIMITS TO< R500,000	14	2 781 813,18
COMMERCIAL VEHICLE LIMITS ABOVE> R500,001	2	1 164 062,50
TRACTORS LIMITS TO< R500,000	27	2 526 819,71
TRAILERS< R500,000	75	2 119 115,76
TRAILERS> R500,000	2	1 680 472,00
MOTOR CYCLES LIMIT TO< R500,000	1	9 780,08
SPECIAL TYPES LIMITS TO< R500,000	5	R 709 601
SPECIAL TYPES ABOVE> R500,001	13	R 16 592 959
FIRE ENGINES LIMITS TO< R500,000	1	R 24 450
FIRE ENGINES ABOVE> R500,001	6	R 8 514 481
		46 682 671

18. Directors and Officers

Description	Included	Sum Insured
Any error, misstatement, misleading statement, act, omission, negligence, or breach of duty actually or allegedly committed or attempted by any of the insured Persons, individually or otherwise, in their capacity as such or any matter claimed against an Insured Person an Insured Person solely by reason of his serving in such capacity. Except as may be otherwise specifically provided in the policy.	Yes	R 3 000 000
Insured Persons		
All Employees, Officials, Directors and Councillors		
EXTENSIONS AND CLAUSES		
Company/ Municipal Reimbursement	Yes	
Outside Directorship Liability	No	
Pollution Defence Cost	No	
Public Management act	Yes	
Reinstatement of Limit of Indemnity	Yes	Once
Retired Directors/Officers	Yes	
Tax COID and UIF Extension	No	
Employment Related Claims	Yes	As per Policy

19. Fire Extinguishing Charges

Description	Sum Insured
Any costs relating to the extinguishing or fighting of fire shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the company may be liable in terms of this section provided the insured is legally liable for such costs and the property insured was in danger from the fire.	R 1 500 000

20. Sasria

Comprehensive cover needed for the following policies:	
Combined	
Homeowners	
All Risks	
Money	
Glass	
Electronic Equipment	
Transit	
Motor Fleet	
Councillors	

ANNEXURE A

WITZENBERG MUNICIPALITY

Requested details of Bidder

1. Registered name of Insurance Broker.
2. Registration number of Insurance Broker.
3. Head office address.
4. Provide following details in terms of Financial Advisory and Intermediary Services Act, 2002
 - 4.1 Name of Service consultant and whether he/she complies with FAIS Act:
 - 4.2 Your FAIS Licence No
5. Provide full details of the services you propose providing in respect of the following:
 - 5.1 Detail of staff (number, position, experience, etc.) available at your office.
 - 5.2 Determination of Insurance needs.
 - 5.3 Placing of insurance for clients.
 - 5.4 Insurance advice to clients.
 - 5.5 Handling of Insurance claims.
 - 5.6 Which methods you use to:
 - 5.6.1 Obtain and negotiate cover
 - 5.6.2 Obtain and negotiate premium
 - 5.6.3 Revision of 5.6.1 and 5.6.2
 - 5.6.4 Provision of insurance information to clients
6. Indicate experience and expertise regarding insurance of Public Authorities e.g. do you have a specialist division and provide names of existing Local Authority clients
7. Provide details of your own legal representatives handling cases of repudiation of Insurance Claims by Insurers

Provide details of how you will manage the portfolio if you're appointed.

Provide documented proof of your registration as a professional broker by FIA

Provide documented proof of your ability to provide the guarantee as required by FIA

8. Provide the details of Insurers which will be used as the underwriters.
 - 8.1 Company name
 - 8.2 Shareholders
 - 8.3 Solvency Margin
 - 8.4 How long do Insurers exist
 - 8.5 Percentage of underwriting and applicable policy
9. Provide full details of your Professional Liability of Indemnity.

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE WITZENBERG MUNICIPALITY

BID NUMBER: 08/2/18/60

CLOSING DATE: 14 JUNE 2021

CLOSING TIME: 12:00

DESCRIPTION: SHORTTERM INSURANCE (RE-ADVERTISEMENT)

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

The following conditions to bid exist:

(Failure to comply may result in your bid being disqualified)

1. Bidders should ensure that bids are delivered timeously to the correct address as indicated below. If the bid is late, it will not be accepted for consideration. The bid box is generally open 24 hours a day, 7 days a week. **Telephonic, facsimile, electronic/mailed and late bids will not be accepted.**
2. All prices must **include VAT**.
3. Bids will be evaluated according to the 80/20 points system as stipulated in the Preferential Procurement Regulations of 2017 that was promulgated by the Minister of Finance on 20 January 2017 in Government Gazette No 40553.
4. Bidders must provide a valid Tax Verification Details (Tax reference number and valid third party verification pin) as issued by SARS in order to confirm their tax compliance status. Failure to provide such details may result in your bid being disqualified.
5. **Bid documents can be obtained during office hours from Monday to Thursday: 8h30 -13h00 and 13h45 - 15h30 and Fridays: 8h30 – 13h00 and 14h00 – 14h30 from the Witzenberg Municipality, Supply Chain Unit, Drommedaris Street, Ceres. Hard Copy Bid Documents can be obtained at a cost of R200.00 per set or alternatively Electronic bid documents can be obtained via email at no bid fee.**
6. The bids will be opened in the Council Chambers, Municipal Offices, 50 Voortrekker Street, Ceres in public immediately after the closing time at 12:00.
7. The bid must be properly received in a sealed envelope which must clearly indicate the description of the bid, the bid number and the name and postal address of the bidder on the outside of the sealed envelope. Unmarked bids will not be taken into consideration and will be returned.
8. The lowest or any bid shall not necessarily be accepted and the Municipality reserves the right to accept any part of the bid.
9. **An original or certified copy / copy of the bidder's Broad-Based Black Economic Empowerment (B-BBEE) certificate must be attached to this bid document in order to claim B-BBEE points.**
10. Do not dismember this Bid Document (do not take it apart or put documents between its pages).
11. All other documents of the submission must be **attached behind** this bid document.
12. The bidder must complete the checklist at the back of this bid document.
13. **Please note that any suspicious collusive bidding behaviour and restrictive practices by bidders will be reported to the Competition Commission for investigation and possible imposition of administrative penalties.**

NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE AS DEFINED IN THE MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS (GOVERNMENT GAZETTE NO 27636 DATED 30 MAY 2005)

SUBMISSION DETAILS

**SUBMISSION OF BID DOCUMENTS:
TO BE DEPOSITED IN:**

The bid box at the entrance of the Municipal Offices of Witzenberg Municipality
50 VOORTREKKER STREET
CERES

CONTACT DETAILS FOR ENQUIRIES:

Ms S Mentor Tel: (023) 312-1765: Email: supplychain@witzenberg.gov.za

**D NASSON
MUNICIPAL MANAGER**

DETAILS OF BIDDER (THE FOLLOWING PARTICULARS MUST BE FURNISHED. FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

Name of firm / entity / enterprise	
Trading as (if different from above)	
Postal address of enterprise	Line 1 : _____ Line 2: _____ Town/city _____ Postal code: _____
Physical address of enterprise	Line 1 : _____ Line 2: _____ Town/city _____ Postal code: _____
Contact details of the person signing the bid, being duly authorised to do so:	Name: _____ Telephone: _____ Fax: _____ Cellular telephone: _____ E-mail address: _____
Contact details of the senior manager responsible for overseeing contract performance:	Name: _____ Telephone: _____ Fax: _____ Cellular telephone: _____ E-mail address: _____
Contact Details of the Bidder's proposed Project Manager who will represent the Bidder in the implementation processes:	Name: _____ Telephone: _____ Fax: _____ Cellular telephone: _____ E-mail address: _____
Company income tax number	
Tax Compliance Status System PIN (issued by SARS)	
VAT registration number	
Company registration number	
Any other Registration applicable to this Industry	
Banking details	Name of account holder: _____ Name of bank: _____ Account number: _____ Branch code: _____

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE WITZENBERG MUNICIPALITY					
BID NUMBER:	08/2/18/60	CLOSING DATE:	14 JUNE 2021	CLOSING TIME:	12:00
DESCRIPTION	SHORTTERM INSURANCE (RE-ADVERTISEMENT)				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

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

SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]	
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE	R	
SIGNATURE OF BIDDER		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT	Supply Chain		CONTACT PERSON	Mr W Mars	
CONTACT PERSON	Ms Shayle Mentor		TELEPHONE NUMBER	023 312 1765	
TELEPHONE NUMBER	023 312 1761 / 5		FACSIMILE NUMBER	023 312 1934	
FACSIMILE NUMBER	023 312 1934		E-MAIL ADDRESS	william@witzenberg.gov.za	
E-MAIL ADDRESS	supplychain@witzenberg.gov.za				

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO
- 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? YES NO
- 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? YES NO
- 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? YES NO
- 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? YES NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

RESOLUTION TAKEN BY THE BOARD OF DIRECTORS / MEMBERS / PARTNERS RESOLUTION of a meeting of the Board of Directors / Members / Partners of

_____ (Name of Bidder)

Held at _____ (place)

On _____ (date)

RESOLVED THAT:

1. The enterprise submit a bid to Witzenberg Municipality in respect of the following project:

BID 08/2/18/60: SHORTTERM INSURANCE (RE-ADVERTISEMENT)

2. Mr/Mrs./Ms _____

In his/her capacity as _____

and who will sign as follows: _____
(Specimen signature)

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 or all documentation resulting from the award of the bid to the enterprise mentioned above.

Note: The resolution must be signed by all the directors or members / partners of the bidding enterprise. Should the space provided below not be sufficient for all directors to sign, please provide a separate sheet in the same format as below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			

Enterprise Stamp

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:	Bid Number: 08/2/18/60
Closing Time: 12:00	Closing Date: 14 JUNE 2021

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

The premium will be payable in one annual payment to the successful bidder.

TABLE A

TYPE OF POLICY	PREMIUM FOR 1 YEAR CONTRACT (Vat Inclusive)
	YEAR 1: 2021/22
Combined Policy	
Businessinterruption	
Accounts Receivable	
Theft	
Money	
Glass	
Fidelity Guarantee	
Goods in Transit	
Business All Risk	
Public Liability	
Employer’s Liability	
Stated Benefits	
Personnel Accident	
Homeowners	
Electronic Equipment	
Aerodrome owners / operators liability	

TYPE OF POLICY	SUMMARY OF PREMIUM PER ANNUM (Vat Inclusive)
	YEAR 1: 2021/22
Motor Fleet	
Directors & Officers	
Fire extinguishing charges	
SASRIA	
Broker Fee (If any)	
Finance Charges (If any)	
TOTAL BID AMOUNT FOR EVALUATION PER YEAR	
TOTAL BID AMOUNT (VAT INCL)	

TABLE B (OPTIONAL)

TYPE OF POLICY	Estimated Qty	SUMMARY OF PREMIUM PER ANNUM (Vat Inclusive)
		2021/22
Assessment of Vehicle Insurance Replacement Values	200	
TOTAL PREMIUM (VAT Inclusive)		

TABLE C (OPTIONAL)

TYPE OF POLICY	Estimated Qty	SUMMARY OF PREMIUM PER ANNUM (Vat Inclusive)
		2021/22
Assessment of Municipal Buildings to ensure adequate cover is in place	200	
TOTAL PREMIUM (VAT Inclusive)		

It is compulsory for bidders to bid for all items within the pricing schedule. If not, the bid will be considered as non-responsive.

Required by:

Mr W Mars

- At:

50 Voortrekker Street, Ceres

- Does offer comply with specification? *YES/NO
- If not to specification, indicate deviation(s)
- Period required for delivery
- Delivery: *Firm/not firm

VALUE ADDED TAX

The following forms part of the General Conditions of Contract (July 2010):

Where the value of an intended contract will exceed R1 000 000, 00 (R1 million) it is the bidder's responsibility to be registered with the South African Revenue Service (SARS) for VAT purposes in order to be able to issue tax invoices.

It is a requirement of this contract that the amount of value-added tax (VAT) must be shown clearly on each invoice.

The amended Value-Added Tax Act requires that a Tax Invoice for supplies in excess of R3 000 should, in addition to the other required information, also disclose the VAT registration number of the recipient, with effect from 1 March 2005.

The VAT registration number of the Witzenberg Municipality is **4000-846-206**.

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.

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

3.1 Full Name of bidder or his or her representative:.....

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, shareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? YES / NO

3.8.1 If yes, furnish particulars.

.....

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

3.9.1 If yes, furnish particulars.....

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

with the evaluation and or adjudication of this bid? YES / NO

3.10.1 If yes, furnish particulars.....

.....

¹MSCM Regulations: "in the service of the state" means to be –

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

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

3.11 Are you, aware of any relationship (family, friend, other) between

any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? **YES** / **NO**

3.11.1 If yes, furnish particulars

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

3.12.1 If yes, furnish particulars.....

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

3.13.1 If yes, furnish particulars.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. **YES** / **NO**

3.14.1 If yes, furnish particulars:.....

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

Full Name	Identity Number	Personal income tax reference number	State Number	Employee

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

RESPONSIVENESS AND EVALUATION CRITERIA

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

RESPONSIVENESS CRITERIA

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

- a) The bid must be properly received in a sealed envelope which must clearly indicate the description of the service and the bid number on the outside of the sealed envelope for which the bid is submitted.
- b) The bid must be deposited in the relevant Bid box as indicated on the notice of the bid on or before the closing date and time of the bid. **Telephonic, facsimile, electronic/emailed and late bids will not be accepted.**
- c) Bidders must provide a valid Tax Verification Details (Tax reference number and valid third party verification pin) as issued by SARS in order to confirm their tax compliance status. Failure to provide such details may result in your bid being disqualified.
- d) The official bid document must be fully completed in indelible ink. Where information requested does not apply to the bidder and the space is left blank, it will be deemed to be not applicable.
- e) An original or certified copy / copy of the bidder's Broad-Based Black Economic Empowerment (B-BBEE) certificate must be attached to this bid document in order to claim B-BBEE points.
- f) All requested relevant and/or additional documentation such as Compliance Certificates, professional registration, artisan qualification, etc, must be submitted with the bid document.
- g) Bidders must submit a certified statement signed by the bidder declaring that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days (Annexure A).
- h) The bidder must be in good standing to do business with the public sector in terms of Regulation 38 of the Supply Chain Management Regulations (Government Gazette 27636 of 30 May 2005).
- i) **Please note that any suspicious collusive bidding behaviour and restrictive practices by bidders will be reported to the Competition Commission for investigation and possible imposition of administrative penalties.**
- j) If the entity submitting a bid is a Joint Venture or Consortium or Partnership, each party to that formation must submit all the above information.
- k) The bidder must adhere to the Pricing Instructions. Bidders must complete the Pricing Schedule MBD 3.1
- l) **Arithmetical Errors**

Check the highest ranked tender or tenderer with the highest number of tender evaluation points after the evaluation of tender offers in accordance with 6.1 for:

- a) The gross misplacement of the decimal point in any unit rate;
- b) Omissions made in completing the pricing schedule or bills of quantities; or
- c) Arithmetic errors in:
 - i) Line item totals resulting from the product of a unit rate and a quantity in bills of quantities or schedules of prices; or
 - ii) The summation of the prices.

Responsive bids will be checked for arithmetical errors and corrected in the following manner:

- i. Where there is a discrepancy between the amounts in figures and words, the amounts in words shall govern. If bills of quantities (or schedule 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.
- ii. 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 shall be corrected.
- iii. 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 tenderer's addition of prices, the total of the prices shall govern and the tenderer will be asked to revise selected item prices (and their rates if bills of quantities apply) to achieve the tendered total of the prices.

Consider the rejection of a tender offer if the tenderer does not correct or accept the correction of the arithmetical error in the manner described above.

- m) The Bidder's details must be provided.
- n) The necessary document authorising the Representative to sign and submit the bid on the bidder's behalf must be completed and signed.
- o) The Declaration of Interests by the bidder must be completed and signed.
- p) The bid must comply with all the minimum technical specifications.
- q) The MBD 9 (prohibition of restrictive practices) must be completed and signed.
- r) Checklist at the back of the bid document must be completed and adhered to.
- s) The additional Conditions of Tender are:

REGULATION 21

2.If the value of the bid is expected to exceed R5 million (VAT included), bidders must furnish the following with the bid:

(i) If the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements –

(aa) for the past three years; or

(bb) since their establishment if established during the past three years;

(ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;

(iii) Particulars of any contracts awarded to the bidder 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;

(iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic;

EVALUATION OF BIDS

- a) All bids received shall be evaluated in terms of the Witzenberg Supply Chain Management Policy, Supply Chain Management Regulations, the Preferential Procurement Policy Framework Act no 5 of 2000 and the Preferential Procurement Regulations of 2017 that was promulgated by the Minister of Finance on 20 January 2017 in Government Gazette No 40553.
- b) The Council reserves the right to accept all, some, or none of the bids submitted — either wholly or in part — and it is not obligated to accept the lowest bid.
- c) The municipality may accept any offer notwithstanding the fact that the offer does not comply with the bid invitation in respect of which the offer has been made subject to the following:

AREAS TO BE INCLUDED IN EVALUATION PROCESS:

Evaluation of Preference Points

The point's allocation for this bid will be as follows:

Price	80 points
B-BBEE Status Level of Contribution	20 points
Total	<u>100 points</u>



GOVERNMENT PROCUREMENT:

GENERAL CONDITIONS OF CONTRACT

Made and entered into between:

Witzenberg Municipality
(hereinafter referred to as the "Client")

AND

(Hereinafter referred to as the Client)

TABLE OF CLAUSES

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

GENERAL CONDITIONS OF CONTRACT

1. DEFINITIONS

The following terms shall be interpreted as indicated:

- 1.1 **“Closing time”** means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2 **“Contract”** means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 **“Contract price”** means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4 **“Corrupt practice”** means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 **“Countervailing duties”** are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 **“Country of origin”** means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 **“Day”** means calendar day.
- 1.8 **“Delivery”** means delivery in compliance of the conditions of the contract or order.
- 1.9 **“Delivery ex stock”** means immediate delivery directly from stock actually on hand.
- 1.10 **“Delivery into consignees store or to his site”** means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.
- 1.11 **“Dumping”** occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 **“Force majeure”** means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 **“Fraudulent practice”** means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 **“GCC”** means the General Conditions of Contract.
- 1.15 **“Goods”** means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

- 1.16 **“Imported content”** means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.
- 1.17 **“Local content”** means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 **“Manufacture”** means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 **“Order”** means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 **“Project site,”** where applicable, means the place indicated in bidding documents.
- 1.21 **“Purchaser”** means the organization purchasing the goods.
- 1.22 **“Republic”** means the Republic of South Africa.
- 1.23 **“SCC”** means the Special Conditions of Contract.
- 1.24 **“Services”** means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 **“Supplier”** means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 **“Tort”** means in breach of contract.
- 1.27 **“Turnkey”** means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.28 **“Written” or “in writing”** means hand-written in ink or any form of electronic or mechanical writing.

2. APPLICATION

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

3. GENERAL

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

4. STANDARDS

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

5. USE OF CONTRACT DOCUMENTS AND INFORMATION INSPECTION

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

6. PATENT RIGHTS

- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

7. PERFORMANCE SECURITY

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque.
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. INSPECTIONS, TESTS AND ANALYSES

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

9. PACKING

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

10. DELIVERY AND DOCUMENTS

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

11. INSURANCE

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

12. TRANSPORTATION

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

13. INCIDENTAL SERVICES

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

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

14. SPARE PARTS

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

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. WARRANTY

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

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

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

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

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

16. PAYMENT

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated.
- 16.5 Where the value of an intended contract will exceed R1 000 000, 00 (R1 million) it is the bidder's responsibility to be registered with the South African Revenue Service (SARS) for VAT purposes in order to be able to issue tax invoices. It is a requirement of this contract that the amount of value-added tax (VAT) must be shown clearly on each invoice. The amended Value-Added Tax Act requires that a Tax Invoice for supplies in excess of R3 000 should, in addition to the other required information, also disclose the VAT registration number of the recipient, with effect from 1 March 2005. The VAT registration number of the Witzenberg Municipality is **4000-846-206**.

17. PRICES

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

18. VARIATION ORDERS

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

19. ASSIGNMENT

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

20. SUBCONTRACTS

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

21. DELAYS IN THE SUPPLIER'S PERFORMANCE

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.
- 21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.
- 21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. PENALTIES

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

23. TERMINATION FOR DEFAULT

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - (b) if the supplier fails to perform any other obligation(s) under the contract; or
 - (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

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

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

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

24. ANTIDUMPING AND COUNTERVAILING DUTIES AND RIGHTS

- 24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

25. FORCE MAJEURE

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. TERMINATION FOR INSOLVENCY

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

27. SETTLEMENT OF DISPUTES

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. LIMITATION OF LIABILITY

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

29. GOVERNING LANGUAGE

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

30. APPLICABLE LAW

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

31. NOTICES

- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. TAXES AND DUTIES

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. TRANSFER OF CONTRACTS

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

34. AMENDMENT 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.

Signed at on this day of 20.....

As Witnesses:

1.

CLIENT

2.

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

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

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

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to all bids:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
 - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

- 1.2 a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable;

- 1.3 Points for this bid shall be awarded for:
- (a) Price; and
 - (b) B-BBEE Status Level of Contributor.

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with

5. BID DECLARATION

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

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

6.1 B-BBEE Status Level of Contributor: . =(maximum 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

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

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted.....%

ii) The name of the sub-contractor.....

iii) The B-BBEE status level of the sub-contractor.....

iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

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

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....
.....
.....

8.6 COMPANY CLASSIFICATION

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

8.7 MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account Number:

Stand Number:.....

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

8.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
 - ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
 - iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
- (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

WITNESSES:

- 1.
- 2.

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

DATE:.....

ADDRESS:

.....
.....

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

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

4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.5.1	If so, furnish particulars:		

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid: **BID 08/2/18/60: SHORTTERM INSURANCE (RE-ADVERTISEMENT)** for the bid made by **WITZENBERG MUNICIPALITY** does hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: _____ that:

(Name of Bidder)

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

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

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

10. NOTIFICATION OF DECISION AND APPEAL PERIOD

If the Supply Chain Management Bid Adjudication Committee, or the Municipal Manager, has resolved that a bid be accepted, the successful and unsuccessful bidders shall be notified in writing of this decision.

Section 62 of the Local Government Municipal Services Act 2000 (Act 32 of 2000) gives any person whose rights have been affected by such a decision, the right to appeal such decision within **21 days** of notification of the decision.

Any bidder wishing to exercise this right must submit their appeal in writing to the Municipal Manager, PO Box 44, Ceres, 6835. The format of the appeal must:

- set out the reasons for the appeal;
- state in which way the appellant's rights have been affected by the decision;
- state the remedy sought, and
- be accompanied by a copy of the notification advising the bidder of the decision of the Supply Chain Management Bid Adjudication Committee or Municipal Manager as applicable.

Bidders are also hereby informed of their right to request reasons for the decision in terms of the Promotion of Administrative Justice Act (No 3 of 2000).

The consideration of appeals and if necessary, the invalidation of any decision made, shall be dealt with in terms of the Municipality's appeals process.



BID 08/2/18/60: SHORTTERM INSURANCE (RE-ADVERTISEMENT)

Authorization to deduct outstanding amounts

To: Municipal Manager, Witzenberg Municipality

From: _____
(Name of Bidder or Consortium)

AUTHORISATION FOR THE DEDUCTION OF OUTSTANDING AMOUNTS OWED TO COUNCIL

I, THE UNDERSIGNED, _____,
(Full name in block letters)

Hereby authorise the Witzenberg Municipality to deduct the full amount outstanding by the business organization / Director, shareholder, partner, etc from any payment due to us / me.

.....
Signature

THUS DONE AND SIGNED for and on behalf on the Bidder / Contractor

at on the day of 20.....
(Place) (Date) (Month) (Year)

in the presence of the subscribing witnesses.

AS WITNESSES:

1..... Name in Block Letters:
(Signature)

2..... Name in Block Letters:
(Signature)

To: Municipal Manager, Witzenberg Municipality

CERTIFICATE FOR MUNICIPAL SERVICES AND PAYMENTS TO SERVICE PROVIDER

BID 08/2/18/60: SHORTTERM INSURANCE (RE-ADVERTISEMENT)

NAME OF THE BIDDER:

FURTHER DETAILS OF THE BIDDER/S; Proprietor / Director/s / Partners, etc:

Physical business address of Bidder	Municipal Account numbers

If there is not enough space for all the names, please attach the additional details to the Bid Document

Name of Director/Member/Partner	Identity number	Physical residential address of Director/Member/Partner	Municipal Account numbers

I, _____, **the undersigned,** (full name in block letters)

certify that the information furnished on this declaration form is correct and that I/we have no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days. Bidders must attach a copy of their Municipal Account.

Signature

THUS DONE AND SIGNED for and on behalf on the Bidder / Contractor

at on the day of 20.....
(Place) (Date) (Month) (Year)

Please Note: Even if the requested information is not applicable to the Bidder, the table above should be endorsed. Not Applicable and THIS DECLARATION MUST STILL BE SIGNED

CHECK LIST FOR COMPLETENESS OF BID DOCUMENT

The bidder must ensure that the following checklist is completed, that the necessary documentation is attached to this bid document and that all declarations are signed:

**Mark with "X" where applicable*

Items to be checked	Yes	No	Comments
1. Completed page containing the details of bidder			
2. Bidders must provide a valid Tax Verification Details (Tax reference number and valid third party verification pin) as issued by SARS in order to confirm their tax compliance status. Failure to provide such details may result in your bid being disqualified.			
3. Adhered to the pricing instructions (MBD 3.1)			
4. Completed and signed declaration of interest (MBD 4)			
5. An original or certified copy / copy of the bidder's Broad-Based Black Economic Empowerment (B-BBEE) certificate must be attached to this bid document in order to claim B-BBEE points.			
6. Signed declaration of bidder's past supply chain management practices (MBD 8)			
7. Prohibition of Restrictive Practices (MBD 9) be completed and signed			
8. Bidder must complete the table of current/ previous experience			
9. Bidder must attach all applicable certificates as required under the pre-qualification criteria section of the bid			
10. Adhered to pre-qualification criteria			
11. Bidder must initial every page of this bid document			
12. Latest municipal account of the bidder and its directors must be attached If the bidder is not responsible for the payment of municipal rates and/ services, details in support of this must be attached to this bid document e.g. letter from landlord			
13. Bidders must provide certified proof of registration with the Financial Sector Conduct Authority.(Proof must be attached)			
14. Bidders must provide proof of Professional Indemnity to a minimum of R5 000 000.00 (Proof must be attached)			

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME.....)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS CHECK LIST IS TRUE AND CORRECT.

.....
Signature

.....
Date

.....
Position

.....
Name